TRIGYN technologies

Quality System

Quality Endorsed Company

ANNUAL REPORT 2007 - 2008

QUALITY POLICY

At Trigyn Technologies Limited, the management and the employees are committed to secure a long term partnership with each customer. We are into the business of providing Custom Engineeered Software Solutions, Product Development, Consulting Assignments, Software Migration & Maintenance. We want to be the preferred supplier of the products and services that we offer. We intend doing this by :

- Ensuring that all products and services will provide complete satisfaction through meeting or exceeding the mutually agreed requirements and expectations consistently.
- Fostering a team environment where quality is everyone's responsibility.
- Promoting a philosophy of continuous improvement embraced by each and every employee.
- Inculcate awareness in all our employees to be responsible for what they produce.

Goals :

☞ To maintain and continuously improve Quality System based on ISO 9001:2000 standards

☞ To maintain and continuously improve Quality System based on SEI - CMMI Level 3

☞ Introduce / Inculcate TQM culture & Business Excellence to achieve :

- Customer Delight
- Empowered Employees
- Higher Revenues
- Lower Costs

TRIGYN
technologies

BOARD OF DIRECTORS

R. GANAPATHI	-	Chairman and Executive Director
Dr. P. RAJA MOHAN RAO	-	Non - Executive Director
C.V. RAO	-	Non - Executive Director
Dr. C. RAO KASARABADA	-	Non - Executive Director
RICHARD RAJA	-	Independent Director
VIVEK KULKARNI	-	Independent Director
CH. V.V.PRASAD	-	Independent Director
D. RAVI KANTH	-	Independent Director

CHIEF FINANCIAL OFFICER
MILIND TELAWANE

COMPANY SECRETARY
RAJESH SHIRAMBEKAR

AUDITORS
PRICE WATERHOUSE
CHARTERED ACCOUNTANTS

INTERNAL AUDITORS
KISHORE PARIKH & CO.,
CHARTERED ACCOUNTANTS

BANKERS
PUNJAB NATIONAL BANK
ING VYASYA BANK
HDFC BANK

REGISTERED / CORPORATE OFFICE
UNIT 27, SDF I,
SEEPZ - SEZ, ANDHERI (E),
MUMBAI 400 096.

BANGALORE OFFICE
SAHASRA SREE, #88, EPIP AREA,
WHITEFIELD, BANGALORE - 560 066

US OFFICE
100, METROPLEX DRIVE, EDISON, NJ 08817 USA.

GERMANY OFFICE
JULIUS-MOSER –STR.9
D-75179 PHORZHEIM, GERMANY.

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of **Trigyn Technologies Limited** will be held on Tuesday, December 23, 2008 at 3.30 p.m. at All India Plastics Manufacturers' Association Auditorium, AIPMA House, A-52, Road No. 1, M.I.D.C., Andheri (E), Mumbai 400 093 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2008 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. C. V. Rao, who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint a Director in place of Dr. C. Rao Kasarabada, who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint M/s Price Waterhouse, Chartered Accountants, the retiring auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting on such remuneration as may be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 262 of the Companies Act, 1956, Mr. Richard Raja, in respect of whom a written notice has been received from a member proposing his election to the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation."

6. To appoint a director in place of Dr. P. Raja Mohan Rao, who was appointed as an Additional Director of the Company by the Board of Directors at their Meeting held on April 29, 2008, pursuant to Article 131 of the Articles of Association of the Company and under Section 260 of the Companies Act, 1956 and in respect of whom notice in writing have been received by the Company from a member proposing his candidature for the office of a director and, to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:-

   "**RESOLVED THAT** Dr. P. Raja Mohan Rao be and is hereby appointed as the Director of the Company."

7. To appoint a director in place of Mr. Vivek Kulkarni, who was appointed as an Additional Director of the Company by the Board of Directors at their Meeting held on July 30, 2008, pursuant to Article 131 of the Articles of Association of the Company and under Section 260 of the Companies Act, 1956 and in respect of whom notice in writing have been received by the Company from a member proposing his candidature for the office of a director and, to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:-

   "**RESOLVED THAT** Mr. Vivek Kulkarni be and is hereby appointed as the Director of the Company."

8. To consider and, if thought fit, to pass, with or without modification(s), as an Ordinary Resolution, the following :

   "**RESOLVED THAT** pursuant to the provisions of Section 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), and subject to such approvals as may be necessary, the Authorised Share Capital of the Company be and it is hereby increased from Rs.40,00,00,000/- (Rupees Forty Crores Only) divided into 3,50,00,000 (Three Crores Fifty Lakhs only) Equity Shares of Rs.10/- each and 50,00,000 (Fifty Lakhs Only) Preference Shares of Rs.10/- each to Rs.55,00,00,000/- (Rupees Fifty Five Crores Only) divided into 5,00,00,000 (Five Crores only) Equity Shares of Rs.10/- each and 50,00,000 (Fifty Lakhs Only) Preference Shares of Rs.10/- each.

   "**RESOLVED FURTHER THAT** the existing Clause V of the Memorandum of Association of the Company be altered accordingly, as under:

'V. The Authorised Share Capital of the Company is Rs. 55,00,00,000/- (Rupees Fifty Five Crores) divided into divided into 5,00,00,000 (Five Crores only) Equity Shares of Rs.10/- each and 50,00,000 (Fifty Lakhs Only) Preference Shares of Rs.10/- each, with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with the power to increase and reduce the capital of the Company and vary, modify or abrogate any such rights, privileges or conditions in such a manner as may be permitted by the Companies Act, 1956 or the statutory modifications thereof for the time being in force or provided by the Articles of Association of the Company for the time being.

RESOLVED FURTHER THAT the Board be and it is hereby authorised to take all such steps and to do all such acts, deeds and things necessary, expedient or desirable to give effect to this resolution."

9. To consider and, if thought fit, to pass, with or without modification(s), as a Special Resolution, the following :

   The existing Article 8 be and it is hereby deleted and the following Article 8 is substituted therefor:

   8. The Authorised Share Capital of the Company is Rs. 55,00,00,000/- (Rupees Fifty Five Crores only) divided into 5,00,00,000 (Five Crores only) Equity Shares of Rs.10/- each and 50,00,000 (Fifty Lakhs Only) Preference Shares of Rs.10/- each.

10. To consider and if thought fit, to pass with or without modification(s), as a Special Resolution, the following :-

    "RESOLVED THAT subject to the provisions of Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 and other approvals as may required, consent of the Company be and it is hereby accorded to the re-appointment of Mr. R. Ganapathi as Executive Director of the Company for a period of one year with effect from April 1, 2008 and that the draft Agreement between the Company and Mr. R. Ganapathi, setting out the terms and conditions including remuneration placed before the meeting duly initialled by Mr. C. V. Rao, Director of the Company, for the purpose of identification, be and it is hereby approved."

    RESOLVED FURTHER THAT if in any financial year during the currency of the tenure, the Company has no profits or the profits of the Company are inadequate, the Company will pay to Mr. R. Ganapathi the remuneration as specified in the aforesaid draft Agreement as minimum remuneration."

    RESOLVED FURTHER THAT the Board of Directors / Remuneration Committee of the Company be and is hereby authorised to alter, vary and modify the aforesaid terms and conditions in such a manner as may be directed by the Central Government or any other Statutory or Quasi-Judicial Authority and otherwise to do all such acts, matters, deeds and things as may be necessary to implement this Resolution."

11. To consider and if thought fit, to pass with or without modification(s), as a Special Resolution, the following :-

    "RESOLVED THAT subject to the provisions of Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 and other approvals as may required, consent of the Company be and it is hereby accorded to the appointment of Mr. S. Mukundan as the Whole-time Director of the Company designated as "Director – Operations" for a period from August 1, 2008 to October 21, 2008 and that the draft Agreement between the Company and Mr. S. Mukundan, setting out the terms and conditions including remuneration placed before the meeting duly initialled by Mr. R. Ganapathi, Chairman and Executive Director of the Company, for the purpose of identification, be and it is hereby approved."

    RESOLVED FURTHER THAT the Board of Directors / Remuneration Committee of the Company be and is hereby authorised to to do all such acts, matters, deeds and things as may be necessary to implement this Resolution."

By Order of the Board of Directors
For Trigyn Technologies Limited

Rajesh Shirambekar
Company Secretary

Regd. Office :
27, SDF I, SEEPZ, M.I.D.C.,
Andheri (East),
Mumbai - 400 096

Place : Mumbai
Date : November 21, 2008

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The Explanatory Statement as required under Section 173 (2) of the Companies Act, 1956 in respect of Item nos.5 to 11 is annexed hereto.

3. The Register of Members and Share Transfer Books of the Company will remain closed from December 15, 2008 to December 23, 2008 (both days inclusive).

4 The instrument appointing a Proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before the time fixed for the meeting.

5. Members / Proxies should bring the Attendance Slip duly filled in and hand over the same at the entrance of the place of the meeting.

6. Members desiring any information on the business to be transacted at the meeting are requested to write to the Company at least ten days in advance to enable the Management to keep the information ready at the meeting, to the extent possible.

7. Members are requested to inform any change in their address immediately to the Company's Registrar & Transfer Agents in case physical shareholding or their respective Depository Participants so far as electronic shareholding is concerned.

8. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the Meeting.

By Order of the Board of Directors
For Trigyn Technologies Limited

Rajesh Shirambekar
Company Secretary

Regd. Office :
27, SDF I, SEEPZ, M.I.D.C.,
Andheri (East),
Mumbai - 400 096

Place : Mumbai
Date : November 21, 2008

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No.5

The Board of Directors of the Company at its meeting held on September 7, 2006 had appointed Mr. Richard Raja as the Director of the Company, in the casual vacancy caused by the resignation of Mr. Anil Kale from the Board of Directors of the Company. Pursuant to the provisions of Section 262 of the Companies Act, 1956, Mr. Richard Raja will hold office as Director only upto the date of this Annual General Meeting.

The Company has received a written notice from a member in accordance with the provisions of Section 257 of the Companies Act, 1956 proposing the name of Mr. Richard Raja for election to the office of Director. The Board accordingly recommends the proposed resolution for your approval.

Except Mr. Richard Raja, none of the other Directors, is in any way concerned or interested in the proposed resolution.

Item No.6 & 7

Dr. P. Raja Mohan Rao was appointed as Additional Director on the Board of the Company with effect from April 29, 2008. Mr. Vivek Kulkarni was appointed as Additional Director on the Board of the Company with effect from July 30, 2008 under Article 131 of the Articles of the Association of the Company and under Section 260 of the Companies Act, 1956. The aforesaid Directors hold their respective offices as Additional Directors upto the date of the ensuing Annual General Meeting of the Company. Notices in writing have been received from some of the members of the Company under Section 257 of the Companies Act, 1956 signifying their intention to propose the aforesaid Directors as the candidates to the offices of the Directors of the Company.

A brief profile of the aforesaid directors pursuant to Clause 49 of the Listing Agreement is mentioned in elsewhere in the notice convening the meeting.

It would be in the interest of the Company to avail of the valuable experience and guidance of Dr. P. Raja Mohan Rao and Mr. Vivek Kulkarni. The Board recommends the appointment of Dr. P. Raja Mohan Rao and Mr. Vivek Kulkarni as Directors of the Company.

Dr. P. Raja Mohan Rao and Mr. Vivek Kulkarni, are concerned or interested in resolutions in respect of their own appointment. Mr. C. V. Rao may also deemed to be concerned or interested in the resolution as a relative of Dr. P. Rajamohan Rao. Save as aforesaid, none of the other Directors of the Company is, in any way, concerned or interested in the Resolutions.

Item 8 & 9

The Company's present Authorised Capital is Rs.40,00,00,000/- (Rupees Forty Crores only) divided into 3,50,00,000 (Three Crore Fifty Lakhs) Equity Shares of Rs.10/- each and 50,00,000 (Fifty Lakhs) Preference Shares of Rs.10/- each.

In view of future growth plans, it is proposed to increase the Authorised Share Capital of the Company to Rs.55,00,00,000/- (Rupees Fifty Five Crores Only) divided into 5,00,00,000 (Five Crores only) Equity Shares of Rs.10/- each and 50,00,000 (Fifty Lakhs Only) Preference Shares of Rs.10/- each. Consequent upon the proposed increase in the Authorised Share Capital of the Company, Clause V of the Memorandum of Association and Article 8 of the Articles of Association will be required to be altered.

A copy of the Memorandum and Articles of Association of the Company will remain open for inspection by the Members at the Registered Office of the Company during 11 a.m. to 01.00 p.m. on any working day prior to the date of the Meeting.

None of the Directors of the Company is, in any way, concerned or interested in the Resolution. Your Directors recommend this resolution.

Item No. 10

The Board of Directors at its Meeting held on April 29, 2008, re-appointed Mr. R. Ganapathi as the Executive Director w.e.f. April 1, 2008 for a term of one year on the terms set out in the draft Agreement.

The remuneration payable to Mr. R. Ganapathi as Executive Director has been approved by the Remuneration Committee of the Board of Directors at its meeting held on April 29, 2008.

A statement as required under the first proviso (sub clause (iv) of clause (c) of Section II of Part II of Schedule XIII of the Companies Act, 1956 is as follows:

I. General Information

Your Company in to Information Technology (IT) Sector for last 22 years. The Ministry of Information Technology, Government of India controls the IT sector. During the current financial year your Company has achieved a revenue of Rs. 13.86 crores excluding other income and has reported a Net Profit after tax of Rs.4.02 crores. Your Company received foreign exchange earnings of Rs.13.86 crores.

II Information about the Appointee

As the Executive Director of the Company w.e.f. April 1, 2007, Mr. R. Ganapathi has made valuable contributions in the growth of the Company which has reflected in the current financial results.

Mr. R. Ganapathi is an IIT, Madras graduate with a B.Tech Degree. He is also a fellow of the Indian Institute of Foreign Trade. He gained a rich experience while working with Bharat Heavy Electricals Ltd. and Best & Crompton Ltd. He is actively involved in execution of welfare projects undertaken by Rotary Club, Chennai. He also have a marketing consultancy firm in the areas of power projects and power transmission. He is also associated with software training. He represents as a nominee of Electronics Corporation of Tamilnadu on board of companies.

Mr. R. Ganapathi is concerned or interested in the Resolution. Save as aforesaid, none of the other Directors of the Company is, in any way, concerned or interested in the Resolution.

III Other Information

Information Technology sector is highly volatile to technology changes and also prone o the fluctuations in the foreign currency. Your Company earns major export revenue from USA. The profit earned by your Company in the current financial year may be inadequate for the payment of managerial remuneration. The Company has chalk out aggressive growth plans in various sectors of IT sector to boost the future revenues.

IV Disclosure

The draft Agreement between the Company and Mr. R. Ganapathi, inter alia, contains the following terms and conditions:-

(a) Basic Salary : Rs.1,50,000/- per month

(b) Perquisites : Mr. R. Ganapathi shall be entitled to the following Perquisites which shall not be included in the computation of the ceiling on remuneration:

Contribution to Provident Fund as per rules of the company.

Mr. R. Ganapathi will also be entitled to reimbursement of business promotion expenses actually incurred by him in the course of business of the Company.

Mr. R. Ganapathi will also be entitled to reimburse from the Company traveling, hotel and other expenses incurred at actual in performance of the duties on behalf of the Company.

Mr. R. Ganapathi shall not so long as he functions as such, become interested or otherwise concerned in any selling agency of the Company in future without the prior approval of the Central Government / Company Law Board.

The draft Agreement and the Resolution of the Annual General Meeting referred to in the Resolution will be open for inspection by the Members at the Registered Office of the Company on any working day between 11:00 a.m. and 01:00 p.m., prior to the date of the meeting.

This may also be treated as an abstract of the draft Agreement and the Memorandum of Interest of Directors therein pursuant to the provisions of Section 302 of the Companies Act, 1956.

Your Directors are confident that re-appointment of Mr. R. Ganapathi as an Executive Director shall benefit the overall growth in business of the Company and therefore recommend the resolution for your kind approval.

Item No.11

Mr. S. Mukundan was appointed as the Additional Director w.e.f. April 29, 2008 and as the Whole-time Director designated as “Director – Operations” w.e.f. August 1, 2008 by the Board of Directors at the meetings held on April 29, 2008 and July 30, 2008, respectively.

The remuneration payable to Mr. S. Mukundan as the Whole-time Director has been approved by the Remuneration Committee of the Board of Directors at its meeting held on July 30, 2008.

A statement as required under the first proviso (sub clause (iv) of clause (c) of Section II of Part II of Schedule XIII of the Companies Act, 1956 is as follows:

I. General Information

Your Company in to Information Technology (IT) Sector for last 22 years. The Ministry of Information Technology, Government of India controls the IT sector. During the current financial year your Company has achieved a revenue of Rs. 13.86 crores excluding other income and has reported a Net Profit after tax of Rs.4.02 crores. Your Company received foreign exchange earnings of Rs.13.86 crores.

II Information about the Appointee

Mr. S. Mukundan has vast experience in manufacturing, procurement, logistics, global trade, supply chain, semiconductor business support, and finance. He has 21 years of executive management experience with Canon, Siemens, Hewlett Packard and Agilent, after obtaining degrees in electronics communications, and engineering. He enjoyed 9 years at HP in a variety of roles – from manufacturing to procurement to supply chain. In his recent 6 years at Agilent, he successfully led various global teams in logistics, global trade, semiconductor business support, and finance. He firmly believes that compelling vision through smart thinking and neat execution are the ways to work through the challenges and realize one’s goals.

III Other Information

Information Technology sector is highly volatile to technology changes and also prone o the fluctuations in the foreign currency. Your Company earns major export revenue from USA. The profit earned by your Company in the current financial year may be inadequate for the payment of managerial remuneration. The Company has chalk out aggressive growth plans in various sectors of IT sector to boost the future revenues.

IV Disclosure

The draft Agreement between the Company and Mr. S. Mukundan, inter alia, contains the following terms and conditions:-

(a) Basic Salary : Rs.2,50,000/- per month

(b) Perquisites : Mr. S. Mukundan shall be entitled to the following Perquisites which shall not be included in the computation of the ceiling on remuneration:

Contribution to Provident Fund as per rules of the company.

Mr. S. Mukundan will also be entitled to reimbursement of business promotion expenses actually incurred by him in the course of business of the Company.

Mr. S. Mukundan will also be entitled to reimburse from the Company traveling, hotel and other expenses incurred at actual in performance of the duties on behalf of the Company.

Mr. S. Mukundan shall not so long as he functions as such, become interested or otherwise concerned in any selling agency of the Company in future without the prior approval of the Central Government / Company Law Board.

The draft Agreement and the Resolution of the Annual General Meeting referred to in the Resolution will be open for inspection by the Members at the Registered Office of the Company on any working day between 11:00 a.m. and 01:00 p.m., prior to the date of the meeting.

However, in order to achieve personal goals, Mr. S. Mukundan resigned from the directorship of the Company w.e.f. October 21, 2008. The Board of Directors at its meeting held on October 25, 2008 accepted the resignation of Mr. S. Mukundan and placed on record it's appreciation for the services rendered by Mr. S. Mukundan during his tenure with the Company.

This may also be treated as an abstract of the draft Agreement and the Memorandum of Interest of Directors therein pursuant to the provisions of Section 302 of the Companies Act, 1956.

None of the Directors of the Company is, in any way, concerned or interested in the Resolution.

Your Directors recommend this resolution.

By Order of the Board of Directors
For Trigyn Technologies Limited

Rajesh Shirambekar
Company Secretary

Regd. Office :
27, SDF I, SEEPZ, M.I.D.C.,
Andheri (East),
Mumbai - 400 096

Place : Mumbai
Date : November 21, 2008

Information pursuant to Clause 49 of the Listing Agreement on the re-appointment of Directors

Dr. P. Raja Mohan Rao

Dr Raja Mohan Rao is a doctorate in Economics and was associated with National Council of Applied Economic Research as a research fellow. He is the Managing Director of United Telecom Ltd. After education, he was involved with setting up of various companies in the telecommunications sector. He was instrumental in setting up J T Mobile, a cellular mobile telephone company in AP and Karnataka, which is now a part of AIRTEL. He also served as the President of Telecom Equipment Manufacturers Association of India during 1993-94. He is also an avid social worker actively involved in many philanthropic activities.

C. V. Rao

Mr. C. V. Rao holds a degree in engineering from Bangalore University and has good technical knowledge of networks and telecom technology from the circuit switched networks to the full IP and the wireless 4G networks. He also completed his training in Japan in the field of CNC Wire Cut and CNC Milling and CAD/CAM etc. Having a rich 25 years experience managing knowledge industries and building companies, currently as a Director of United Telecoms Ltd., he is responsible for revamping the R&D division and started products design and development of numerous products as well as building Broadband networks to roll out state of the art futuristic IPTV services.

Dr. C. Rao Kasarabada

Dr. C. Rao Kasarabada is a Post Graduate in Electrical Engineering with a Doctorate in Electrical Engineering from University of Minnesota, Minneapolis (USA). He has a wide professional and academic experience of more than 25 years in Information Technology and Telecommunications by working on key positions with leading organizations on key positions. He is also member of prestigious associations of Government of India and educational institutions involved in development of Information Technology, Telecommunication etc. He also made is valuable contribution by writing books on Information Technology. He is heading the operations of United Telecoms Limited as a Group Chairman.

R. Ganapathi

Mr. R. Ganapathi is the Chairman and Executive Director of Trigyn. He is a IIT, Madras graduate with a B.Tech Degree. He is also a fellow of the Indian Institute of Foreign Trade. He gained a rich experience while working with Bharat Heavy Electricals Ltd. and Best & Crompton Ltd. has rich experience. He is actively involved in execution of welfare projects undertaken by Rotary Club, Chennai. He is having a marketing consultancy firm in the areas of power projects and power transmission. He is also associated with software training. He represents as a nominee of Electronics Corporation of Tamilnadu on board of companies.

Richard Raja

Mr. Richard Raja is a Non-executive and Independent Director. He has rich experience of more than 25 years to his credit in Indian Foreign Service. He voluntarily retired from Indian Foreign Service after 16 Years of Govt. Diplomatic Service in Indian Missions / Posts in London, Paris, Vietnam & Rome and during his tenure he handled various assignments successfully in Export of Software, conducting seminars, conferences. He also worked as an IT Officer with Ministry of External Affairs, New Delhi and work closely with eminent personalities in Government Departments, NASSCOM etc.

Mr. Vivek Kulkarni

Mr. Vivek Kulkarni is a gold medalist in Bachelor of Engineering from Karnataka University and also an MBA in Finance & Information Systems from Wharton School, University of Pennysylvania. He has over 25 years of experience in Business and Government of India service. As an IT & BT Secretary, he was instrumental in builidng world class IT & Biotech Institutes and events in Karnataka and merketing Bangalore at International levels.He developed the first risk assessment model for Indian mutual funds while working as Head Advisory services in CRISIL. He was also the Finance Secretary (Resources) of Government of Karnataka. He also headed as Division Chief at SEBI. He is also a Director and the Chairman of the Technology Committee on the Board of BSE. He is the Chairman and CEO of Brickwork India, a knowledge process outsourcing company in Bangalore and also CEO of Brickwork Health, a healthcare research oriented company.

By Order of the Board of Directors
For Trigyn Technologies Limited

Rajesh Shirambekar
Company Secretary

Regd. Office :
27, SDF I, SEEPZ, M.I.D.C.,
Andheri (East),
Mumbai - 400 096

Place : Mumbai
Date : November 21, 2008

DIRECTORS' REPORT

Your Directors present the Twenty Second Annual Report and audited statement of accounts of Trigyn Technologies Limited for the year ended March 31, 2008.

FINANCIAL RESULTS:

(Rs. In Lakhs)

Item	**Year ended March 31, 2008**	Year ended March 31, 2007
Income from operations	**1386.07**	817.03
Other Income	**198.74**	143.62
Interest	**18.70**	12.87
Depreciation	**32.49**	11.16
Other Expenditure including Personnel costs	**1124.89**	727.88
Profit / (Loss) before Tax	**408.73**	208.75
Fringe benefit tax	**6.69**	3.37
Profit /(Loss) after tax	**402.04**	205.38
Add : Extraordinary items	**-**	3461.04
Net Profit / (Loss)	**402.04**	3666.42
Add: Balance Brought Forward	**(62460.81)**	(66127.23)
Balance To Be Carried Forward	**(62058.77)**	(62460.81)

OPERATIONS :

During the year under review, the Company achieved a net turnover of Rs.1386.07 lakhs as against Rs.817.03 lakhs in the previous year. Deducting there from the expenditure incurred and providing Rs.18.70 lakhs for finance charges and Rs.32.49 lakhs for Depreciation, the operations of your Company resulted in to a net profit of Rs.402.04 lakhs.

CHANGES IN SHARE CAPITAL:

The Company has issued and allotted 44500 equity shares to the employees and non-executive Director under ESOP 2000 plan. Consequent to allotment of the equity shares, as stated above, the paid up share capital of your Company has increased from Rs.24,96,09,860/- to Rs.25,00,54,860/-.

DIVIDEND:

In view of carried forward losses, your Board of Directors do not recommend any dividend.

SUBSIDIARIES:

As required under section 212 of the Companies Act, 1956, the financial statements of all the subsidiaries, other than the one having implications of liquidation, are enclosed alongwith the Annual Report. The appropriate provision for losses of these subsidiaries has been made by the Company, wherever required.

Particulars of loans /advances and investment in its own shares by listed companies, their subsidiaries, associates etc. required to be disclosed in the annual report of the Company pursuant to clause 32 of the Listing Agreement and loans and advances in the nature of loans to subsidiaries are given in the statement of accounts forming part of the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS:

The Management Discussion & Analysis Report is annexed hereto and forms an integral part of this report.

FIXED DEPOSIT:

The Company has not accepted any fixed deposit and as such, no principal or interest amount is outstanding as on the Balance Sheet date.

CERTIFICATIONS

During the year your Company has achieved CMMI VER 1.2 Level 3 certification, implying strong management practices and processes in place aiding in planning and execution of projects.

Your Company has also received an accreditation from Microsoft Corporation as the “Microsoft Gold Certified Partner” in the area of Custom Development Solution and Data Management Solution, recognizing the highest level of technological excellence, market place impact and satisfaction of customers through Microsoft products and services”.

Your Company has also entered into a Channel Partner Agreement with EMC Corporation, USA to provide services related to Content Management EMC Software. This Partnership will enable your Company to provide product implementation, customization, transition and building solution around the products for various verticals.

DELISTING FROM AHMEDABAD STOCK EXCHANGE LTD.:

As per the approval given by the shareholders at the 21st Annual General Meeting, the Company has made an application made to Ahmedabad Stock Exchange Ltd. (ASE) for voluntary delisting of the equity shares pursuant to the provisions of Securities and Exchange Board of India (Voluntary Delisting) Guidelines, 2003. Accordingly, ASE has w.e.f. November 12, 2007 voluntarily delisted the equity shares.

EXTENSION OF TIME FOR HOLDING THE ANNUAL GENERAL MEETING

Your Company has received an approval from the Registrar of Companies, Maharashtra, Mumbai for holding the ensuing Annual General meeting up to December 31, 2008.

DIRECTORS:

Mr. R. Ganapathi was re-appointed as the Executive Director of the Company w.e.f. April 1, 2008. Dr. P. Raja Mohan Rao and Mr. Vivek Kulkarni was appointed as Additional Director w.e.f. April 29, 2008 and w.e.f. July 30, 2008, respectively. Their appointment requires the approval of the members at the ensuing Annual General meeting.

Mr. Sanjay A. Patkar resigned on May 23, 2008 from the Directorship and also as the Chairman of the Company.

Mr. S. Mukundan who was appointed as Additional Director w.e.f. April 29, 2008 and as the “Director – Operations” w.e.f. August 1, 2008 has resigned w.e.f. October 21, 2008. Mr. K.S. Reddy who was appointed as Additional Director w.e.f. July 30, 2008 has resigned w.e.f. October 25, 2008.

The Board places on record it’s appreciation for the contributions made by the aforesaid Directors during their tenure.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. C. V. Rao and Dr. C. Rao Kasarabada retires by rotation and being eligible offers themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to section 217(2AA) of the Companies Act 1956, the Directors confirm that :

i) The annual accounts have been prepared as per the applicable accounting standards, along with proper explanations relating to material departures.

ii) Appropriate accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2008 and of the profit & loss account for the year ended March 31, 2008.

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and detecting fraud and other irregularities.

iv) The annual accounts have been prepared on a going concern basis.

EMPLOYEE STOCK OPTION PLAN (ESOP):

Details required to be provided under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in Annexure I to this Report.

CORPORATE GOVERNANCE:

A Report on Corporate Governance for the year 2007-08 is given separately in the Annual Report.

AUDITORS QUALIFICATIONS :

The Auditor's remarks in the Auditor's Report are self explanatory. The management is taking appropriate measures to rectify the same.

AUDITORS:

M/s Price Waterhouse, Chartered Accountants, have confirmed their willingness and eligibility for their re-appointment as Statutory Auditors for the financial year 2008-09 subject to approval of members at the ensuing Annual General Meeting.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

In view of the nature of activities that are being carried on by your Company, rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption, respectively, are not applicable to your company. Your company is, however, making all efforts for reducing energy consumption at office facilities by installing computer systems designed for low power consumption.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The foreign exchange earnings of your Company during the year were Rs.13,86,07,395/- (Previous year Rs.8,17,05,103/-) while the outgoings were Rs.37,88,128/- (Previous year Rs.45,82,051/-).

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956:

Information to be provided under section 217(2A) of the Companies Act, read with the Companies (Particulars of Employees) Rules 1975 as amended from time to time forms a part of this report. However, as per the provisions of section 219 (1)(b)(iv) of the Act, the report and accounts are being sent to all the members excluding the statement containing the particulars of employees to be provided under section 217(2A) of the Act. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company for a copy.

ACKNOWLEDGEMENTS:

Your Directors gratefully acknowledge the contributions made by the employees towards the success of your Company.

Your Directors are also thankful for the co-operation and assistance received from its customers, vendors, bankers, SEEPZ, regulatory and Government authorities in India and abroad and its shareholders.

On behalf of the Board of Directors

R. Ganapathi
Chairman and Executive Director

Mumbai,
Date: November 21, 2008

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Directors including Executive Directors, Non-Executive Directors and Senior Management Officials, which is available on the Company's web site.

I confirm that the Company has in respect of the financial year ended March 31, 2008, received from the Senior Management Officials of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Officials means personnel on the key management positions in the Company as on March 31, 2008.

For Trigyn Technologies Limited

Mumbai
November 21, 2008

R. Ganapathi
Chairman and Executive Director

Annexure I

INFORMATION REGARDING EMPLOYEE STOCK OPTION PLAN

(As on March 31, 2008)

Sr.	Particulars	ESOP – 2000	ESOP – 1998
1	Number of stock options granted	13,94,050	31,000
2	Pricing Formula	Market Price	Rs.265 per option or prevailing market price whichever is higher
3	Number of options vested	9,78,000	4,000
4	Number of options exercised	29,500	1,875
5	Total number of shares arising as a result of exercise of option	Nil	1,875
6	Number of options cancelled / lapsed	25,125	Nil
7	Variation of terms of options	Nil	Nil
8	Money realized by exercise of options	Nil	Nil
9	Total number of options in force	9,23,375	4,000
10	employee wise details of options granted to:		
	(i) senior managerial personnel	Mr. Homiyar Panday – 240000 Mr. Thomas Gordon – 300000	Nil
	(ii) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Nil	Nil
	(iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Same as above	Nil
11	diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share	1.60	1.60
12	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between theemployee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Nil	Nil
13	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	No options were granted during the year	No options were granted during the year
14	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the followingweighted-average information:	Nil	Nil
	(i) risk-free interest rate,		
	(ii) expected life,		
	(iii) expected volatility,		
	(iv) expected dividends,		
	(v) the price of the underlying share in market at the time of option grant.(in Rs.)		

MANAGEMENT DISCUSSION & ANALYSIS

Overview

Trigyn Technologies Ltd., earlier known as Leading Edge Systems Ltd., ("Trigyn Technologies" or "the Company") is a leading IT solutions and services company with global operations, delivering cost effective and quality end to end solutions, services and products. Trigyn Technologies services help its customers to integrate business processes with technology and to operate in a marketplace that is no longer constrained by time and distance, thus providing a sustainable competitive advantage to its customers. The company has a significant presence in the areas of International Organizations, Non-Governmental Organizations, and State and Local Governments, in addition to a strong presence in the commercial sector, including the Manufacturing, Services, Pharmaceutical and Financial sectors. The company offers a comprehensive range of service offerings including Offshore Project Solutions and Services, Staff Augmentation, Managed Services, and Business Process Outsourcing. These services encompass a number of domains including Application Development and Maintenance, Reengineering, 24X7 Support Services, and more. The company's Offshore Development Services offer a number of particular centers of excellence which are focused a range of technologies, including Microsoft,.NET, J2EE, Open Source, SharePoint (MOSS), EMC Documentum, Helpdesk Services, and support for the company's Financial Products which are targeted to clients outside of the US marketplace.

Quality

Trigyn Technologies achieved the prestigious CMMI for Development certification during the past fiscal year (CMMI Version 1.2 Level 3), which implies that strong management practices and processes are in place, which aid in planning and execution of projects. There is also a continuous effort to improve the quality management process which is evidenced by the company's ISO 9001:2000 certification, and a commitment by the company to achieve even higher levels of quality certifications throughout its operations. The Total Quality Management & Business Excellence culture followed by the Company, seeks to achieve a number of goals including:

- Customer Delight
- Respect for the Individual
- Honesty and Fairness
- Innovate, Achieve, Excel

Corporate Citizenship

Trigyn Technologies is committed to understanding and reducing the environmental impact of the company and its employees in all geographies where we provide services. We are committed to improving the lives of our employees and those in the communities were we operate. Trigyn Technologies is actively involved in a number of alternative "Green Energy" initiatives with its customers. These include:

- Green IT Operations & Data Centers
- Development Green Technologies and Alternative Energy training programs
- Producing a Green Alternative Energy Guidelines Booklet

Diversity and Gender Equality

Trigyn Technologies is committed to diversity across all of the geographic locations where it provides services and solutions to its customers. To this end, the company embarked on a major initiative in the US during the fiscal year where it supported the launching of Princeton Diversity Partners, LLC, an African American owned and operated Nationally Certified Minority Company founded by Steve Dawson, the former CIO of the State of New Jersey. Outside of the US, the company has undertaken a number of initiatives aimed at broadening the diversity of its work force, from its operations in India to a number of its work locations around the globe. Trigyn Technologies has also taken steps to ensure Gender Equality throughout its operations and has launched specific initiatives to ensure Gender Equality throughout all facets of its operation.

Solutions & Services

- **Offshore Development Center (ODC) Services**

Trigyn Technologies operates a highly effective, efficient and proven Offshore Development Center (ODC) based in Mumbai, India. Trigyn provides a host of services from its ODC to its customers which include; 24X7 Helpdesk and Support Services, Application Development and Maintenance Services, Reengineering Services, Content Management Services, Web Application and Support Services, and Business Process Outsourcing Services. There is an ongoing endeavor to leverage the company's quality achievements which include CMMI Version 1.2 Level 3 process maturity, as well as its ISO 9001:2000 certification, to add value to its esteemed customers investments and to manage the delivery and support services provided by the company. The company prides itself on having a proven team to oversee the ODC, along with a highly integrated and automated set of tools to tack, manage and maximize its human capital resources, control risk and provide transparency in all its operations to ensure its customers remain satisfied and receive value from its services.

- **Managed Services**

Trigyn's experience providing large scale Managed Services is extensive. Trigyn has delivered large scale Managed Services engagements globally, across sixteen countries and has established infrastructure, management resources, and methodologies that ensure success. Trigyn has the experience to meet and exceed the most demanding of SLA's in very challenging environments. Trigyn is able to mobilize and deploy IT and other logistical services resources to some of the most remote locations on earth. Today, Trigyn Technologies has over 400 highly skilled resources working in its Manages Services operation, providing services in more than 14 different countries. The services provided are as diverse as the resources deployed and include the following:

- Communications Infrastructure
- Information Technology
- Applications and Network Development & Support
- Website and Portal Development & Support
- Satellite / Radio / Broadcasting
- Radio / Broadcasting
- Video Conferencing
- VHF / UHF / HF
- Digital Trunking / Digital Microwave

Trigyn Technologies Managed Services offerings provide a host of benefits to our clients, including:

- Improved Service Levels, Security and Availability
- Extended Capabilities Without Need to Add Staff
- Ability to Manage Change with Agility & Excellence
- Ability to Align IT with Business Strategy

- **Staff Augmentation Services**

Trigyn Technologies operates a highly refined, mature and integrated Staff Augmentation business which provides qualified and reliable resources to its customer over a broad spectrum of technologies and to diverse geographic locations. This operation is headed by a team of industry veterans with extensive industry knowledge and staffed by seasoned resource specialists both in the US and in our ODC facility in Mumbai, India. The company has invested in human capital and tools to ensure that this aspect of its business can respond to the highly competitive nature of this business and has achieved significant success measured by the growth in its base of esteemed customers, and growth in this segment during a time of economic contraction. At the core of this offering is a fully integrated Resource Management System (RMS), which allows for the seamless integration of opportunities from around the globe to be sourced by the most cost effective means and managed from multiple locations. The company made a conscious decision in 2004 to diversify this segment of its business away from an over reliance on business from the Financial Services Sector and today is reaping the benefits of this decision with the addition of a number of significant new clients in the International Government, Non-Governmental and State and Local Government sectors, in addition to an overall diversification of its commercial sector business. Although the Staff Augmentation business of the company covers an array of resource placements, the majority of the placements fall into the areas or domains that follow:

- Project Managers & Business Analysts
- Software Architects, Developers, Designers and Testers
- Helpdesk and Network Support Resources
- Network & Infrastructure Engineers
- ERP Technical and Functional Resources (SAP & Oracle)
- Web Architects, Developers, Designers and Usability Specialists

- **Capital Markets**

Trigyn Technologies operates a Financial Services Business Unit which focuses on supporting the Capital Markets business which is principally outside of the US marketplace. This service is contained within the ODC and provides analysis, development and support services to a number of its highly regarded customers, including those engaged in compliance initiatives involving Basel II. At the core of these services is a highly refined software development methodology lifecycle along with a proven set of methodologies and procedures. The Company has presence in the fields of Securities Lending, Mutual Funds, Market Connectivity, Equity Derivatives, Foreign Exchange, Risk Technology and Prime Brokerage.

Organizational Strategy

The Management of Trigyn Technologies has embarked on a series of initiatives to streamline and refocus the Company to achieve certain objectives. A number of these objectives include:

- Enhanced integration of the company's US subsidiary, Trigyn Technologies, Inc, with e-Government, Telecommunications and related initiatives being pursued across other geographies by the company. A number of these opportunities will be expanded in the US as a result of several planned initiatives with the new administration, specifically those targeted at greater access to broadband for US citizens.
- Continued focus on consolidating overhead to least costly geographies, a process that has been underway for the past year and will present future opportunities to realize savings and enhance service offerings as a result of further integration, automation, knowledge transfer and training that is underway.
- Reevaluation of initiatives in geographies where economic conditions are no longer favorable for continued expansion efforts and such geographies can be services through partnerships and from other locations. This activity would be carried out subject to obtaining requisite statutory approvals from the concerned authorities.
- Focus on the retention and development of existing talent through the offering of incentives such as stock options, optimum compensation structures, training and promotion from within.
- Ensure strict compliance of all laws and regulations in all regions where we operate and identify and bring to the fore all issues of non-compliance.

Industry Outlook

Although we may not see the 30% growth that this sector has witnessed in India over the past few years, the industry is expected to continue to grow and Trigyn Technologies is well positioned to grow along with the industry. With the pending economic slowdown across the world taking hold, the advantages for companies in resource rich markets such as India, will prove to be a source of continued stability and growth. One of the trends that has been observed during the past year is an overall slowing of the attrition rate by 6-7% which should prove to be beneficial for companies such as Trigyn Technologies that pride themselves on retaining the best and brightest.

It has also been widely reported from several multi nationals with multi-country operations as well as syndicated analysts comparing the various sourcing locations that India offers the best "bundle" of benefits being sought by the global sourcing industry.

Opportunities

Trigyn Technologies is well positioned to leverage the expanding human capital at its disposal through its unique global footprint anchored by its Offshore Development Center (ODC) in Mumbai, India. Trigyn has made impressive progress over the past few years on a number of fronts to ensure its continued growth. Trigyn has a stable operating management team which averages over 5 years with the company and 15-20 years of industry experience. It has tenaciously and deliberately moved to ensure that its business is derived from multiple sources including Projects, Managed Services and Staff Augmentation. It has moved away from an over reliance on services to the commercial sector and in particular the Financial Services sector. Likewise, it has worked hard to ensure that a number of the critical business functions are services by resources in its ODC and has integrated the cultures across its operations.

Results of Operations

- Total Income

The total income of Trigyn Technologies for the year 2007-08 was Rs.1584.81 lakhs as compared to Rs.960.66 lakhs during the year 2006-07. The increase in revenue was primarily due to the higher volume of business during the year under review.

The Company derived revenues mainly from 3 segments i.e. Finance/Insurance, Government projects and manufacturing/ pharma through a combination of software solutions and service applications as well as through offerings of product suites. The % of contribution per segment basis was :

Finance / Insurance 1.12%, Government 98.09% and Manufacturing / Pharma 0.79%

- Total Expenditure

The total expenditure and depreciation of Trigyn Technologies for the year 2007-08 was Rs. 1176.08 lakhs as compared to Rs. 751.91 lakhs during the previous year. Cost control was a priority of the Management during the year.

- Gross Profit

The Gross Loss of Trigyn Technologies was Rs.408.72 lakhs for the year 2007-08 as compared to Gross Profit of Rs.208.74 lakhs during the previous year. Due to effective measure taken by the management for overall turn around, has increased compared to last year.

- Net Profit

The Net Profit of Trigyn Technologies was Rs.402.04 lakhs for the year 2007-08 as compared to a profit of Rs.205.37 lakhs during the previous year.

Segmentwise performance for the year 2007-08

Trigyn Technologies identifies its operations in terms of the following segments, which include providing niche software solutions customised as per the customer's requirement and by sale of quality product suites.

(Rs. In Lakhs)

	Unaudited			
	Government	**Manufacturing & Distribution/ Pharma**	**Finance/ Insurance**	**Total**
Total Segmental Revenues	1359.59	11.01	15.47	1386.07
Total Segmental Expenses	578.51	2.86	7.72	589.09
Total Segmental Gross Profit before Interest and Tax	781.08	8.16	7.75	796.99
Add / (Less) Tax				(6.68)
Add / (Less) Other net unallocable expenditure				(388.26)
Total Profit after Tax				402.04

Threats

The business revenues are sourced predominantly from the US market. Given the significant economic global downturn, which has had a particularly harsh impact on the US economy, Trigyn Technologies business could be adversely impacted. This impact could also be felt by the State and Local Governments, a growing source of revenues and profits for the company, as these entities are negatively impacted by a loss of tax revenues and institute budget cuts for resources and postpone or cancel projects. Another area of concern for the company is the increasing level of competition across the IT services industry. With a shrinking number of client dollars and more competitors chasing these dollars, the threat to revenue and equally as significant, profit margins, become ever more likely.

Risks and Concerns

The revenue growth and profitability of the business of Trigyn Technologies is subject to the following:

- Changes in the domestic and international economic and business conditions
- Commoditization of the Offshore Software Services business
- Foreign exchange rate fluctuation
- Length of the sales cycle
- Success in expanding the global operations through direct sales force and indirect distribution
- Economic downturn impacting our customers
- Activities of our competitors
- Allocation and availability of resources

Based on the preceding factors, the Company could experience a shortfall in revenues or earnings or fail to meet the public market expectations, which could materially and adversely affect the business operations, financial condition and market price of the Company's share on the stock market.

Internal Controls and Adequacy

Trigyn Technologies continuously reviews its Internal Control system in order to further strengthen and make it commensurate with the size and nature of the business which currently is well defined and commensurate with the scale of operations of the Company.

Cautionary Statement

Some of the statements made in this section may contain certain 'forward looking statements' within the meaning of securities laws and regulations in force. Facts which are not historical in nature and include but are not limited to Trigyn Technologies business, financial condition, business strategy, plans relating to products and services, future prospects or any related assumptions thereto should be deemed to be 'forward looking statements' and should be considered as such. These 'forward looking statements' are inherently subject to risks and uncertainties, beyond the control of Trigyn Technologies and accordingly the actual results could differ materially from those indicated by the 'forward looking statements'. Trigyn Technologies shall not be liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein nor would be under any obligation to update the 'forward looking statements' to reflect the developments of events or circumstances hereafter.

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY :

Trigyn Technologies Limited ("the Company") believes in conducting its affairs in a fair, transparent and professional manner and maintaining the good ethical standards in its dealings with all its constituents.

The Company is committed to follow good Corporate Governance practices, which include having professional Directors on the Board, adopting pragmatic policies and effective systems and procedures and subjecting business processes to audits and checks measuring upto required standards.

The driving force behind the Company's management is "Tomorrow's Progress Today" and backed by "A culture of High - Tech and Quality". The Company quality policy is "To satisfy customer needs and retain leadership by delivering quality services through continuous improvement by motivated employees".

The policies and actions of the Company are in terms of applicable guidelines on Corporate Governance with endeavor to enhance shareholders' value. Pursuant to Clause 49 of the Listing Agreement of Stock Exchanges, the following details are presented:

BOARD OF DIRECTORS

- **Composition and Category of Directors**

During the year ended under review, the Board of Directors comprised of the following Directors:

Name	Category	No. of Directorships in other public companies		Outside Committee positions held **	
		Chairman	Member	Chairman	Member
Mr. C.V. Rao	Non-executive Director	-	13	-	-
Dr. C. Rao Kasarabada	Non-executive director	-	8	-	-
Mr. Richard Raja	Independent Director / Non Executive Director	-	2	-	-
Mr. R. Ganapathi	Executive Director	-	6	-	-
Mr. Ch. V.V. Prasad	Independent Director / Non Executive Director	-	10	-	-
Mr. D. Ravi Kanth	Independent Director / Non Executive Director	-	-	-	-
Mr. Sanjay Patkar	Chairman (Non Executive Director)	-	1	-	-

** only two committees i.e. the Audit Committee and Share Transfer / Investor Grievance Committee are considered.

1) **Mr. C. V. Rao**

Mr. C. V. Rao holds a degree in engineering from Bangalore University. He also completed his training in Japan in the field of CNC Wire Cut and CNC Milling and CAD/CAM etc. He has a rich experience of more than 20 years in Telecommunication/PCB/Computer industries specifically in establishing, operating, manufacturing and test facilities, Research and Development of components, for sockets for Integrated Circuits and Co-axial Connectors. He looks after day to day work of United Telecoms Limited and its Associate Companies.

2) **Dr. C. Rao Kasarabada**

Dr. C. Rao Kasarabada is a Post Graduate in Electrical Engineering with a Doctorate in Electrical Engineering from University of Minnesota, Minneapolis (USA). He has a wide professional and academic experience of more than 25 years in Information Technology and Telecommunications by working on key positions with leading organizations on key positions. He is also member of prestigious associations of Government of India and educational institutions involved in development of Information Technology, Telecommunication etc. He also made is valuable contribution by writing books on Information Technology. He is heading the operations of United Telecoms Limited as a Group Chairman.

3) **Mr. R. Ganapathi**

Mr. R. Ganapathi is a IIT, Madras graduate with a B.Tech Degree. He is also a fellow of the Indian Institute of Foreign Trade. He gained a rich experience while working with Bharat Heavy Electricals Ltd. and Best & Crompton Ltd. has rich experience. He is actively involved in execution of welfare projects undertaken by Rotary Club, Chennai. He is having a marketing consultancy firm in the areas of power projects and power transmission. He is also associated with software training. He represents as a nominee of Electronics Corporation of Tamilnadu on board of companies.

4) **Mr. Richard Raja**

Mr. Richard Raja has rich experience of more than 25 years to his credit in Indian Foreign Service. He voluntarily retired from Indian Foreign Service after 16 Years of Govt. Diplomatic Service in Indian Missions / Posts in London, Paris, Vietnam & Rome and during his tenure he handled various assignments successfully in Export of Software, conducting seminars, conferences. He also worked as an IT Officer with Ministry of External Affairs, New Delhi and work closely with eminent personalities in Government Departments, NASSCOMetc.

5) **Mr. Ch. V. V. Prasad**

Mr. Ch. V. V. Prasad holds Diploma in Mechanical engineering from Bangalore University. He is involved in manufacturing, research and development, electronic design, fabrication in telecommunication/PCB/Computer industries for the past 25 years.

6) **Mr. D. Ravi Kanth**

Mr. Ravi Kanth is a Non-executive and Independent Director. He holds bachelors degree in Economics and M.Phil from JNU. He has more than 25 years of experience with substantial expertise in complex trade issues and security topics through his involvement with World Trade Organisation, the UN Conference on Disarmament, the WHO, World Intellectual Property Organisation and International Labor Organisation.

7) **Mr. Sanjay Patkar**

Mr. Sanjay Patkar is a practicing Advocate and also renders professional advisory and consultancy services in Indian and International Taxation, Corporate Laws, FEMA and Property related matters.

- **Attendance of Directors in the Board Meetings and in the last Annual General Meeting**

The Board of Directors has more than 50% Non-executive Directors and the Chairman being Non-Executive Director, more than one-third of the total number of directors are independent directors. The Company's Board of Directors met 5 times during the year 2007-08 and the minimum required information has been placed before the Board. The Board Meetings took place on April 24, 2007, July 21, 2007, August 14, 2007, October 31, 2007 and January 28, 2008. The maximum gap between any two meetings did not exceed the gap stipulated by Clause 49 I (C) (i) of the Listing Agreement.

Name of the Director	Attendance at the Board Meetings	Attendance at the last AGM held on September 17, 2007
Mr. C.V. Rao	3	No
Dr. C. Rao Kasarabada	-	No
Mr. Richard Raja	5	No
Mr. R. Ganapathi	5	Yes
Mr. Ch.V.V. Prasad	4	No
Mr. D. Ravi Kanth	3	No
Mr. Sanjay Patkar	4	Yes

None of the Directors on the Board hold the office of Directors in more than 15 companies or memberships of committees in more than 10 committees or Chairmanship of more than 5 committees across all companies.

AUDIT COMMITTEE

The Company has constituted an Audit Committee of Directors in accordance with the requirements of Section 292A of the Companies Act 1956 read with Clause 49 of the Listing Agreement. The Audit Committee consists of five Directors viz.:

Mr. Ch. V.V. Prasad – Independent Director

Mr. Richard Raja – Independent Director

Mr. D. Ravi Kanth – Independent Director

Mr. R. Ganapathi – Executive Director

Mr. Sanjay Patkar – Non-executive

The Committee elects the Chairman of the meeting from the Independent Directors present at the meeting.

Amongst other things, the Audit Committee oversees the Company's financial reporting process and disclosures of its financial information to ensure that the financial statements are correct, sufficient, factual and credible. This Committee also periodically reviews the compliance requirements and various internal processes and systems, internal and statutory audit processes and reports. During the year 2007-08, the Committee met five times, on April 24, 2007, July 21, 2007, August 14, 2007, October 31, 2007 and January 28, 2008.

Name of the Director	Attendance at the Audit Committee Meetings
Mr. Richard Raja	5
Mr. R. Ganapathi	5
Mr. Ch. V.V. Prasad	4
Mr. D. Ravi Kanth*	2
Mr. Sanjay Patkar	4

* Mr. D. Ravi Kanth has been member of the Audit Committee w.e.f. July 21, 2007.

The Audit Committee has the following powers:

i. to investigate any activity within its terms of reference

ii. to seek any information from any employee

iii. to obtain outside legal and professional advice

REMUNERATION COMMITTEE

The Company is not paying remuneration to any of the Non Executive Directors, other than sitting fees except for Mr. Sanjay Patkar who has been paid Rs. 3,46,740/- for providing the services in his professional capacity on need base basis in terms of S/309(1) of Companies Act, 1956.

The professional fees of above director have been fixed by the Board after considering their professional expertise and experience in the respective fields.

The Remuneration Committee of the Company consists of the following Directors:

Mr. Ch. V.V. Prasad – Independent Director (Chairman)

Mr. Richard Raja – Independent Director

Mr. R. Ganapathi – Executive Director

Mr. Sanjay Patkar – Non-executive Director

Remuneration paid to Directors during 2007 – 2008

Names	Sitting fees (Rs.)	Remuneration including Salary & Perquisites (Rs.)	Service Contracts	Notice Period
Mr. R Ganapathi	-	1,800,000/-	01-04-2007 to 31-03-2008	1 month
Mr. Richard Raja	1,05,000/-	-	-	-
Mr. Ch. V.V. Prasad	85,000/-	-	-	-
Mr. D. Ravi Kanth	40,000/-	-	-	-
Mr. Sanjay Patkar	85,000/-	-	-	-

Mr. Sanjay Patkar holds 25,000 stock options granted under ESOP 2000 at a price of Rs.10/- each exercisable into equal number of equity shares.

Amongst other things, the issues under the purview of this Committee are the administration of employee stock options, the compensation policy for key personnel, etc. The Remuneration Committee also functions as the Compensation Committee as per SEBI guidelines on the Employee Stock Option Scheme. During the year 2007-08, the Committee met on April 24, 2007. Mr. Richard Raja, Mr. V.V. Prasad and Mr. Sanjay Patkar have attended the said meeting.

SHARE TRANSFER / INVESTOR GRIEVANCE COMMITTEE

The shares of the Company are listed on Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.. The trading thereof is done in demat mode. The Share Transfer / Investor Grievance Committee of the Company as of March 31, 2008 consists of the following Directors :

Mr. Ch. V.V. Prasad – Independent Director and Chairman

Mr. Richard Raja – Independent Director

Mr. R. Ganapathi – Executive Director

Mr. Sanjay Patkar – Non-executive Director

Amongst other things, this Committee reviews critical Investor Grievances and ensures the issues of Investors, both large and small are addressed timely which are referred to by the Company Secretary or by the Company's Registrar & Transfer Agents ('RTA'). The Committee met four times during the year, on April 5, 2007, September 6, 2007, November 16, 2007 and January 7, 2008. Mr. V.V. Prasad, Mr. Richard Raja and Mr. Sanjay Patkar have attended the said meetings.

During the year, the Company received 3 complaints from Investors and 1 shareholder complaint received from the SEBI, all of which have been resolved as on date. No complaint received from any of the Stock Exchanges. No share transfers were pending as on March 31, 2008

The Company Secretary acts as a Secretary to all the aforesaid three Committees of the Board.

GENERAL BODY MEETINGS

Details of the location of the Annual General Meetings held during the last three years:

Financial Year	Date	Time
2004 – 2005	September 22, 2005	3.30 p.m.
2005 – 2006	September 26, 2006	3.30 p.m.
2006 - 2007	September 17, 2007	3.30 p.m.

The special resolutions were passed at the following Annual General Meetings (AGM):

1. AGM held on September 30, 2004 for change in name of the company and also at the Annual General Meeting held on September 22, 2005 for approving stock options to Mr. Thomas Gordon under ESOP 2000 and increase in the limit for grant of ESOP to employees of overseas subsidiaries.

2. AGM held on September 17, 2007 for alteration of Article 8 of the Articles of Association by reclassification of the authorized share capital, approval for appointment and payment of remuneration to Mr. Ramkrishna Bhagwat, approval for appointment and payment of remuneration to Mr. R. Ganapathi, approval and ratification of ESOPs to employees and non-executive director, approval and ratification of ESOPs granted to employees of subsidiary company, approval and ratification of ESOPs granted exceeding 1% of the issued share capital, authority to Board of Directors for collection of FBT on ESOPs, approval for remuneration payable to non-executive Director and approval for investment up to Rs.25 crores.

In addition to the Annual General Meetings the Company had also held an Extra Ordinary General Meeting on June 2, 2006 for passing the special resolutions for i) increase in Authorised Capital and alteration of Articles of Association ii) issue of equity shares / warrants on preferential basis.

All the meetings were held at All India Plastic Manufacturers' Association Auditorium, AIIPMA House, A-52, Street No.1, M.I.D.C., Andheri (E), Mumbai - 400 093.

No postal ballots were used / invited for voting at these meetings.

DISCLOSURES

a) The relevant details of all transactions with related parties given in Note No. 8 of Schedule No. 17 of the audited Accounts for the financial year 2007-2008, form a part of this report also. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

b) No penalty or stricture has been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to the capital markets, during the last 3 years.

COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

i) Management Discussion and Analysis

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under clause 49 (IV) (F) of the Listing Agreement

ii) Subsidiary Companies

The Company did not have a material non-listed Indian Subsidiary during the financial year 2007-08.

iii) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

iv) Disclosures on Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures which is periodically reviewed by the Board.

v) Proceeds from the Preferential Issue of equity shares

In the year 2006-2007, the Company had allotted 1,00,00,000 equity shares and 60,00,000 share warrants to United Telecoms Ltd., the present Promoters of the Company and 1,11,111 equity shares to Mr. Ramkrishna Bhagwat (ex Promoter and Director) at Rs.13.50 per share (including a premium of Rs.3.50) on preferential basis. The details of utilization of such proceeds are disclosed to the Audit Committee.

The Company has not utilized these funds for purposes other than those stated in the notice convening the Extra-ordinary General Meeting held on June 2, 2006.

vi) Code of Conduct

The Company has adopted the code of conduct and ethics for Directors and senior management which is displayed on Company's website www.trigyn.com. In compliance thereof, a declaration by the Executive Director of the Company forms part of the Director's Report.

vii) CEO/CFO Certification

A certificate from the Executive Director and Chief Financial Officer on the financial statements of the Company was placed before the Board.

viii) Review of Director's Responsibility Statement

The Board in its report have confirmed that the annual accounts for the year ended March 31, 2008 have been prepared as per applicable accounting standards and policies and sufficient care has been taken for maintaining adequate accounting records.

The Company has adopted the mandatory requirements and is considering to follow the non-mandatory requirements as per the listing agreement for Corporate Governance.

MEANS OF COMMUNICATION

The financial results are currently being published in the leading Newspapers like Business Standard (English) and Mumbai Lakshadeep (Marathi). These results are also made available on the Company's website www.trigyn.com after the respective Stock Exchanges are intimated. Official news releases, details of presentations or analyst meets, if any, and material press coverage received by the Company is also uploaded on the said website for the information of the shareholders.

GENERAL SHAREHOLDERS' INFORMATION

- **Date, time and venue of the Annual General Meeting**

  December 23, 2008 at 3.30 p.m. at All India Plastics Manufacturers' Association Auditorium, AIPMA House, A-52, Road No. 1, MIDC, Andheri (East), Mumbai - 400093.

- **Financial Calendar (tentative and subject to change)**

  April 1, 2008 to March 31, 2009

Financial reporting for the Quarter ended June 30, 2008	Board Meeting was held on July 30, 2008.
Financial reporting for the Quarter / Half Year ended September 30, 2008	Board Meeting was held on October 25, 2008
Financial reporting for the Quarter ended December 31, 2008	On or before January 31, 2009
Financial reporting for the Quarter ended March 31, 2009	On or before April 30, 2009
Annual General Meeting for the year ended March 31, 2009	On or before September 30, 2009

- **Date of Book Closure**

  December 15, 2008 to December 23, 2008 (both days inclusive)

- **Dividend Payment Date**

  No dividend has been declared by the Company during the year 2007-08

- **Listing on Stock Exchanges**

  The Company is listed on :

  Bombay Stock Exchange Ltd. (BSE) under Scrip Code 517562

  National Stock Exchange of India Ltd. (NSE) under Scrip Code TRIGYN

  During the year 2007-2008, the Company has voluntarily de-listed the equity shares from Ahmedabad Stock Exchange Ltd. (ASE).

  The Annual Listing Fees in respect of the equity shares of the Company has been paid for the year 2008-09.

- **Stock Market Price Data**

  During the year, the monthly High and Low prices of the Company's script were as under:

Month / Year	Bombay Stock Exchange		National Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2007	33.15	23.20	33.20	23.45
May, 2007	32.90	26.40	33.10	26.50
June, 2007	31.65	26.00	31.75	26.05
July, 2007	40.35	27.15	40.70	26.80
August, 2007	36.00	29.00	35.70	28.90
September, 2007	34.00	28.55	33.05	28.55
October, 2007	32.90	23.00	32.50	22.60
November, 2007	27.50	21.00	27.00	21.00
December, 2007	34.60	23.50	35.00	23.30
January, 2008	37.40	17.85	38.90	18.35
February, 2008	29.40	17.90	30.95	18.00
March, 2008	23.20	14.15	23.15	15.15

- **Performance of the Company's share prices vis-à-vis the BSE SENSEX & NSE NIFTY**

Month / Year	BSE closing price	SENSEX closing	NSE closing price	NIFTY closing
April, 2007	30.10	13872.37	30.00	4087.90
May, 2007	30.70	14544.46	30.70	4295.80
June, 2007	27.75	14650.51	28.00	4318.30
July, 2007	32.15	15550.99	32.00	4528.85
August, 2007	31.25	15318.60	31.00	4464.00
September, 2007	31.45	17291.10	31.45	5021.35
October, 2007	24.10	19837.99	23.90	5900.65
November, 2007	23.35	19363.19	23.10	5762.75
December, 2007	33.65	20286.99	33.50	6138.60
January, 2008	20.80	17648.71	21.15	5137.45
February, 2008	23.60	17578.72	23.70	5223.50
March, 2008	17.60	15644.44	17.65	4734.50

- **Registrar and Transfer Agents**

  M/s. Sharepro Services (India) Pvt. Ltd.

  Unit: Trigyn Technologies Ltd.
  Satam Estate, 3rd Floor
  Above Bank of Baroda,
  Cardinal Gracious Road,
  Chakala, Andheri (E),
  Mumbai - 400 099.
  Tel. : 022 - 67720300 / 67720309
  Fax : 022 – 28375646
  Email: sharepro@vsnl.com

- **Share Transfer System**

  The Company processes share transfers and such related issues twice in a month. Transfer or transmission documents which are complete in all respects are returned to the respective Shareholders / Lodgers within 30 days of lodgment. Since the Company's shares are currently being traded in dematerialised form, the shareholders are requested to send the shares if held in physical form, directly to their Depository Participant (DP), which would, then by sent to the Registrar and Transfer Agents for dematerialisation.

  Based on the information given by our Registrars and Transfer Agents, no shareholder complaints were pending as on March 31, 2008. The complaints mainly related to issues related to non-receipt of dividend / revalidation of warrants, change of address, etc.

- **Distribution of Shareholding as on 31st March, 2008**

Shareholding in No. of shares	Shareholders		Shares	
	Nos.	% to Total	Nos.	% to Total
Less than 500	12407	76.43	2455087	9.82
501 – 1000	1960	12.07	1691730	6.77
1001 – 2000	920	5.67	1447764	5.79
2001 – 3000	319	1.97	817238	3.27
3001 – 4000	153	0.94	551618	2.21
4001 – 5000	151	0.93	724286	2.90
5001 – 10000	190	1.17	1381719	5.53
10001 and above	133	0.82	15921044	63.71
Total	**16233**	**100.00**	**24990486**	**100.00**

- **Shareholding Pattern as on 31st March, 2008**

Categoty	No of shares held	Percentage of shareholding
Promoter's Holding		
Promoters		
- Indian Promoters	**1,00,19,020**	**40.09**
- Foreign Promoters	**-**	**-**
Persons Acting in Concert	-	-
Sub-Total	**1,00,19,020**	**40.09**
Non- Promoters Holding		
Institutional Investors	-	-
Mutual Funds and UTI	-	-
Banks, Financial Institutions, Insurance Companies, (Central/ State Govt.Institutions/Non-Government Institutions)	-	-
FIIs	3,400	0.01
Sub-Total	**3,400**	**0.01**
Others		
Bodies Corporate	20,16,143	8.07
Indian Public	1,25,56,452	50.25
NRIs / OCBs	3,95,471	1.58
Sub-Total	**1,49,68,066**	**59.90**
Grand Total	**2,49,90,486**	**100.00**

- **Dematerialisation of Shares**

  The shares of the Company are traded in a compulsory demat mode under ISIN : INE948A01012.

  As on March 31, 2008, 99.47% shares of the Company have been dematerialised.

- **Outstanding Warrants**

  The Company, on June 16, 2006 had allotted 60,00,000 share warrants at a price of Rs.13.50 each to United telecoms Ltd., the present Promoter Company, on preferential basis. The holder of the warrants shall be entitled for one equity share at a price of Rs.13.50 against each warrant any time within 18 months from the date of allotment. In view of non-exercise of the warrants within the said period, there were no outstanding warrants as of March 31, 2008.

- **Locations of Offices and Development Centre**

  Registered / Corporate Office

  Unit 27, SDF-I,

  SEEPZ, Andheri (East),

  Mumbai 400096

US Office
100, Metroplex Drive,
Edison, NJ 08817,
USA

- **Address for Shareholder Correspondence**

The Company has already displayed on it's website a designated email ID viz.ro@trigyn.com, of the grievance redressal division for the purpose of registering complaints / correspondence by investors in terms of clause 47 (f) of the listing agreement.

All Shareholders / Investors should address their correspondence to :

Mr. Pravin Golatkar
Senior ManagerSharepro Services (India) Pvt. Ltd.
Unit : Trigyn Technologies Limited
Satam Estate, 3rd Floor
Above Bank of Baroda
Cardinal Gracious Road,
Chakala, Andheri (E)
Mumbai 400 099
Tel. : 022 - 67720300 / 67720309
Fax : 022 – 28375646
E-mail : praving@shareproservices.com

Mr. Rajesh Shirambekar
Company Secretary & Manager (Legal)
Trigyn Technologies Limited
Unit 27, SDF-I,
SEEPZ, Andheri (East),
Mumbai 400096
Tel. : 022 - 28290909
Fax : 022 – 28291418
E-mail : ro@trigyn.com

TO THE MEMBERS OF TRIGYN TECHNOLOGIES LIMITED

Auditors' certificate on compliance of conditions of corporate governance as per clause 49 of the listing agreement with stock exchanges

We have examined the compliance of conditions of corporate governance by Trigyn Technologies Limited ('the Company'), for the year ended on March 31, 2008 as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investor Grievance Committee.

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

Vilas Y. Rane
Partner
Membership No. F-33220

For and on behalf of

Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 21, 2008

PERFORMANCE AT A GLANCE

(Rs. In Millions)
for the year ending March 31,

	2008	2007	2006	2005	2004
Total income	158.48	96.07	43.37	177.54	114.57
Operating expenses	112.51	72.79	43.43	38.08	355.42
operating profit	45.97	23.28	-0.05	139.46	-240.85
Interest and finance charges	1.85	1.29	66.13	67.90	79.82
Depreciation	3.25	1.12	2.65	5.91	21.05
Profit before taxes	40.87	20.87	-68.83	65.65	-341.72
Taxation	0.67	0.34	0.05	0.04	-10.11
Net profit / (loss)	40.20	20.54	-68.88	65.61	-331.61
Share Capital					
Equity	249.90	249.61	148.50	148.50	148.50
Preference	0.00	0.00	50.00	50.00	50.00
Reserves & Surplus	378.74	330.44	-71.60	-2.49	-66.76
Net worth	628.64	580.05	-123.10	-53.99	-118.26
Net Assets	629.04	588.54	343.35	429.89	465.67
Performance Indicators					
as a % of total income					
Operating Margin	29.01	24.23	-0.13	78.55	-210.22
Net Margin	25.37	21.38	-158.81	36.95	-289.44
Taxation	0.42	0.35	0.11	0.02	-8.82
Taxation / Net profit / (loss)	1.63	1.61	-0.07	0.06	2.96
Current Ratio	2.24	2.04	0.30	0.57	0.77
total income/net working capital(times)	1.17	1.01	-0.31	-3.11	-4.18
Fixed assets turnover (times)	0.98	0.62	0.29	1.19	0.59
Receivable (in days)	145.07	167.09	192.72	27.86	182.64
Investment Indicators					
Book value per share	25.16	23.24	-8.29	-3.64	-7.96
Earnings per share	1.61	0.90	-4.64	4.42	-22.33
Return on capital employed %	6.39	3.49	0.00	0.00	0.00
Share price as on March 31, (BSE) Rs.	17.60	25.60	9.57	13.65	10.53
Market capitalisation (in millions)	440	639	142	202.70	156.37

AUDITORS' REPORT

TO THE MEMBERS OF TRIGYN TECHNOLOGIES LIMITED

1. We have audited the attached Balance Sheet of **Trigyn Technologies Limited** ('the Company') as at March 31, 2008, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date (together referred to as 'financial statements'). 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.

2. 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.

3. As required by the Companies (Auditor's Report) Order, 2003, ('the said Order'), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the Act), and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. *As stated in Note 3 to Schedule 17, investments in three subsidiaries are being carried at its carrying value of Rs. 474.37 million and no further provision for diminution in value of investments is considered necessary by the management. In our opinion, the extent of the erosion in the net worth of the two subsidiaries is significant. However, we are unable to comment on the amount of shortfall in the provision for further diminution in the value of the aforesaid investments.*

5. Further to our comments in the Annexure referred to in paragraph 3 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 examination of those books ;

   c. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   d. in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

   e. on the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2008 from being appointed as a director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

f. *subject to what is stated in paragraph 4 above the effect of which could not be determined*, in our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read with the notes thereon, give the information required by 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;

i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2008;

ii. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and,

iii. in case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Vilas Y. Rane
Partner
Membership Number: F-33220

For and on behalf of Price Waterhouse
Chartered Accountants
Address:
252, Veer Sarvarkar Marg
Shivaji Park, Dadar
Mumbai – 400 028

Date: November 21, 2008

Annexure to Auditors' Report of Trigyn Technologies Limited

(Referred to in our Report of even date)

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has carried out physical verification of fixed assets. We are informed that no material discrepancies were noticed on such verification.

(c) The Company has not disposed off substantial part of fixed assets during the year, and accordingly, going concern is not affected.

(ii) The Company is in the business of providing software support services, hence provisions of paragraph 4 (ii) (a), (b) and (c) of the said Order are not applicable.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of paragraph 4 (iii) (b), (c), (d), (f) and (g) of the said Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system. We are informed that the nature of Company's business does not involve purchase of inventory and sale of goods.

(v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Act have been so entered.

(b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of rupees five lacs in respect of any party during the year.

(vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of section 58A, section 58AA and any other relevant provisions of the Act and the rules framed there under. No order has been passed by the National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Act for any of the activities of the Company.

(ix) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax and any other statutory dues with the appropriate authorities and there were no such outstanding dues as at March 31, 2008 for a period exceeding six months from the date they became payable. As explained to us Service Tax, Wealth Tax, Custom duty, Excise duty and Cess are presently not applicable to the Company.

(b) According to the information and explanations given to us, there are no disputed dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess remaining unpaid as at the year end.

(x) In our opinion and according to the information and explanations given to us, the Company's accumulated losses exceed 50% of its net worth at the end of the financial year under reporting. The Company has neither incurred cash losses in the financial year under report nor in the immediately preceding financial year.

(xi) On the basis of our examination and according to the information and explanations given to us, the Company has not defaulted in repayment of the dues to a bank with respect to its borrowings. The Company has not borrowed any loans from financial institutions and debenture holders.

(xii) As the Company has not granted any loans or advances against security, the provisions of paragraph 4 (xii) of the said Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund, or a nidhi, mutual benefit funds/societies, accordingly, the provisions of paragraph 4 (xiii) of the said Order are not applicable.

(xiv) On the basis of our examination and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) According to the information and explanations given to us, the Company has not taken any term loan.

(xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used the fund borrowed on short term basis during the year for long term investments.

(xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.

(xix) The Company has not issued debentures or made any public issue during the year and accordingly the provisions of paragraph 4 (xix) and (xx) of the said Order, are not applicable.

(xx) To the best of our knowledge and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year.

Vilas Y. Rane
Partner
Membership Number: F-33220

For and on behalf of Price Waterhouse
Chartered Accountants

Address:

252, Veer Sarvarkar Marg
Shivaji Park, Dadar
Mumbai – 400 028

Date: November 21, 2008

BALANCE SHEET AS AT MARCH 31, 2008

	Schedule	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	**249,904,860**	249,609,860
Share application money	2	**397,500**	8,497,500
Reserves and surplus	3	**6,584,616,695**	6,576,516,695
		6,834,919,055	6,834,624,055
APPLICATION OF FUNDS			
Fixed assets			
Gross block	4	**162,353,387**	155,425,116
Less: Accumulated depreciation		**148,665,742**	145,416,739
Net block		**13,687,645**	10,008,377
Capital work-in-progress		**-**	4,125,959
		13,687,645	14,134,336
Investments	5	**479,423,600**	479,423,600
Current assets, loans and advances			
Unbilled debtors	6	**-**	-
Sundry debtors	7	**55,090,901**	37,402,984
Cash and bank balances	8	**81,900,423**	86,438,889
Loans and advances	9	**108,424,536**	62,756,836
		245,415,860	186,598,709
Less: Current liabilities and provisions			
Current liabilities	10	**106,610,899**	89,561,411
Provisions	11	**2,874,005**	2,052,512
		109,484,904	91,613,923
Net current assets		**135,930,956**	94,984,786
Miscellaneous expenditure (to the extent not written off or adjusted)	12	**-**	-
Profit and loss account		**6,205,876,854**	6,246,081,333
		6,834,919,055	6,834,624,055
Notes to the accounts	17		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 21, 2008

For Trigyn Technologies Limited

R Ganapathi
Chairman & Executive Director

Richard Raja
Director

Milind Telawane
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Place: Mumbai
Date: November 21, 2008

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2008

	Schedule	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Income			
Software development and Support services		**138,607,395**	81,703,428
Other income	13	**19,873,633**	14,362,245
		158,481,028	96,065,673
Expenditure			
Personnel costs	14	**71,221,665**	40,570,661
Depreciation	4	**3,249,002**	1,115,903
Finance charges	15	**1,850,185**	1,287,134
Other costs	16	**41,287,605**	32,217,097
		117,608,457	75,190,796
Profit for the year before tax and extraordinary adjustments		**40,872,571**	20,874,878
Less: Provision for taxation			
- Fringe benefit tax		**668,094**	337,087
Profit for the year after tax and before extraordinary adjustments		**40,204,477**	20,537,791
Add: Extra-Ordinary adjustments		**-**	346,103,849
Profit for the year after tax and extraordinary adjustments		**40,204,477**	366,641,640
Losses brought forward		**(6,246,081,333)**	(6,612,722,973)
Losses carried to balance sheet		**(6,205,876,854)**	(6,246,081,333)
Earning per share before extraordinary adjustments			
- Basic earnings per share (Face value of Rs. 10 each, refer note 6 to schedule18)		**1.61**	0.90
- Diluted earnings per share (Face value of Rs. 10 each, refer note 6 to schedule 18)		**1.60**	0.81
Earning per share after extraordinary adjustments			
- Basic earnings per share (Face value of Rs. 10 each, refer note 4 to schedule 17)		**1.61**	16.04
- Diluted earnings per share (Face value of Rs. 10 each, refer note 4 to schedule 17)		**1.60**	14.37
Notes to the accounts	17		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 21, 2008

For Trigyn Technologies Limited

R Ganapathi
Chairman & Executive Director

Richard Raja
Director

Milind Telawane
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Place: Mumbai
Date: November 21, 2008

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2008

		For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Cash flow from operating activities			
Profit for the year before tax and after extraordinary adjustments		**40,872,571**	366,978,727
Adjustments for:			
Interest income		**(4,456,589)**	(2,409,155)
Income from trade investments		**(7,000)**	(7,000)
Provision for doubtful advances to subsidiaries		**(9,292,613)**	(4,747,554)
Interest written back		**-**	(153,546,371)
Loan written back		**-**	(192,557,478)
Depreciation and amortization		**3,249,002**	1,579,703
Loss / (profit) on sale of assets, net		**-**	(120,000)
Interest cost		**-**	460,311
Operating profit before working capital changes		**30,365,372**	15,631,183
Changes in working capital			
(Increase)/Decrease in Sundry Debtors		**(17,687,917)**	(20,388,078)
(Increase)/Decrease in Loans and advances		**(34,245,888)**	(33,755,470)
Increase/(Decrease) in Current Liabilities and Provisions		**17,819,220**	82,433,851
Cash generated from / (used in) operations		**(3,749,213)**	43,921,485
Direct tax paid (net)		**(2,745,530)**	(424,414)
Net cash generated from / (used in) operations	**(A)**	**(6,494,743)**	43,497,071
Cash flow from investing activities			
Sale of fixed assets		**-**	120,000
Purchase of fixed assets		**(2,802,312)**	(11,025,726)
Interest received		**4,456,589**	2,409,155
Dividend received		**7,000**	7,000
Loans to subsidiaries (net)		**-**	-
Net cash generated from / (used in) investing activities	**(B)**	**1,661,277**	(8,489,571)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2008 *(Contd.)*

	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Cash flow from financing activities		
Interest paid	**-**	(193,017,788)
Interest written back	**-**	192,557,478
Proceeds from fresh issue of equity shares	**295,000**	136,500,000
Proceeds from share application money	**-**	8,100,000
Repayment of preference share capital	**-**	(50,000,000)
Repayment of loans	**-**	(216,046,371)
Loan written back	**-**	153,546,371
Net cash generated from / (used in) financing activities (C)	**295,000**	31,639,689
Increase / (Decrease) in cash and cash equivalents (A+B+C)	**(4,538,466)**	66,647,190
Cash and cash equivalents at the beginning of year	**86,438,889**	19,791,699
Cash and cash equivalents at the end of year	**81,900,423**	86,438,889

Notes:

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3
2. Cash and cash equivalents as at the year end consist of cash Rs.26,447 (2007: Rs.31,839) and bank balances in current account Rs.38,922,401 (2007: Rs.61,035,452) and in deposit account Rs.42,951,575 (2007: Rs. 25,371,597).

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 21, 2008

For Trigyn Technologies Limited

R Ganapathi
Chairman & Executive Director

Richard Raja
Director

Milind Telawane
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Place: Mumbai
Date: November 21, 2008

Schedules to the financial statements for the year ended March 31, 2008

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 1. Share capital		
Authorised		
35,000,000 (2007: 35,000,000) equity shares of Rs 10 each.	**350,000,000**	350,000,000
5,000,000 (2007: 5,000,000) preference shares of Rs 10 each.	**50,000,000**	50,000,000
	400,000,000	400,000,000
Issued, subscribed and paid-up		
24,990,486 (2007: 24,960,986) equity shares of Rs 10 each fully paid-up.	**249,904,860**	249,609,860
Total	**249,904,860**	249,609,860

Of the above, 5,251,666 (2007: 5,251,666) equity shares of Rs 10 each fully paid-up have been issued as bonus shares by capitalisation of share premium.

Of the above, 7,350,000 (2007: 7,350,000) equity shares of Rs 10 each fully paid-up with a premium of Rs 815 have been allotted to eCapital Holding (Bermuda) Limited for consideration other than cash for acquiring 7,350,000 equity shares (representing 100% of issued and paid up share capital) of eCapital Solutions (Bermuda) Limited.

Refer note 6 to schedule 17 for Employee Stock Options granted by the Company.

Schedule 2. Share application money		
Application money under Employees stock option plan (‘ESOP’)	**397,500**	397,500
Warrant Application money - UTL	**-**	8,100,000
Total	**397,500**	8,497,500

Schedule 3. Reserves and surplus		
Securities premium		
- Balance at the beginning of the year	**6,573,753,715**	6,538,364,825
- Addition on issue of shares	**-**	35,388,890
- Balance at the end of the year	**6,573,753,715**	6,573,753,715
Employee stock options outstanding		
- Balance at the beginning of the year	**2,762,980**	2,762,980
- Addition on issue of stock options	**-**	-
- Reversal on forfeiture of stock options	**-**	-
- Balance at the end of the year	**2,762,980**	2,762,980
Capital reserve account		
- Balance at the beginning of the year	**-**	-
- Addition (Refer note below)	**8,100,000**	-
- Balance at the end of the year	**8,100,000**	-
Total	**6,584,616,695**	6,576,516,695

Note:
The Company, on June 16, 2006 had issued and allotted 60,00,000 share warrants to United Telecoms Limited, the Promoters, at a price of Rs.13.50 each on preferential basis, eligible for conversion into equal number of equity shares at any time within 18 months from the date of allotment. The said period has expired on December 15, 2007 and accordingly, during the year, the warrant application money of Rs.8,100,000 has been forfeited and credit to “Capital Reserve Account.”

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

Schedule 4. Fixed assets (At cost)

(Amount in Rs.)

Particulars	Gross Block				Depereciation				Net Block	
	As at Apr1, 2007	Additions during the year	Deletion during the year	As at March 31, 2008	Upto April 1, 2007	For the year	Deletion during the year	Upto March 31, 2008	As at March 31, 2008	As at March 31, 2007
Tangible assets										
Buildings (Note 1)	6,449,503	-	-	6,449,503	2,875,613	363,834	-	3,239,447	3,210,056	3,573,890
Leasehold Improvements	75,647,800	1,733,447	-	77,381,247	74,090,739	468,726	-	74,559,465	2,821,782	1,557,061
Computers & Peripherals	59,709,726	1,767,578	-	61,477,304	58,532,249	762,155	-	59,294,404	2,182,900	1,177,477
Office Equipments	8,319,736	772,571	-	9,092,307	7,493,331	348,811	-	7,842,142	1,250,165	826,405
Furniture & Fixtures	3,395,167	2,632,315	-	6,027,482	2,181,731	688,340	-	2,870,071	3,157,412	1,213,436
Intangible assets										
-Computer Software	1,903,184	22,360	-	1,925,544	243,076	617,136	-	860,212	1,065,332	1,660,108
	155,425,116	**6,928,271**	**-**	**162,353,387**	**145,416,739**	**3,249,002**	**-**	**148,665,742**	**13,687,646**	**10,008,377**
Previous year	148,959,408	6,899,767	434,059	155,425,116	144,734,895	1,115,903	434,059	145,416,739	10,008,377	

Note 1: Building includes value of properties in Co-operative societies including shares of respective societies.

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 5. Investments		
Long term investments (at cost)		
Trade (unquoted) investment in wholly owned subsidiaries		
7,350,000 (2007:7,350,000) equity shares of US $ 0.40 each fully paid -up in eCapital Solutions (Bermuda) Limited	**6,064,716,375**	6,064,716,375
15,000 (2007:15,000) equity shares of US $ 1 each fully paid-up in Applisoft Inc. USA	**421,629,079**	421,629,079
500,000 (2007: 500,000) equity shares of Rs 10 each fully paid-up in Leading Edge Infotech Limited	**5,000,000**	5,000,000
	6,491,345,454	6,491,345,454
Less: Provision for diminution (other than temporary) in the value of investment in subsidiaries (Refer Note 3 of Schedule 17)	**6,011,975,454**	6,011,975,454
	479,370,000	479,370,000
Non - trade (unquoted) investments		
100 (2007: 100) equity shares of Rs 36 each fully paid-up in Bombay Mercantile Co operative Bank Limited	**3,600**	3,600
5,000 (2007: 5,000) equity shares of Rs 10 each fully paid-up in North Kanara GSB Co operative Bank Limited	**50,000**	50,000
	53,600	53,600
Total	**479,423,600**	479,423,600
Schedule 6. Unbilled debtors		
(Unsecured, considered good, unless otherwise stated)		
Debts over six months		
- Considered doubtful	**1,319,189**	1,319,189
Less: Provision for doubtful debts	**1,319,189**	1,319,189
Total	**-**	-

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 7. Sundry debtors		
(Unsecured, considered good, unless otherwise stated)		
Debts over six months		
- Considered doubtful*	**269,726,586**	269,726,586
Others debts		
- Considered good**	**55,090,901**	37,402,984
	324,817,487	307,129,570
Less: Provision for doubtful debts	**269,726,586**	269,726,586
Total	**55,090,901**	37,402,984

* includes due from Trigyn Technologies Ltd. (UK) Rs.6,009,496 (2007: Rs.6,009,496) and Trigyn Technologies Inc Rs.90,700,019 (2007:Rs.90,700,019), which are the companies under same management as defined under section 370(1B) of the Companies Act, 1956.

** due from Trigyn Technologies Inc, which is a company under same management as defined under section 370(1B) of the Companies Act, 1956.

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 8. Cash and bank balances		
Cash on hand	**26,447**	31,839
Balances with scheduled banks		
- in current account	**38,865,503**	60,798,886
- in deposit account	**42,951,575**	25,371,597
	81,843,525	86,202,322
Balances with other banks in current account		
- First Fidelity Bank NA, USA	**56,898**	236,567
	56,898	236,567
Total	**81,900,423**	86,438,889
Maximum balance held during the year with other banks on current account		
- First Fidelity Bank NA, USA	**236,567**	383,334
- Overseas Chinese Banking Corporation	**-**	2,317,764

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 9. Loans and advances		
(Unsecured, considered good unlessotherwise stated)		
Advances recoverable in cash or in kind or for value to be received*	**72,004,070**	41,250,642
Loans to subsidiaries**	**20,785,005**	17,990,131
Loans and advances to employees	**373,555**	387,973
Deposits	**10,151,192**	146,572
Advance taxes [(net of provision for tax Rs.496,154 (2007: Rs.547,915)]	**5,110,714**	2,981,518
	108,424,536	62,756,836
(Unsecured, considered doubtful)		
Loans to subsidiaries**	**204,398,107**	213,690,720
Loans and advances to employees	**1,016,528**	1,016,528
Advance for purchase of fixed asset	**1,342,893**	1,342,893
	206,757,528	216,050,141
Less: provision for doubtful loans and advances	**206,757,528**	216,050,141
	-	-
Total	**108,424,536**	62,756,836

*includes due from Trigyn Technolgies Inc. Rs.65,297,091 (2007: Rs.37,813,701), which is a company under the same management as defined under section 370(1B) of the Companies Act, 1956. Maximum amount outstanding during the year from Trigyn Technologies Inc. Rs.65,297,091 (2007:Rs.67,977,372)

**includes due from Trigyn Technologies (India) Private Limited Rs. 210,846,968 (2007: Rs.210,791,330), Leading Edge Infotech Limited Rs.11,344,659 (2007: Rs.17,998,976), eVector (India) Private Limited Rs. 54,264 (2007: Rs.9,505), Trigyn Technologies Limited UK Rs.2,075,814 (2007: Rs.2,075,814), Applisoft Inc. Rs.834,693 (2007: Rs.778,513) and eVector Inc. Rs.26,713 (2007: Rs.26,713) which are companies under the same management as defined under section 370(1B) of the Companies Act, 1956.

Maximum amount outstanding during the year from Trigyn Technologies India Private Limited Rs. 211,546,468 (2007: Rs.212,475,330), Leading Edge Infotech Limited Rs.18,298,975.68 (2007: Rs.24,005,788), eVector (India) Private Limited Rs.54,264 (2007: Rs.9,505), Trigyn Technologies Limited UK Rs. (2007:Rs. 2,075,814), Applisoft Inc. Rs.834,693, and eVector Inc. Rs.26,713 (2007: Rs.26,713).

Schedule 10. Current liabilities		
Sundry creditors	**3,966,408**	5,027,093
Unclaimed dividend		
- Amount to be deposited with Investor Education and Protection Fund	**-**	380,061
- Others	**-**	109,241
Other liabilities	**102,644,491**	84,045,016
	106,610,899	89,561,411
Schedule 11. Provisions		
Leave encashment & Gratuity	**2,874,005**	2,052,512
	2,874,005	2,052,512
Schedule 12. Miscellaneous expenditure		
(to the extent not written off or adjusted)		
Opening Balance	**-**	463,800
Less: written off during the year	**-**	463,800
	-	-

Schedules to the financial statements for the year ended March 31, 2008 ***(Contd.)***

	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Schedule 13. Other income		
Interest on deposits with banks		
[Tax Deducted at Source Rs. 706,098 (2007: Rs 360,182)]	**4,456,589**	2,409,155
Interest on income tax refund	**-**	49,596
Lease rental income	**6,059,556**	6,939,864
Profit on sale fixed assets	**-**	120,000
Dividend from non-trade investments (long term)	**7,000**	7,000
Provision for doubtful debts/advances no longer required written back	**9,292,613**	4,747,554
Miscellaneous income	**57,875**	89,076
	19,873,633	14,362,245
Schedule 14. Personnel costs		
Salaries, bonus and overseas allowances	**63,359,225**	35,762,424
Contribution to provident and other funds	**4,759,070**	2,895,233
Gratuity and leave encashment	**1,731,815**	1,214,457
Staff welfare	**1,371,555**	698,547
	71,221,665	40,570,661
Scheule 15. Finance charges		
Interest - Others	**-**	460,311
Bank and other finance charges	**1,850,185**	826,823
	1,850,185	1,287,134
Schedule 16. Other costs		
Consultancy charges	**5,613,542**	3,254,436
Travel and conveyance costs	**9,122,048**	7,228,203
Legal and professional fees	**9,200,662**	10,297,453
Managerial remuneration	**2,115,000**	1,800,000
Rent,rates and taxes	**589,652**	845,282
Electricity charges	**2,329,040**	1,123,390
Communication expenses	**1,319,286**	888,770
Insurance	**1,166,828**	795,374
Repairs and maintenance		
- Buildings	**-**	-
- Plant and machinery	**94,330**	202,171
- Others	**160,272**	140,349
Exchange loss (Net)	**4,435,003**	2,286,966
Amortisation of miscellaneous expenditure	**-**	463,800
Event sponsorship	**1,000,000**	-
Recruitment expense	**1,300,243**	564,273
Miscellaneous expenses	**2,841,699**	2,326,630
	41,267,207	32,217,097

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*
(Currency: Indian Rupee)

Schedule 17. Notes to Accounts

1. Background

Trigyn Technologies Limited ('TTL' or 'the Company') was incorporated on March 25, 1986. TTL has its software development center in Mumbai, India ('the Head Office') and the Company operates in US through its subsidiary Trigyn Technologies Inc. In 1997, the Company established a wholly owned subsidiary, Leading Edge Infotech Limited ('LEIL'), which is engaged primarily in providing software services for the financial services market in India.

2. Principal accounting policies

2.1 Basis of preparation of financial statements

a. The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956. All income and expenditure having a material bearing on the financial statements are recognised on accrual basis.

b. The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

c. These financial statements have been prepared assuming the Company will continue as a going concern despite substantial erosion of net worth. The Management believes that the Company will be able to finance its operations and meet its commitments including commitments given to support its subsidiaries from internal cash generation.

2.2 Revenue recognition

Revenues from software development services comprise income from time and material and fixed price contracts. Revenue from 'time and material' contracts is recognised, as and when related services are performed and accepted by the customer. Revenue from fixed price contracts is recognised using the percentage of completion method of accounting, under which the sales value of performance, including the profit thereon, is determined by relating the actual man hours of work performed to date to the estimated total man hours for each contract. Provision for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable, based on current contract estimates.

Unbilled receivables represent costs incurred and revenues recognised on contracts, to be billed in subsequent periods as per the terms of the contract.

Interest and Other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

2.3 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the fixed assets. Cost also includes financing costs directly attributable to acquisition of fixed assets. Depreciation on additions and disposals is provided pro-rata for the period of use.

Depreciation is provided on straight line basis at higher of the rates based on useful lifes of the fixed assets as estimated by the management and those stipulated in Schedule XIV to the Companies Act, 1956.

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*
(Currency: Indian Rupee)

The useful lives of fixed assets as estimated by the management are:

Asset	**Useful life (in years)**
Leasehold improvements / Assets taken on lease	Over the term of the lease or the estimated useful life of the asset which ever is shorter
Buildings	20 years
Office equipment	3-4 years
Computers and peripherals and Computer Software	3 years and 2 months
Furniture and fixtures	4 years
Motor vehicles	4 years and 2 months

2.4 Retirement benefits

Contributions to the employees' provident fund, which is a defined contribution scheme, are charged to the profit and loss account in the year in which the contributions are due. Leave encashment costs are provided for, based on an actuarial valuation carried out by an independent actuary at the balance sheet date. Gratuity costs, which are defined benefits, are based on an actuarial valuation carried out by an independent actuary at the balance sheet date.

2.5 Investments

Long-term investments are carried at cost, and provision is made when in the management's opinion there is a dimunition, other than temporary, in the carrying value of such investments. Current investments are carried at lower of cost and fair value.

2.6 Income tax

Current tax provision is made annually based on the tax liability computed after considering tax allowances, exemptions and relief. Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized, other than deferred tax assets in respect of unabsorbed depreciation and carry forward tax losses, which are recognised only to the extent that there is virtual certainty that they will be realized. Deferred tax assets are reviewed at each balance sheet date for the appropriateness of their carrying values.

2.7 Leases

Assets given under operating lease are reflected in the financial statements under fixed assets. Further, lease income from such operating lease arrangements have been recognised in the statement of profit and loss on a straight line basis over the lease term.

2.8 Foreign currency transactions

Indian operations

Transactions in foreign currency are recorded at the monthly average exchange rates. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the year are recognised in the profit and loss account. Foreign currency denominated current assets and current liabilities at the year-end are translated at the year-end exchange rates and the resulting net gain or loss is recognised in the profit and loss account.

US Branch office operations

Foreign currency denominated current assets and current liabilities at year-end are translated at the year-end exchange rates. Net exchange difference resulting from translation of items in the financial statements of the foreign Branch is recognised in the profit and loss account.

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*
(Currency: Indian Rupee)

2.9 Stock based compensation

Compensation cost relating to employee stock options granted by the Company has been accounted in accordance with the “SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999” issued by Securities and Exchange Board of India. Accordingly, the excess of the market price of the underlying equity share as at the date of grant of the option over the exercise price of the options on the date of grant has been recognized as employee compensation expense and is being amortised on a straight line basis over the vesting period.

2.10 Earnings per share

The basic earnings per share is computed by dividing the profit/ loss after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

2.11 Segment information

In accordance with Accounting Standard 17 “Segment Reporting”, if the Company’s single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements. Accordingly, the Company has chosen to present segment information only in its consolidated financial statements.

2.12 Provisions and contingent liabilities

Provisions are recognized when the Company has present legal or constructive obligation, a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent liabilities, if any, are disclosed by way of notes to the Balance Sheet.

3. Provision for decline other than temporary in the value of investments

In April 2000, the Company allotted 7,350,000 equity shares of Rs 10 each at a premium of Rs 815 in consideration aggregating Rs 6,064,716,375 for acquiring 7,350,000 equity shares, representing 100% equity interest in eCapital Solutions (Bermuda) Limited (“EB”). The investment was recorded by crediting share capital and securities premium accounts. Further, in January 2001, the Company also acquired 100% equity stake in Applisoft Inc for consideration in cash aggregating Rs 421,629,079.

On the basis of a preliminary evaluation in the year 2002 and 2003, the Company had made a provision for ‘diminution other than temporary’ in the carrying value of its investments in eCapital (Bermuda) Limited and Applisoft Inc. aggregating Rs 6,011,975,454. The primary reasons for such diminution are attributed to the general downturn in the software services and products business, which may result in loss of certain perceived business synergies.

In the year 2004, the company had engaged the services of Dua and Jablons, a CPA firm in the USA to conduct an independent valuation of the two subsidiaries, eCapital Solutions (Bermuda) Ltd. and Applisoft Inc. for arriving at a realistic valuation and carrying value for these investments. Based on this valuation report, the average valuation or carrying value of the investment in these two subsidiaries is USD 11.44 million or Rs. 474.37 million as on March 31, 2005. As a result of which management decided to make a further provision amounting to Rs. 169.26 million in the year 2004.

The networth of Leading Edge Infotech Limited is negative. However, in view of the profits made by the aforesaid Company, no provision is considered necessary by the Management towards the carrying value of investments of Rs. 5 million.

In the next financial year, the management intends to conduct an independent valuation of these subsidiaries for arriving at a carrying value for these investments. Since the subsidiaries of eCapital Solutions (Bermuda) Ltd., has made profit during the year and showed improvement in the working and looking at the future prospects and underlying potential, the Company is of the opinion that no further diminution in value of investments is currently required.

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*
(Currency: Indian Rupee)

4. Earnings per share

Details of numerator and denominator used for the purposes of computing earnings per share are summarized below:

	2008	2007
Profit after tax and before extraordinary adjustments	**40,204,477**	**20,537,791**
Add: Extraordinary adjustment	-	346,103,849
Profit after tax and extraordinary adjustments		
Number of shares outstanding at the year end Weighted average	**40,204,477**	**366,641,640**
number of shares used in computing earning per share (Basic)	24,990,486	24,960,986
Weighted average number of shares used in computing	25,116,512	22,855,659
earning per share (Diluted)	25,116,512	25,510,876
Face value of Rs.	**10**	**10**
Earnings per share before extraordinary adjustment		
- Basic	**1.61**	**0.90**
- Diluted	**1.60**	**0.81**
Earnings per share after extraordinary adjustment		
- Basic	**1.61**	**16.04**
- Diluted	**1.60**	**14.37**

5. Deferred Taxes

In view of carried forward losses incurred by the Company, deferred tax assets on carry forward business losses and unabsorbed depreciation have not been created as there is no virtual certainty that sufficient future taxable income will be available against which deferred tax assets would be adjusted.

6. Employee Stock Option Plans

I). **The 1998 Employee stock option plan**

The 1998 Employees Stock Option Plan ('the Plan') provides for the issue of options up to 5% of the paid up equity share capital at a minimum exercise price of Rs 265 per equity share, with a vesting period of 36 months from the date of grant of option. In 2002, the Company revised the Plan, whereby the options granted to the employees would vest in four equal installments from the date of the grant of the options.

Presented below is a summary of the Company's 1998 stock option plan activity during the years ended March 31, 2008:

	2008	2007
Options outstanding at the beginning of the year	4,000	4,000
Options cancelled during the year	-	-
Options outstanding at the end of the year	**4,000**	**4,000**

The Securities and Exchange Board of India ("SEBI") issued Employees Stock Option Scheme and Employees Stock Purchase Scheme Guidelines, 1999 ("the Guidelines"), which are effective for all stock option schemes established after 19 June 1999. In accordance with the Guidelines, the excess of the market price of the underlying equity shares as at the date of the grant of the options over the exercise price of the options,

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*
(Currency: Indian Rupee)

including upfront payments, if any, is to be recognised and amortised on a straight line basis over the vesting period.

The Company's 1998 Stock Option Plan was established prior to the Guidelines. Had the stock compensation cost for the plan been determined as per the Guidelines, the Company's reported net profit would have been higher by Rs. 498,750 (2007:Rs. 498,750).

II). **Employee stock option plan 2000**

In June 2000 the shareholders of the Company approved the Employees Stock Option Plan 2000 ("the 2000 Plan"), which covers the employees of the Company including its subsidiaries and affiliates. The 2000 plan automatically expires in June 2010, unless terminated earlier. These options would vest equally over a period of four years, with a minimum vesting period of one year from the date of the grant of these options. The Company has reconstituted a compensation committee as prescribed by the SEBI guidelines in March 2005, for the purpose of administering this Plan. All the options have been granted at 100% of fair value unless otherwise stated specifically.

During the year ended March 31, 2001, the Company issued 156,050 options including 34,250 options to employees of its subsidiaries, at an exercise price of Rs 380 per option and the prevalent market price of the shares, on the date of grant of these options was Rs 394.3 per share.

In the AGM held on 30 December 2003, the Company passed a resolution to grant Mr. Homiyar Panday, President - US Operations and Employee of the subsidiary company, Trigyn Technologies Inc., upto a maximum limit of 240,000 stock options convertible into equivalent amount of equity shares in one tranche at an exercise price of Rs.10/- per equity share. The prevalent market price of the shares on the date of grant of these options was Rs. 21. These shares, if opted for, are to vest after a lock in period of one year from the date of grant of the said stock options. The Company has accordingly provided the price differential in its books of accounts in terms of the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999.

Presented below is a summary of the Company's 2000 stock option plan activity during the years ended March 31, 2008:

	2008	**2007**
Options outstanding at the beginning of the year	978,750	1,028,750
Options granted during the year	-	-
Options lapsed during the year	-	50,000
Options outstanding at the end of the year	**9,78,750**	**9,78,750**

In accordance with the SEBI guidelines, the excess of the market price of the underlying equity share as at the date of grant of the option over the exercise price of the options on the date of grant has been recognized as employee compensation expenses and is being amortised on a straight line basis over the vesting period. Employee Stock Option Plans compensation income for the year ended March 31, 2008 aggregated Rs.Nil (2007: Rs Nil).

7. Regulatory matters

The Company has applied to the concerned regulatory authorities in respect of certain non-compliances, which had been reported on the previous balance sheet date. Most of these non-compliances are a result of the persistent down trend in the software industry, particularly in the United States, which is the largest customer market for the Company. These matters are summarized below:

Discount cost aggregating Rs 116.83 million representing allowances made by the Company, arising from negotiations and settlement with a certain customer outside India. The management is confident that the pending applications will be reviewed favourably by the concerned authorities without any significant penalty.

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 ***(Contd.)***
(Currency: Indian Rupee)

8. Related party transactions

Details of related parties including summary of transactions entered into by the Company during the year ended March 31, 2008 are summarized below:

Names of related parties:

Subsidiary companies	**Key Management Personnel**
Leading Edge Infotech Limited	Ramakrishna Bhagwat (Resigned on April 1, 2007)
Applisoft Inc.	
ECapital Solutions (Bermuda) Limited	R Ganapathi
ECapital Solutions (Mauritius) Limited	
Trigyn Technologies (India) Private Limited	
Trigyn Technologies Europe GmbH	
Trigyn Technologies Inc	
EVector (Cayman) Limited	
EVector Inc.	
EVector (India) Private Limited	
EVector (UK) Limited	
Trigyn Technologies Limited, UK	

Particulars of related party transactions during the year ended March 31, 2008

Nature of transactions	**Transactions with subsidiaries**	
	2008	**2007**
Transactions during the year		
Services rendered by the Company	138,607,395	81,703,419
Expenses incurred by the Company	486,435,780	11,955,394
Expenses incurred on behalf of the Company	9,994,305	326,122,581
Repayment of loans from subsidiaries (net)	6,850,000	7,302,000
Provisions for doubtful debts/advances written back	(9,292,613)	(4,747,554)
Year-end balances	**2008**	**2007**
Gross amounts receivables as loans/advances	291,304,785	269,494,552
Provisions for doubtful loans/advances	204,398,107	213,690,720
Gross amounts receivables as debts	151,276,960	134,112,500
Provisions for doubtful debts	96,709,515	96,709,515
Provisions for diminution in value of investments	6,011,975,454	6,011,975,454

For ESOP's granted to employees of subsidiaries refer note 6.

For counter guarantees given on behalf of subsidiary refer note 9.

Transactions with Directors

For remuneration paid to the Directors refer note 11 (i) to schedule 17 to the financial statements.

9. Contingent liabilities

Counter guarantees on behalf of Leading Edge Infotech Limited, a wholly owned subsidiary Rs 1,000,000 (2007: Rs.1,000,000).

10. The Company is in process of identifying Micro, Small and Medium Enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006. Hence disclosure relating to amounts unpaid as at the year end together payable with interest thereon has not been given.

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*
(Currency: Indian Rupee)

11. Supplementary statutory information

(i) Personnel costs include managerial remuneration in respect of the whole-time directors of the Company as follows:

	2008	**2007**
Salary	1,800,000	1,800,000
Contribution to provident and other funds	216,000	230,549
	2,016,000	**2,030,549**

(ii) **Other costs include:**

Auditor's remuneration:		
- statutory audit fees	1,011,240	1,011,180
- tax audit fees	168,540	168,540
- other services	89,888	56,120
- out of pocket expenses	13,821	1,893
	1,283,489	**1,237,733**

(iii) **Expenditure in foreign currency:**

Personnel costs	4,607,104	3,799,068
Travel and conveyance	38,036	510,244
Legal and professional fees	86,066	-
Others	56,922	76,563
	3,788,128	**4,582,051**

(iv) **Earnings in foreign currency:**

Software development and support services	138,607,395	81,703,428
Interest income	-	1,755
	138,607,395	**81,705,183**

12. The current assets, loans and advances are stated at the value, which in the opinion of the Board, are realisable in the ordinary course of the business. Current liabilities and provisions are stated at the value payable in the ordinary course of the business.

13. The balances of certain amounts under loans and advances, debtors and creditors are subject to confirmation/ reconciliation and consequential adjustment, if any. The management does not, however, expect any significant impact on the financial statements on this account.

14. Prior year comparatives

Prior year figures have been reclassified to conform to current year's presentation.

For Trigyn Technologies Limited

R Ganapathi
Chairman & Executive Director

Richard Raja
Director

Milind Telawane
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Place: Mumbai
Date: November 21, 2008

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. REGISTRATION DETAILS

Registration No. 39341 State Code 11

Balance Sheet Date 31.03.2008
Date Month Year

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement (including share application money)	295

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)

Total Liabilities	694404	Total Assets	694404
SOURCES OF FUNDS:		**APPLICATION OF FUNDS:**	
Paid-up Capital (including share application money)	250302	Net Fixed Assets	13688
Reserves & Surplus	658461 7	Investments	479423
Secured Loans	-	Net Current Assets	135931
Unsecured Loans	-	Miscellaneous Expenditure	-
		Accumulated loss	6205877

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

Turnover (including other income)	158481	Total Expenditure	117608
+ - Profit Before Tax	40873	+ - Profit for the year	40204
Earning per Share in Rs.	1.61	Dividend %	-

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

ITEM CODE NO. (ITC CODE)	8524.9
PRODUCT DESCRIPTION	Computer Software
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable

DIRECTORS' REPORT

The Directors are pleased to present their report along with the audited statement of accounts of Trigyn Technologies (India) Private Limited for the year ended March 31, 2008.

FINANCIAL RESULTS

Financial Results for the year ended March 31, 2008 are given below:

(Rs. In lakhs)

	Year ended March 31, 2008	Year ended March 31, 2007
Income		
From Operations	**-**	-
Other Income	**102.21**	111.86
Provision no longer required, written back	**-**	-
Total Revenue	**102.21**	111.86
Expenditure		
Depreciation	**41.02**	41.21
Operating and Other Expenses	**69.18**	58.46
Total Expenditure	**110.21**	99.67
Profit / (Loss) before Tax	**(8.00)**	12.19
Fringe benefit tax	**0.01**	0.02
Provision for Taxation (for earlier years)	**-**	0.02
Profit / (Loss) after Tax	**(8.01)**	12.15
Loss brought forward	**3231.40**	3243.55
Loss carried forward	**3239.41**	3231.40

REVIEW OF OPERATIONS

During the year under review the company has earned an income of Rs.102.21 lakhs as against Rs.111.86 lakhs for the previous year. Deducting there from the expenditure incurred and providing for taxes and Rs.41.01 lakhs towards depreciation, the Company posted a net loss of Rs.8.00 lakhs as against profit of Rs.12.19 lakhs for the previous year. After adding thereto the bought forward losses, the accumulated loss of Rs.3239.41 lakhs has been carried to the balancesheet.

In the absence of profit, your Directors have not recommended any dividend.

DIRECTORS

Mr. Sanjay Patkar resigned from the directorship of the Company w.e.f. May 23, 2008. The Board places on record it's appreciation for the contribution made by him during his tenure.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. C. V. Rao and Mr. Richard Raja retires by rotation and being eligible offers themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act 1956, the directors confirm that :

i) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii) Appropriate accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31,2008 and of the profit & loss account for the year ended March 31,2008.

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and detecting fraud and other irregularities.

iv) The annual accounts have been prepared on a going concern basis.

CHANGE IN SHAREHOLDING

eCapital Solutions (Mauritius) Ltd. the holding Company, has submitted an application for voluntary winding up as per the applicable laws of Mauritius. In view thereof, w.e.f. November 21, 2007 the Company has became a wholly owned subsidiary of eCapital Solutions (Bermuda) Ltd., the holding Company of eCapital Solutions (Mauritius) Ltd.

AUDITORS REMARKS

The Auditors remarks in the Auditor's Report are self explanatory. The management is taking appropriate measures to rectify the same.

EMPLOYEES

The Company has no employee whose Information is required to be given under the provisions of section 217 (2A) of the Companies Act, 1956 and the rules framed there under.

AUDITORS

M/s Price Waterhouse, Chartered Accountants, the Statutory Auditors of your Company holds office until the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for reappointment. Certificate from the Auditors has been received to the effect that their reappointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and since they are not disqualified for such reappointment within the meaning of Section 226 of the said Act, they shall continue to be the Statutory Auditors.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of activities that are being carried on by your Company, rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption, respectively are not applicable to your company. Your company is, however, making all efforts for reducing energy consumption at office facilities by installing computer systems designed for low power consumption. There was no foreign exchange outgo and earnings during the year.

ACKNOWLEDGEMENTS

The Board of Directors places on record their appreciation for the support provided by the Company's Bankers, Customers, Vendors Government Authorities as well as all the Employees towards the Company.

On behalf of the Board of Directors

R. Ganapathi
Chairman

Place Mumbai
Date September 1, 2008

AUDITORS' REPORT

TO THE MEMBERS OF TRIGYN TECHNOLOGIES (INDIA) PRIVATE LIMITED

1. We have audited the attached Balance Sheet of **Trigyn Technologies (India) Private Limited** ('the Company') as at March 31, 2008, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date (together referred to as 'financial statements'). 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.
2. 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.
3. As required by the Companies (Auditor's Report) Order, 2003, ('the said Order'), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the Act), and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. *Attention is invited to Note 2.1 (c) to schedule 13 in the financial statements. These financial statements have been prepared assuming the Company will continue as going concern despite cessation of software operations and negative networth. In our opinion, these factors, along with other matters set forth in the above note, raise substantial doubt that the company will be able to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts and classification of liabilities that might results should the company be unable to continue as a going concern.*
5. Further to our comments in the Annexure referred to in paragraph 3 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 examination of those books ;
   c. the Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
   d. in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
   e. on the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2008 from being appointed as a director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
   f. *except for the adjustments, if any, required to the carrying amount of assets and the classification of liabilities that might result should the Company be unable to continue as a going concern as stated in paragraph 4 above*, in our opinion and to the best of our information and according to the explanations given to us, the balance sheet and profit and loss account give the information required by 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;
      i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2008;
      ii. in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date; and,
      iii. in case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Vilas Y. Rane
Partner
Membership Number: F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Address:
252 Veer Sarvarkar Marg Shivaji Park,
Dadar, Mumbai – 400 028

Date: September 1, 2008

ANNEXURE TO AUDITORS' REPORT
TO TRIGYN TECHNOLOGIES (INDIA) PRIVATE LIMITED

(Referred to in our Report of even date)

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has not carried out a physical verification of fixed assets during the year. Discrepancies, if any, arising out of physical verification as compared to book records will be dealt in upon verification of fixed assets.

(c) The Company has not disposed off a substantial part of fixed assets during the year, and accordingly, going concern is not affected.

(ii) The Company is in the business of providing software services, hence provisions of clause (ii) (a), (b) and (c) of the said Order are not applicable.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of the paragraph 4 (iii) (b), (c), (d), (f) and (g) of the said Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system. We are informed that the nature of Company's business does not involve purchase of inventory and sale of goods.

(v) (a) According to the information and explanations given to us, we are of the opinion that there are no particulars of contracts or arrangements have taken place that need to be entered into the register maintained under section 301 of the Act.

(b) As there are no particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Act, the provisions of paragraph 4(v)(b) of the said Order not are applicable during the year.

(vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of section 58A, section 58AA and any other relevant provisions of the Act and the rules framed there under. No order has been passed by the National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

(vii) The Company does not have an internal audit system.

(viii) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Act for any of the activities of the Company.

(ix) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, custom duty and any other statutory dues with the appropriate authorities and there were no such outstanding dues as at March 31, 2008 for a period exceeding six months from the date they became payable. As explained to us employees' state insurance, the investors education and protection fund, wealth tax, excise duty, service tax and cess are presently not applicable to the Company.

(b) According to the information and explanations given to us, there are no disputed dues of income tax and custom duty remaining unpaid as at the year end except for the following:

Name of the statute	Nature of Dues	Amount (Rs.)	Period	Forum
Delhi Sales Tax Act, 1975	Sales Tax Liability	1,179,273	2000-2001	The Deputy commissioner of Sales Tax-IV

(x) In our opinion and according to the information and explanations given to us, the Company's accumulated losses exceed 50% of its net worth at the end of the financial year under reporting; and the Company has not incurred cash losses in the financial year under report and in the immediately preceding financial year.

(xi) As the Company has not borrowed any loans from financial institutions, banks and debenture holders, the provisions of paragraph 4(xi) of the said Order are not applicable.

(xii) As the Company has not granted any loans or advances against security, the provisions of paragraph 4 (xii) of the said Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund, or a nidhi, mutual benefit funds/societies, accordingly, the provisions of paragraph 4 (xiii) of the said Order are not applicable.

(xiv) On the basis of our examination and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) According to the information and explanations given to us, the Company has not taken any term loans.

(xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used the fund borrowed on short term basis during the year for long term investments.

(xviii) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.

(xix) The Company has not issued debentures or made any public issue during the year and accordingly, the provisions of paragraph 4 (xix) and (xx) of the said Order, are not applicable.

(xx) To the best of our knowledge and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year.

Vilas Y. Rane
Partner
Membership Number: F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Address:
252, Veer Sarvarkar Marg Shivaji Park,
Dadar, Mumbai – 400 028

Date: September 1, 2008

Balance Sheet as at 31 March 2008

	Schedule	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	**147,104,400**	147,104,400
Loan funds			
Unsecured loans	2	**210,846,969**	210,791,330
		357,951,369	357,895,730
APPLICATION OF FUNDS			
Fixed assets	3		
Gross block		**91,635,958**	91,635,958
Less: Accumulated depreciation		**85,882,816**	81,781,058
Net block		**5,753,142**	9,854,900
Investments	4	**-**	-
Current assets, loans and advances			
Sundry debtors	5	**17,423,179**	17,904,862
Cash and bank balances	6	**3,462,854**	3,306,115
Loans and advances	7	**10,504,075**	6,888,200
		31,390,108	28,099,177
Less: Current liabilities and provisions			
Current liabilities	8	**3,123,354**	3,188,584
Provisions	9	**10,033**	10,033
		3,133,387	3,198,617
Net current assets		**28,256,721**	24,900,560
Profit and loss account		**323,941,506**	323,140,272
		357,951,369	357,895,730
Notes to Accounts	13		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai

Date: September 01, 2008

For Trigyn Technologies (India) Private Limited

R Ganapathi
Director

C V Rao
Director

Place: Mumbai

Date: September 01, 2008

Profit and Loss Account for the year ended March 31, 2008

	Schedule	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Income			
Lease rental Income		**5,821,200**	7,148,312
Other income	10	**4,399,906**	4,037,970
Provision no longer required, written back		**-**	-
		10,221,106	11,186,282
Expenditure			
Personnel costs	11	**174,567**	228,138
Operating and administration expenses	12	**6,740,964**	5,599,416
Depreciation	3	**4,101,758**	4,121,470
Finance charges		**4,034**	18,423
		11,021,323	9,967,447
(Loss)/ profit for the year before tax		**(800,217)**	1,218,835
Less: Provision for taxation			
- Fringe benefit tax		**1,018**	2,259
Less: Tax adjustment for earlier year		**-**	1,400
Net (loss) / profit for the year after tax		**(801,235)**	1,215,176
Add : Loss brought forward from the previous year		**323,140,271**	324,355,447
Balance carried forward		**323,941,506**	323,140,271
Basic and diluted earnings per share		**(0.54)**	0.83
Number of shares (face value of Rs. 100 each)		**1,471,044**	1,471,044
Notes to Accounts	13		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai

Date: September 01, 2008

For Trigyn Technologies (India) Private Limited

R Ganapathi
Director

C V Rao
Director

Place: Mumbai

Date: September 01, 2008

Cash Flow Statement for the year ended on March 31, 2008

		For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Cash flow from operating activities			
Profit for the year before tax		**(800,217)**	1,218,835
Adjustments for:			
Interest income		**(234,104)**	(340,427)
Provision for doubtful debts		**4,428,342**	2,809,374
Depreciation and amortization		**4,101,758**	4,121,470
Operating profit before working capital changes		**7,495,780**	7,809,252
Changes in:			
(Increase)/Decrease in Sundry Debtors		**219,143**	863,326
(Increase)/Decrease in Loans and advances		**(7,739,605)**	777,397
Increase/(Decrease) in Current Liabilities and Provisions		**(65,229)**	(10,867,089)
Cash generated from / (used in) operations		**(89,912)**	(1,417,114)
Income taxes paid, net		**(43,091)**	(374,369)
Net cash generated from / (used in) operations	**(A)**	**(133,003)**	(1,791,483)
Cash flow from investing activities			
Interest Received		**234,104**	288,653
Net cash generated from / (used in) investing activities (B)		**234,104**	288,653
Cash flow from financing activities			
Repayment of loans		**55,639**	(1,411,473)
Net cash generated from / (used in) financing activities (C)		**55,639**	(1,411,473)
Decrease in cash and cash equivalents (A+B +C)		**156,740**	(2,914,303)
Cash and cash equivalents at the beginning of year		**3,306,115**	6,220,418
Cash and cash equivalents at the end of year*		**3,462,854**	3,306,115

Note:

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting standard - 3 ‘Cash flow statements’.
2. Cash and cash equivalents consist of cash and cheques on hand Rs.769 (previous year Rs.629), bank balances in current account Rs.559,575 (previous year Rs.402,976) and balance in fixed deposits with bank Rs.2,902,510 (previous year Rs.2,902,510)

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai

Date: September 01, 2008

For Trigyn Technologies (India) Private Limited

R Ganapathi
Director

C V Rao
Director

Place: Mumbai

Date: September 01, 2008

Schedules to the financial statements for the year ended March 31, 2008

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 1. Share capital		
Authorised		
1,500,000 (2007: 1,500,000) equity shares of Rs 100 each.	**150,000,000**	150,000,000
	150,000,000	150,000,000
Issued, subscribed and paid-up		
1,471,044 (2007: 1,471,044) equity shares of Rs 100 each fully paid up.	**147,104,400**	147,104,400

The entire shareholding of 1,471,044 shares are held by eCapital Solution (Bermuda) Limited, the holding company and its nominees.

Schedule 2. Unsecured loan

(Short term interest free loan)

Loan from Trigyn Technologies Limited, the ultimate holding company	**210,846,969**	210,791,330
	210,846,969	210,791,330

Schedule 3. Fixed assets (At Cost)

(Amount in Rs.)

Particulars	Gross Block				Depreciation				Net Block	
	As at April 1, 2008	Additions During the year	Deletion during the year	As at March 31, 2008	As at April 1, 2007	For the year	Deletion during the year	As at March 31, 2008	As at March 31, 2008	As at March 31, 2007
Leasehold improvements	39,120,061	-	-	39,120,061	29,268,777	4,098,290	-	33,367,067	5,752,994	9,851,284
Computers & peripherals	34,746,431	-	-	34,746,431	34,746,431	-	-	34,746,431	-	-
Furniture and fixtures	2,219,221	-	-	2,219,221	2,215,605	3,468	-	2,219,073	148	3,616
Office Equipment	5,632,638	-	-	5,632,638	5,632,638	-	-	5,632,638	-	-
Software	9,917,607	-	-	9,917,607	9,917,607	-	-	9,917,607	-	-
	91,635,958	**-**	**-**	**91,635,958**	**81,781,058**	**4,101,758**	**-**	**85,882,816**	**5,753,142**	**9,854,900**
Previous year	91,635,958	-	-	91,635,958	77,659,588	4,121,470	-	81,781,058	9,854,900	

Schedule 4. Investments (at cost, unquoted)

100,000 shares of $0.01 each of Empowertel Systems, each fully paid up. (2007: 100,000)	**485,600**	485,600
Less: Provision for decline other than temporary in the value of investment	**485,600**	485,600
	-	-

The company was allotted these shares as part of the consideration for the services provided in the year 2001.

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 5. Sundry debtors		
(Unsecured, considered good unless otherwise stated)		
Debts over six months		
- considered good*	**17,423,179**	17,904,862
- considered doubtful**	**128,742,230**	124,313,888
	146,165,409	142,218,750
Less: Provision for doubtful debts	**128,742,230**	124,313,888
	17,423,179	17,904,862

* Includes due from Trigyn Technologies Europe Rs. 6.27 million (2007: Rs.5.79 million) and Trigyn Technologies Inc. Rs.11.15 million (2007: Rs.12.12 million), which are companies under the same management as defined under section 370(1B) of the Companies Act, 1956..

** Includes due from Trigyn UK Rs. 38.30 million (2007: Rs. 38.30 million), Trigyn Technologies Inc. Rs.22.22 million (2007: Rs.22.22 million), e Vector (India) limited Rs.6.70 million (2007: Rs.6.70 million) and Trigyn Technologies Europe Rs.56.50 million (2007: Rs.52.06 million), which are companies under the same management as defined under section 370(1B) of the Companies Act, 1956.

Schedule 6. Cash and bank balances		
Cash on hand	**769**	629
Cheques on hand	**-**	2,700
Balances with scheduled banks		
- on current account	**559,575**	400,276
- on deposit account	**2,902,510**	2,902,510
	3,462,854	3,306,115
Maximum balance outstanding during the year in respect of non-scheduled bank (Barclays Bank)	**-**	-
Schedule 7. Loans and advances		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	**9,464,546**	6,037,811
Security deposits	**608,530**	608,530
Interest accured on fixed deposits	**212,172**	65,105
Advance tax [net of provision for tax Rs.2,324,989 (2007: Rs.2,323,971)]	**218,827**	176,754
	10,504,075	6,888,200
(Unsecured, considered good)		
Loans to subsidiaries	**2,896,060**	2,896,060
Less: Provision for doubtful loans and advances	**2,896,060**	2,896,060
	-	-
	10,504,075	6,888,200

Loans to subsidiaries comprise amounts due from eCapital Solutions (Bermuda) Limited Rs. 2.74 million (2007: Rs. 2.74 million), eCapital Solutions (Mauritius) Limited Rs. 0.04 million (2007: Rs. 0.04 million) and Trigyn Technologies Limited UK Rs. 0.12 million (2007: Rs. 0.12 million),which are companies under the same management as defined under section 370(1B) of the Companies Act, 1956. The above amounts also represent the maximum amounts due at any time during the year.

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 8. Current liabilities		
Sundry creditors	**160,398**	229,762
Security Deposits	**2,920,590**	2,920,590
Other liabilities	**42,366**	38,232
	3,123,354	3,188,584
Schedule 9. Provisions		
Provision for leave encashment	**10,033**	10,033
	10,033	10,033
Schedule 10. Other income		
Interest on deposits with banks	**234,104**	340,427
[Tax Deducted at Source Rs. 43,091 (2007: Rs. 67,734)]		
Interest received on income tax refund	**-**	-
Foreign Exchange gain (net)	**4,165,802**	3,655,772
Miscellaneous income	**-**	41,771
	4,399,906	4,037,970
Schedule 11. Personnel costs		
Salaries and bonus	**153,518**	192,636
Contribution to provident and other funds	**8,646**	17,292
Gratuity and leave encashment costs	**7,548**	6,202
Staff welfare	**4,855**	12,008
	174,567	228,138
Schedule 12. Operating and Administration Expenses		
Legal and professional charges	**257,411**	176,340
Rent, rates and taxes	**308,691**	1,922,291
Power and fuel	**13,443**	20,248
Communication expenses	**11,482**	21,762
Insurance	**58,240**	99,584
Profession Tax	**2,500**	-
Repairs and maintenance:		
- plant and machinery	**-**	2,400
- others	**-**	146,756
Provision for Doubtful Debts	**4,428,342**	2,809,374
Miscellaneous Expenses	**1,660,855**	400,661
	6,740,964	5,599,416

Schedules annexed to and forming part of accounts for the year ended March 31, 2008

Schedule 13. Notes to Accounts

1. Background

Trigyn Technologies (India) Private Ltd ("TTIPL or the Company") was originally incorporated as Fabulous Trading and Investment Private Limited. On January 14, 1999, the Company changed its name to eCapital Solutions (India) Private Limited. Subsequently, on August 3, 2000, the Company's name was changed to Trigyn Technologies (India) Private Ltd. The Company was primarily engaged in carrying on the business of executing software development services, projects and professional services and is part of the eCapital Solutions and Trigyn Technologies Worldwide Group, which has operations in the United States of America, Germany and India.

On February 26, 2001, the Company allotted 1,471,024 equity shares of Rs 100 each at par to eCapital Solutions (Mauritius) Limited, a 100% subsidiary of eCapital Solutions (Bermuda) Limited, which in turn is a subsidiary of Trigyn Technologies Limited, a Public Company. During the year eCapital Solutions (Mauritius) Limited transferred their holding to eCapital Solutions (Bermuda) Limited.

The Company was engaged in the business of providing information technology consultancy and software development services, in addition to developing and servicing its own product for customers in the convergent marketplace.

In the year 2004 - 2005, the Company had closed down its branch office at United Kingdom whereas the operations at the Bangalore Software Development Centre have been suspended. The major source of income in the current and the following periods would be the lease rent income on the assets leased at Bangalore.

2. Principal accounting policies

2.1 Basis of preparation of financial statements

a. The financial statements are 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").

b. The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

c. These financial statements have been prepared assuming the Company will continue as a going concern despite cessation of software operations and negative net worth. Management believes that the Company will be able to finance its operations and meet its commitments and also commitments given by the ultimate holding company to support its subsidiaries and from internal cash generation in the foreseeable future, given the various options it is perusing in this regard. Accordingly, the financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might result should the company be unable to continue as a going concern.

2.3 Fixed assets and depreciation

Fixed assets are stated at the cost of acquisition or construction less accumulated depreciation. Direct costs related to acquisition/ installations are capitalized until assets are ready for use. These costs include the borrowing costs related to the acquisition or construction of qualifying assets for the period up to the completion of construction or installation of such assets and preoperative expenses incurred during the construction period. Capital work-in-progress includes advances paid to acquire fixed assets and the cost of assets not put to use before the balance sheet date.

Depreciation is provided on straight line basis at higher of the rates based on useful lifes of the fixed assets as estimated by the management and those stipulated in Schedule XIV to the Companies Act, 1956.

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*

The useful lives of fixed assets as estimated by the management are:

Asset	**Useful life (in years)**
Leasehold improvements / Assets taken on lease	Over the term of the lease or the estimated useful life of the asset which ever is shorter
Office equipment	3-4 years
Computers and peripherals	3 years
Furniture and fixtures	4 years

2.4 Retirement benefits

Contributions payable to the recognized provident fund, which is a defined contribution scheme, are made monthly at predetermined rates to the appropriate authorities and charged to the profit and loss account in the year in which contributions are made.

Provision for gratuity is as per the actuarial valuation provided by LIC and provision for leave encashment is determined by the Management based on the leave balances as on balance sheet date and provided on the basis of an actual valuation at the balance sheet date.

2.5 Revenue recognition

Lease Rentals are accounted for on an accrual basis.

2.6 Income tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

The Company has not made any provision for taxation in the financial statements, in view of brought forward tax losses, and in view of the huge accumulated losses, the Company has informed the Income Tax Department that it has exercised its option to withdraw from the benefits under Section 10 A of the Income Tax Act, 1956.

2.7 Investments

Long-term investments are carried at cost, and provision is made when in the management's opinion there is a decline, other than temporary, in the carrying value of such investments.

2.8 Leases

Assets given under operating lease are reflected in the financial statements under fixed assets. Further, lease income from such operating lease arrangements have been recognised in the statement of profit and loss on a straight line basis over the lease term.

2.9 Foreign currency transactions

Indian operations

Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Foreign currency monetary assets and liabilities at the date of the balance sheet are translated at the rate of exchange prevailing on that date.

The Company recognizes all transaction / translation gains and losses in the profit and loss account except those relating to liabilities incurred for the acquisition of fixed assets, which are adjusted to the carrying cost of the respective assets.

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*

(Currency: Indian Rupee)

2.10 Earnings per share

The basic earnings per share is computed by dividing the profit/ loss after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

2.11 Segment information

In accordance with Accounting Standard 17 "Segment Reporting", if the Company's single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements. Accordingly, the Company has chosen to present segment information only in its consolidated financial statements.

2.12 Impairment of assets

The Company reviews the carrying values of tangible assets for any possible impairment at each balance sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value at appropriate discount rates.

2.13 Provision and contingent liabilities

Provisions are recognized when the Company has present legal or constructive obligation, a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent liabilities, if any, are disclosed by way of notes to the Balance Sheet.

3. Contingent Liabilites

I. During the year 2002, one of the client eTender.com Limited filed an injunction in the High Court of Delhi against the Company in relation to the software developed by the Company for them. The Company has filed its responses and submitted adequate documentary proof to the honorable High Court, refuting the claims made by the client. Given the strong documentary evidence in Company's favour, the management is of the opinion that the claims of the client are not tenable and hence the Company is of the view that there would not arise any contingent liability on this account. The Company has spent efforts many times more than the revenues realized from the client and has adequate documentary evidence to substantiate its claims.

II. The sales tax demand of Rs.1,310,303 was raised against the order passed under Section 23(3) of Delhi Sales Tax Act for the year 2000-01 against which the Company has gone into appeal. The Dy. Commissioner (Appeal – IV) has granted stay against the said order subject to deposit of 10% of the disputed amount i.e. Rs.1,31,030/- under the Local Sales Tax Act. The Company has deposited required 10% deposit and matter is still pending.

III. The Company's software development centre in India is in Software Technology Park ('STP') under the STP guidelines issued by the Government of India. It is exempted from customs and central excise duties and levies on imported and indigenous capital goods. The Company has executed a bond to pay customs duty, central excise duty, levies and liquidated damages payable, if any, in respect of imported and indigenous capital goods and stores and spares consumed duty free, in the event that certain terms and conditions are not fulfilled. Bank guarantees provided to the Customs Authorities in this regard aggregate to Rs 2,500,000 as at March 31, 2008 (March 31, 2007: Rs. 2,500,000).

4. Earnings per share

Details of numerator and denominator used for the purposes of computing earnings per share are summarized below:

	2008	2007
Profit / (Loss) for the year	**(801,235)**	1,215,176
Weighted average number of shares used in computing earning per share	**1,471,044**	1,471,044
Face value of Rs.100 each		
Basic and diluted earnings per shares	**(0.54)**	0.83

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*

5. **Deferred Taxes**

In view of losses incurred by the Company, deferred tax assets on carry forward business losses and unabsorbed depreciation have not been created as there is no reasonable certainty that sufficient future taxable income will be available against such deferred tax assets.

6. **Related party transactions**

Details of related parties including summary of transactions entered into by the Company during the year ended March 31, 2008 are summarized below:

Holding company	**Key Management Personnel**
ECapital Solutions (Bermuda) Limited	Ramakrishna Bhagwat
Ultimate Holding company	(Resigned on 05.04.2007)
Trigyn Technologies Limited	Sanjay Patkar
Fellow associate companies	(Resigned on 23.05.2008)
Applisoft Inc.	R Ganapathi
ECapital Solutions (Mauritius) Limited	C V Rao

Leading Edge Infotech Limited, Trigyn Technologies Europe GmbH, Trigyn Technologies Inc., EVector (Cayman) Limited, EVector Inc., EVector (India) Private Limited, EVector (UK) Limited, Trigyn Technologies Limited, UK

Particulars of related party transactions during the year ended March 31, 2008

Nature of transactions	Holding & ultimate holding company	Fellow associates companies	Key management Personnel
Expenses incurred by the Company	- (14,433)	- (-)	- (-)
Expenses incurred on behalf of the Company	**226,138** (37,960)	- (69,737)	- (-)
Loans repaid by the company (net)	**170,000** (1,435,000)	- (-)	- (-)
Provisions for doubtful debts written off	- (-)	**4,428,342** (2,809,373)	- (-)
Provisions for doubtful debts written back	- (-)	- (-)	- (-)
Professional service received	- (-)	- (-)	- (25,000)
Sitting fees paid	- (-)	- (-)	- 40,000
Year-end balances			
Gross amount due as loans	**210,847,468** (210,791,330)	- (-)	- (-)
Gross amounts receivable as loans	**36,980** (36,980)	**2,859,080** (2,859,080)	- (-)
Gross amounts receivable as debts	- (-)	**141,137,323** (137,190,663)	- (-)
Provision for doubtful debts	- (-)	**123,714,143** (119,285,801)	- (-)
Provision for doubtful loans	**36,980** (36,980)	**2,859,080** (2,859,080)	- (-)

Previous years figures are given in the bracket

Schedules annexed to and forming part of accounts for the year ended March 31, 2008 *(Contd.)*

8. Supplementary statutory information

	2008	2007
(i) Legal and professional fees include auditors' remuneration:		
- statutory audit fees	**56,180**	56,170
- tax audit fees	**56,180**	56,170
- other services	**-**	-
	112,360	112,340

9. The Company is in process of identifying Micro, Small and Medium Enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006. Hence disclosure relating to amounts unpaid as at the year end together payable with interest thereon has not been given.

10. The current assets, loans and advances are stated at the value, which in the opinion of the Board, are realisable in the ordinary course of the business. Current liabilities and provisions are stated at the value payable in the ordinary course of the business.

11. The balances of certain amounts under loans and advances, debtors and creditors are subject to confirmation/ reconciliation and consequential adjustment, if any. The management does not, however, expect any significant impact on the financial statements on this account.

12. In terms of the provisions of section 383-A of the Companies Act 1956 ('the Act'), the Company is required to have a whole time company secretary. The Company is in process of complying with the provisions of the aforesaid section.

13. Prior year comparatives

The previous years figures have been reclassified / regrouped wherever necessary, to conform to current year's presentation.

For Trigyn Technologies (India) Private Limited

Place: Mumbai	**R Ganapathi**	**C V Rao**
Date: September 01, 2008	**Director**	**Director**

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. REGISTRATION DETAILS:

Registration No.	100198	State Code	11
Balance Sheet Date	31-03-2008 (Date Month Year)		

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS):

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement (including share application money)	-

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS):

Total Liabilities	361085	Total Assets	361085
SOURCES OF FUNDS:		**APPLICATION OF FUNDS:**	
Paid-up Capital	147104	Net Fixed Assets	5753
Reserves & Surplus	-	Investments	-
Secured Loans	-	Net Current Assets	28257
Unsecured Loans	210847	Miscellaneous Expenditure	-
		Accumulated loss	323942

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS):

Turnover (including other income)	10221	Total Expenditure	11021
+ - Profit Before Tax and exceptional items	(800)	+ - Profit After Tax	(801)
Earning per Share in Rs.	(0.54)	Dividend %	-

(Please tick appropriate box + for Profit, for Loss)

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS):

ITEM CODE NO. (ITC CODE)	8524.9
PRODUCT DESCRIPTION	Computer Software
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable

DIRECTORS' REPORT

The Directors are pleased to present their report along with the audited statement of accounts of Leading Edge Infotech Limited for the year ended March 31, 2008.

FINANCIAL RESULTS

Financial Results for the period ended March 31, 2008 are given below:

(Rs. In lakhs)

	Year ended March 31, 2008	Year ended March 31, 2007
Income		
Software development	**147.34**	91.74
Other Income	**1.10**	0.88
Total Revenue	**148.44**	92.62
Expenditure		
Operating and Other Expenses	**51.08**	42.96
Profit / (Loss) before Tax	**97.36**	49.66
Provision for Taxation		
Current Tax	**10.88**	4.79
Fringe benefit tax	**0.15**	0.08
Profit / (Loss) after Tax	**86.32**	44.79
Loss brought forward	**225.18**	269.97
Loss carried forward	**138.85**	225.18

REVIEW OF OPERATIONS

During the year under review the company has achieved a turnover of Rs.147.34 lakhs as against Rs.91.74 lakhs for the previous year. Deducting therefrom, the expenditure incurred and providing Rs.11.03 lakhs for taxation, the operations of the Company resulted into a net profit of Rs.86.32 lakhs. After adjusting the net profit against the brought forward losses, the accumulated loss of Rs.138.85 lakhs has been carried to the balancesheet.

In view of plough back of profit, your Directors have not recommended any dividend.

DIRECTORS

Mr. Sanjay Patkar resigned from the directorship of the Company w.e.f. May 23, 2008. The Board places on record it's appreciation for the contribution made by him during his tenure.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. C. V. Rao and Mr. Richard Raja retires by rotation and being eligible offers themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act 1956, the directors confirm that :

i) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii) Appropriate accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31,2008 and of the profit & loss account for the year ended March 31, 2008.

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and detecting fraud and other irregularities.

iv) The annual accounts have been prepared on a going concern basis.

EMPLOYEES

The Company has no employee whose Information is required to be given under the provisions of section 217 (2A) of the Companies Act, 1956 and the rules framed there under.

SECRETARIAL COMPLIANCE CERTIFICATE

Your Company has received Secretarial Compliance Certificate from a practicing company secretary for the financial year ended March 31, 2008, in terms of section 383A of the Companies Act.

AUDITORS

M/s Price Waterhouse, Chartered Accountants, the Statutory Auditors of your Company holds office until the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for reappointment. Certificate from the Auditors has been received to the effect that their reappointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and since they are not disqualified for such reappointment within the meaning of Section 226 of the said Act, they shall continue to be the Statutory Auditors.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of activities that are being carried on by your Company, rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption, respectively are not applicable to your company. Your company is, however, making all efforts for reducing energy consumption at office facilities by installing computer systems designed for low power consumption. There was no foreign exchange outgo and earnings during the year.

ACKNOWLEDGEMENTS

The Board of Directors place on record their appreciation for the support provided by the Company's Bankers, Customers, Vendors as well as all the Employees towards the Company.

On behalf of the Board of Directors

R. Ganapathi
Chairman

Place: Mumbai
Date: September 1, 2008

AUDITORS' REPORT

TO THE MEMBERS OF LEADING EDGE INFOTECH LIMITED

1. We have audited the attached Balance Sheet of **Leading Edge Infotech Limited** ('the Company') as at March 31, 2008, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date (together referred to as 'financial statements'). 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.
2. 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.
3. As required by the Companies (Auditor's Report) Order, 2003, ('the said Order'), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 ('the Act'), and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Without qualifying our opinion, we draw attention to Note 2.1 (c) to schedule 11 in the financial statements. These financial statements have been prepared assuming the Company will continue as going concern despite negative networth. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts and classification of liabilities that might results should the Company be unable to continue as a going concern.
5. 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 examination of those books ;
   c. the Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
   c. d. in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
   e. on the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2008 from being appointed as a director under 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 balance sheet and profit and loss account give the information required by 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;
      i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2008;
      ii. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and,
      iii. in case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of Price Waterhouse
Chartered Accountants

Address:
252, Veer Sarvarkar Marg
Shivaji Park, Dadar
Mumbai – 400 028

Date: September 01, 2008

Annexure to Auditors' Report to Leading Edge Infotech Limited

(Referred to in our Report of even date)

(i) The Company does not have any fixed assets during the year. Accordingly, the provisions of paragraph 4(i)(a) to (c) of the said Order are not applicable

(ii) The Company is in the business of providing software services, hence provisions of paragraph 4 (ii) (a), (b) and (c) of the said Order are not applicable.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of the paragraph 4(iii)(b), (c), (d), (f) and (g) of the said Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system. We are informed that the nature of Company's business does not involve purchase of inventory and sale of goods.

(v) (a) According to the information and explanations given to us, we are of the opinion that there are no particulars of contracts or arrangements have taken place that need to be entered into the register maintained under section 301 of the Act.

(b) As there are no particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Act, the provisions of paragraph 4(v)(b) of the said Order are not applicable during the year.

(vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of section 58A, section 58AA and any other relevant provisions of the Act and the rules framed there under. No order has been passed by the National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

(vii) In our opinion, the Company does not have a paid-up capital and reserves exceeding Rs. 50 lacs as at the commencement of the financial year concerned nor have an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial year concerned. Accordingly, the provisions of paragraph 4 (vii) of the said Order are not applicable to the Company.

(viii) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Act for any of the activities of the Company.

(ix) (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax and any other statutory dues with the appropriate authorities and there were no such outstanding dues as at March 31, 2008 for a period exceeding six months from the date they became payable except value added tax amounting to Rs. 95,569 and Service tax amounting to Rs. 1,035. As explained to us, the investors education and protection fund, wealth tax, custom duty, excise duty and cess are presently not applicable to the Company.

(b) According to the information and explanations given to us, there are no disputed dues of income tax, sales tax, and service tax remaining unpaid as at the year end.

(x) In our opinion and according to the information and explanations given to us, the Company's accumulated losses exceed 50% of its net worth at the end of the financial year under reporting. The Company has not incurred cash losses in the financial year under report and in the immediately preceding financial year.

(xi) As the Company has not borrowed any loans from financial institutions, banks and debenture holders, the provisions of paragraph 4(xi) of the said Order are not applicable.

(xii) As the Company has not granted any loans or advances against security, the provisions of paragraph 4 (xii) of the said Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund, or a nidhi, mutual benefit funds/societies, accordingly, the provisions of paragraph 4 (xiii) of the said Order are not applicable.

(xiv) On the basis of our examination and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) According to the information and explanations given to us, the Company has not taken any term loans.

(xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used the fund borrowed on short term basis during the year for long term investments.

(xviii) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.

(xix) The Company has not issued debentures or made any public issue during the year and accordingly the provisions of paragraph 4 (xix) and (xx) of the said Order, are not applicable.

(xx) To the best of our knowledge and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year.

Vilas Y. Rane
Partner
Membership Number: F-33220

For and on behalf of Price Waterhouse
Chartered Accountants

Address:
252, Veer Sarvarkar Marg
Shivaji Park, Dadar
Mumbai – 400 028

Date: September 01, 2008

Balance Sheet as at March 31, 2008

	Schedule	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	5,000,000	5,000,000
Loan funds			
Unsecured loan from holding company 'Trigyn Technologies Limited'		11,344,774	17,998,976
		16,344,774	**22,998,976**
APPLICATION OF FUNDS			
Investments	2	50,000	50,000
Current assets, loans and advances			
Sundry debtors	3	3,410,869	817,856
Cash and bank balances	4	722,489	424,898
Loans and advances	5	1,112,754	853,479
		5,246,112	**2,096,233**
Less: Current liabilities and provisions			
Current liabilities	6	2,704,706	1,309,197
Provisions	7	131,980	355,880
		2,836,686	**1,665,077**
Net current Assets		**2,409,426**	**431,156**
Profit and loss account		13,885,348	22,517,820
		16,344,774	**22,998,976**
Notes to the accounts	11		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number : (F-33220)

For and on behalf of Price Waterhouse
Chartered Accountants

For Leading Edge Infotech Limited

R. Ganapathi
Director

C. V. Rao
Director

Place: Mumbai
Date: September 01, 2008

Profit and Loss Account for the year ended March 31, 2008

	Schedule	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Income			
Software development services		14,734,026	9,173,699
Other income	**8**	110,226	87,693
		14,844,252	**9,261,392**
Expenditure			
Personnel costs	**9**	4,138,963	3,832,847
Administrative and other expenses	**10**	969,139	462,706
		5,108,102	**4,295,553**
Profit for the year before tax		**9,736,150**	**4,965,839**
Less: Provision for taxation			
- Current tax (Minimum alternative tax)		1,088,392	479,259
- Fringe benefit tax		15,286	7,310
Profit for the year after tax		**8,632,472**	**4,479,270**
Loss brought forward from previous year		22,517,820	26,997,089
Loss carried forward		**13,885,348**	**22,517,820**
Profit per share (basic and diluted)		**17.26**	**8.96**
Number of shares of face value Rs. 10 each		500,000	500,000
Notes to the accounts	11		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number : (F-33220)

For and on behalf of Price Waterhouse
Chartered Accountants

For Leading Edge Infotech Limited

R. Ganapathi
Director

C. V. Rao
Director

Place: Mumbai
Date: September 01, 2008

Cash Flow Statement for the year ended March 31, 2008

		For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Cash flow from operating activities			
Profit for the year before tax		**9,736,150**	**4,965,839**
Adjustments for:			
Interest income		**(19,046)**	(16,192)
Income from Trade Investments		**(7,000)**	(7,000)
Depreciation and amortization		**-**	-
Provision for doubtful debts		**16,155**	100,335
Operating profit before working capital changes		**9,726,259**	5,042,982
Changes in:			
(Increase)/Decrease in Sundry Debtors		**(2,609,167)**	486,545
(Increase)/Decrease in Loans and advances		**47,024**	(66,793)
Increase/(Decrease) in Current Liabilities and Provisions		**1,171,609**	63,903
Cash generated/(used) in operations		**8,335,724**	5,526,637
Income taxes paid, net		**(1,409,977)**	(61,538)
Net cash generated in operations	**(A)**	**6,925,747**	5,465,099
Cash flow from investing activities			
Interest Received		**19,046**	16,192
Dividend Received		**7,000**	7,000
Net cash generated from investing activities	**(B)**	**26,046**	23,192
Cash flow from financing activities			
Loans from / (repaid to) holding company (net)		**(6,654,202)**	(5,766,812)
Net cash used from financing activities	**(C)**	**(6,654,202)**	(5,766,812)
Decrease in cash and cash equivalents	**(A+B +C)**	**297,591**	(278,521)
Cash and cash equivalents at the beginning of year		**424,898**	703,419
Cash and cash equivalents at the end of year		**722,489**	424,898

Notes:

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3 'Cash flow statements'.
2. Cash and cash equivalents as at the year end consist of cash Rs.458 (2007: Rs.318) and bank balances in current account Rs.472,031 (2007: Rs.174,580) and in deposit account Rs.250,000 (2007: Rs.250,000).

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number : (F-33220)

For and on behalf of Price Waterhouse
Chartered Accountants

For Leading Edge Infotech Limited

R. Ganapathi
Director

C. V. Rao
Director

Place: Mumbai
Date: September 01, 2008

Schedules to the financial statements for the year ended March 31, 2008

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 1. Share Capital		
Authorised		
500,000 (2007: 500,000) equity shares of Rs 10 each.	**5,000,000**	5,000,000
Issued, subscribed and paid-up		
500,000 (2007: 500,000) equity shares of Rs 10 each fully paid up. (the entire share capital is held by Trigyn Technologies Limited, the holding company)	**5,000,000**	5,000,000
	5,000,000	5,000,000
Schedule 2. Investments		
Long-term, non - trade and unquoted		
5,000 (2007: 5,000) equity shares of Rs 10 each fully paid-up in North Kanara GSB Co operative Bank Limited	**50,000**	50,000
	50,000	50,000
Schedule 3. Sundry debtors		
(Unsecured, considered good, unless otherwise stated)		
Debts over six months - Considered doubtful	**16,155**	100,335
Other debts - Considered good	**3,410,868**	817,856
	3,427,023	918,191
Less: Provision for doubtful debts	**16,154**	100,335
	3,410,869	817,856
Schedule 4. Cash and bank balances		
Cash on hand	**458**	318
Balances with scheduled banks		
- on current account	**472,031**	174,580
- on deposit account (pledged with bank towards guarantee)	**250,000**	250,000
	722,489	424,898
Schedule 5. Loans and advances		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	**413,868**	462,292
Deposits	**13,900**	12,500
Advance taxes [(Net of provision for taxes Rs.1,689,370 previous year Rs.600,692)]	**684,986**	378,687
	1,112,754	853,479
Schedule 6. Current liabilities		
Sundry creditors	**267,370**	285,444
Advance from customers	**1,435,710**	444,100
Other liabilities	**1,001,626**	579,653
	2,704,706	1,309,197
Schedule 7. Provisions		
Provision for leave encashment and gratuity	**131,980**	355,880
	131,980	355,880

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Schedule 8. Other income		
Interest received on deposits with banks [TDS Rs. 3,924 (2007: Rs. 3,633)]	**19,046**	16,192
Miscellaneous income	**84,180**	13,340
Interest on Income tax refund	**-**	51,161
Dividend income	**7,000**	7,000
	110,226	87,693
Schedule 9. Personnel costs		
Salaries, bonus and other allowances	**4,139,062**	3,803,605
Contribution to provident and other funds	**246,595**	268,233
Gratuity and leave encashment costs	**(255,169)**	(246,979)
Staff welfare	**8,475**	7,988
Software development services expenses/(recovery) – net	**-**	-
	4,138,963	3,832,847
Schedule 10. Administrative and other expenses		
Consultancy charges	**480,713**	98,360
Legal and professional fees	**382,158**	199,964
Communication expenses	**800**	735
VAT / Sales Tax Expenses	**160**	11,868
Provision for doubtful debts	**16,155**	100,335
Miscellaneous	**89,153**	51,444
	969,139	462,706

Schedules to the financial statements for the year ended March 31, 2008

Schedule 11. Notes to Accounts

1. Background

Leading Edge Infotech Limited ('LEIL' or 'the Company') was incorporated on 16 July 1996. LEIL is engaged primarily in providing software services for the financial services market in India. In 1997 – 98, the company became a wholly owned subsidiary of Trigyn Technologies Limited ('TTL') (formerly known as Leading Edge Systems Limited), who have subscribed to the total share holding of the company.

2. Principal accounting policies

2.1 Basis of preparation of financial statements

(a) The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956. All income and expenditure having a material bearing on the financial statements are recognised on accrual basis.

(b) The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

(c) These financial statements have been prepared assuming the Company will continue as a going concern despite negative net worth in the current year. Management believes that the Company will be able to finance its operations and meet its commitments and also commitments given by its holding company and from internal cash generation in the foreseeable future, given the various options it is perusing in this regard. Accordingly, the financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

2.2 Revenue recognition

Income from annual maintenance is accounted for on accrual basis as and when the services are rendered exclusive of VAT.

Revenue from 'time and material' contracts is recognised exclusive of service tax as and when related services are performed and accepted by the customer.

Interest and Other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis. Dividend income is recognized when the right to receive dividend is established.

2.3 Retirement benefits

Contributions to the provident fund, which is a defined contribution scheme, are charged to the profit and loss account in the year in which the contributions are due. Leave encashment costs are provided for as at the balance sheet date on arithmetical basis. Gratuity costs, which are defined benefits, are provided as at the balance sheet date on an arithmetical basis.

2.4 Investments

Long-term investments are carried at cost, and provision is made when in the management's opinion there is a decline, other than temporary, in the carrying value of such investments. Current investments are carried at lower of cost and fair value, and provision is made to recognise any decline in the carrying value.

2.5 Income tax

Current tax provision is made annually based on the tax liability computed after considering tax allowances and exemptions. Further, deferred tax liability or asset is recognized for timing differences between the profits/ losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized, other than deferred tax assets in respect of unabsorbed depreciation and carry forward tax losses, which are recognised only to the extent that there is virtual certainty that they will be realized. The deferred tax assets are reviewed at each balance sheet date for the appropriateness of their carrying values.

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

2.6 Earnings per share

The basic earnings per share is computed by dividing the profit/ loss after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

2.7 Segment information

In accordance with Accounting Standard 17 “Segment Reporting”, if the Company’s single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements. Accordingly, the Company has chosen to present segment information only in its consolidated financial statements.

2.8 Provision and contingent liabilities

Provisions are recognized when the Company has present legal or constructive obligation, a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent liabilities, if any, are disclosed by way of notes to the Balance Sheet.

3. Deferred Taxes

In view of losses incurred by the Company, deferred tax assets on carry forward business losses and unabsorbed depreciation have not been created as there is no reasonable certainty that sufficient future taxable income will be available against such deferred tax assets.

4. Contingent Liabilities

Counter guarantees on behalf of the company Rs. 1,000,000 (2007: Rs. 1,000,000), given by the parent to the Banks which have provided these Bank Guarantees for and on behalf of the Company.

5. The Company has provided MAT tax liability in accordance with the provision on section 115JB of the Income Tax Act, 1961. No credit in respect of Minimum alternate tax [MAT] has been taken as the Company has substantial tax losses. The management believes that sufficient tax profits would not be available for adjustment of MAT credit within the statutorily prescribed time limits.

6. Earnings per share

Details of numerator and denominator used for the purposes of computing earnings per share are summarized below:

	2008	2007
Profit for the year	**8,632,472**	4,479,270
Weighted average number of shares used in computing earning per share	**500,000**	500,000
Face value of Rs.10 each Basic and diluted earnings per share.	**17.26**	8.96

7. Related party transactions

Details of related parties including summary of transactions entered into by the Company during the year ended March 31, 2008 are summarized below:

Holding company	**Directors**
Trigyn Technologies Limited	Ramakrishna Bhagwat
Fellow associate companies	(resigned on April 5, 2007)
Applisoft Inc.	Sanjay Patkar
ECapital Solutions (Bermuda) Limited	(resigned on May 23, 2008)
ECapital Solutions (Mauritius) Limited	R Ganapathi
Trigyn Technologies (India) Private Limited	C V Rao
Trigyn Technologies Europe GmbH	Dr C Rao Kasarabada
Trigyn Technologies Inc	Richard Raja
EVector (Cayman) Limited	
EVector Inc.	
EVector (India) Private Limited	
EVector (UK) Limited	
Trigyn Technologies Limited, UK	

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

Particulars of related party transactions during the year ended March 31, 2007 and March 31, 2008

Nature of transactions	**Transactions with related parties**	
	2008	2007
Transactions during the year		
Expenses incurred by the Company	-	36,876
Expenses incurred on behalf of the Company	25,683	137,064
Loans from holding company	2,825,000	1,733,000
Loans repaid to holding company	9,505,000	7,600,000
Advances given to a fellow subsidiary- Trigyn Technologies (India) Private Limited	5,720	-
Year-end balances		
Gross amounts due as loans from Trigyn Technologies Limited	11,344,659	17,998,976
Guarantees given on behalf of the Company by Trigyn Technologies Limited (refer note 4 to schedule 11)	1,000,000	1,000,000
Advances given to a fellow subsidiary-	**-**	-

8. Supplementary statutory information

	2007	2006
Legal and professional fees include:		
Auditor's remuneration:		
- statutory audit fees	56,180	56,250
- tax audit fees	28,090	28,090
	84,270	84,340

9. The Company is in process of identifying Micro, Small and Medium Enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006. Hence disclosure relating to amounts unpaid as at the year end together payable with interest thereon has not been given.

10. The current assets, loans and advances are stated at the value, which in the opinion of the board, are realizable in the ordinary course of the business. Current liabilities and provisions are stated at the value payable in the ordinary course of the business.

11. Prior year comparatives

Prior year figures have been reclassified / regrouped to conform to current year's presentation.

For Leading Edge Infotech Limited

R. Ganapathi
Director

C. V. Rao
Director

Place: Mumbai
Date: September 01, 2008

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. REGISTRATION DETAILS

Registration No.	101095	State Code	11
Balance Sheet Date (Date Month Year)	31.03.2008		

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	-

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)

Total Liabilities	19181	Total Assets	19181
SOURCES OF FUNDS:		**APPLICATION OF FUNDS:**	
Paid-up Capital (including share application money)	5000	Net Fixed Assets	-
Reserves & Surplus	-	Investments	50
Secured Loans	-	Net Current Assets	2409
Unsecured Loans	11345	Miscellaneous Expenditure	-
		Accumulated loss	13885

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

Turnover (Total Income) (including other income)	14844	Total Expenditure	5108
+ - Profit Before Tax	9736	+ - Profit After Tax	8632
Earning per Share in Rs.	17.26	Dividend %	-

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

ITEM CODE NO. (ITC CODE)	8524.9
PRODUCT DESCRIPTION	Computer Software
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF TRIGYN TECHNOLOGIES INC.

1. We have audited the attached balance sheet of **Trigyn Technologies Inc**. (the 'Company') as at March 31, 2008 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended March 31, 2008 annexed thereto (collectively referred to as 'financial statements'). 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.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These 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.
3. As stated in note 2.1(b) to schedule 13, these financial statements have been prepared by the Company for the purposes of attaching to the financial statements of its ultimate holding company, Trigyn Technologies Limited, as prescribed under Section 212 of the India Companies Act, 1956.
4. As required by the Companies (Auditor's Report) Order, 2003, ('the said Order'), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the Act), and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
5. *We draw attention to note 2.1 (d) to schedule 13 in the financial statements. These financial statements have been prepared assuming the Company will continue as going concern despite negative networth, negative cashflow and negative current assets. In our opinion, these factors, along with other matters set forth in the above note, raise substantial doubt that the Company will be able to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts and classification of liabilities that might result should the Company be unable to continue as a going concern.*
6. 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 examination of those books;
   c. the Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
   d. in our opinion, the financial statements comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
   e. *except for the adjustments, if any, required to the carrying amount of assets and the classification of liabilities that might result should the Company be unable to continue as a going concern as stated in paragraph 5 above*, in our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the 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:
      (i) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2008;
      (ii) in the case of the profit and loss account, of the profit of the Company for the year ended March 31, 2008; and,
      (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Vilas Y. Rane
Partner
Membership Number: F-33220
For and on behalf of
Price Waterhouse
Chartered Accountants

<u>Address:</u>
252, Veer Sarvarkar Marg
Shivaji Park, Dadar
Mumbai – 400 028

Date: November 06, 2008

Annexure to Auditors' Report of Trigyn Technologies Inc.

(Referred to in our Report of even date)

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a carried out a physical verification of fixed assets. We are informed that no material discrepancies were noticed on such verification.

(c) The Company has not disposed off any part of fixed assets during the year.

(ii) The Company is in the business of providing software services, hence provisions of paragraph 4 (ii) (a), (b) and (c) of the said Order are not applicable.

(iii) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system. We are informed that the nature of Company's business does not involve purchase of inventory and sale of goods.

(iv) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of section 58A, section 58AA and any other relevant provisions of the Act and the rules framed there under. No order has been passed by the National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

(v) The Company does not have an internal audit system.

(vi) (a) According to the information and explanations given to us, the Company has been regular in depositing undisputed employee benefits fund dues with the appropriate authorities during the year. There are no arrears as on March 31, 2008 exceeding six months from the date they became payable.

(b) There are no disputed amounts pending with the relevant Authorities.

(vii) In our opinion and according to the information and explanations given to us, the Company's accumulated losses exceed 50% of its net worth at the end of the financial year under reporting; and has not incurred any cash losses during the financial year under reporting. The Company has incurred cash losses in the immediately preceding financial year.

(viii) As the Company has not borrowed any loans from financial institutions, banks and debenture holders, provisions of paragraph 4(xi) of the said Order are not applicable.

(ix) As the Company has not granted any loans or advances against security, provisions of paragraph 4 (xii) of the said Order are not applicable.

(x) In our opinion and according to the information and explanations given to us, the Company is not a chit fund, or a nidhi, mutual benefit funds/societies; accordingly, the provisions of paragraph 4 (xiii) of the said Order are not applicable.

(xi) On the basis of our examination and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xii) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xiii) According to the information and explanations given to us, the Company has not taken any term loans.

(xiv) In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used the funds borrowed on short term basis during the year for long term investments.

(xv) The Company has not issued debentures or made any public issue during the year and accordingly provisions of paragraph 4 (xix) and (xx) of the said Order are not applicable.

(xvi) To the best of our knowledge and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year.

Address:
252, Veer Sarvarkar Marg
Shivaji Park, Dadar
Mumbai – 400 028

Vilas Y. Rane
Partner
Membership Number: F-33220

For and on behalf of

Price Waterhouse
Chartered Accountants

Date: November 06, 2008

Balance sheet as at March 31, 2008

(Currency: Indian Rupees)

	Schedule	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	**486**	486
Reserves and surplus	2	**77,753,384**	70,723,347
Loan funds			
Unsecured loans	3	**8,589,250**	9,339,600
		86,343,120	80,063,433
APPLICATION OF FUNDS			
Fixed assets	4		
Gross block		**9,577,876**	9,695,341
Less: Accumulated depreciation		**8,800,085**	9,137,548
Net block		**777,791**	557,793
Current assets, loans and advances			
Sundry debtors	5	**235,591,120**	175,432,967
Unbilled receivables		**1,605,602**	4,505,941
Cash and bank balances	6	**40,429,177**	22,087,261
Loans and advances	7	**3,822,212**	6,055,964
		281,448,111	208,082,133
Current liabilities and provisions			
Current liabilities	8	**310,697,028**	287,736,005
Provisions	9	**6,831,123**	3,784,279
		317,528,151	291,520,284
Net current assets / (liabilities)		**(36,080,040)**	(83,438,151)
Profit and loss account		**121,645,369**	162,943,791
		86,343,120	80,063,433
Notes to Accounts	13		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 06, 2008

For Trigyn Technologies Inc

Homiyar Panday
Director

R Ganapathi
Director

Place: Mumbai
Date: November 06, 2008

Profit and Loss Account for the year ended March 31, 2008

(Currency: Indian Rupees)

	Schedule	**For the year ended March 31, 2008 Rs.**	For the year ended March 31, 2007 Rs.
Income			
Software and consultancy services		**1,168,410,623**	1,001,934,886
Other income	10	**3,677,756**	2,781,327
		1,172,088,379	1,004,716,213
Expenditure			
Personnel costs	11	**320,495,746**	286,319,873
Consultancy charges		**775,987,904**	653,844,390
Other costs	12	**29,481,592**	24,764,620
Depreciation	4	**400,328**	271,051
Finance and other charges		**29,507**	197,245
		1,126,395,077	965,397,179
Profit for the year before tax		**45,693,302**	39,319,034
Less: Provision for taxation		**4,394,880**	452,500
Net profit for the year		**41,298,422**	38,866,534
Accumulated loss, brought forward		**162,943,791**	201,810,325
Accumulated loss, carried forward		**121,645,369**	162,943,791
Basic and diluted earnings per share		**41,298**	38,867
Number of shares (face value of USD 0.01 each)		**1,000**	1,000
Notes to Accounts	13		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 06, 2008

For Trigyn Technologies Inc

Homiyar Panday
Director

R Ganapathi
Director

Place: Mumbai
Date: November 06, 2008

Cash Flow Statement for the year ended March 31, 2008

(Currency: Indian Rupees)

		For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Cash flow from operating activities			
Profit for the year before tax		**45,693,302**	39,319,034
Adjustments for:			
Interest income		**(147,846)**	(126,580)
Provision for doubtful debts /bad debts/advances		**-**	563,427
Depreciation and amortisation		**400,328**	271,051
Operating profit before working capital changes		**45,945,784**	40,026,932
Changes in:			
(Increase)/Decrease in Sundry Debtors		**(57,257,814)**	(67,029,921)
(Increase)/Decrease in Loans and advances		**2,455,179**	(3,191,161)
Increase/(Decrease) in Current Liabilities and Provisions		**22,087,716**	28,219,419
Cash generated/(used in) operations		**13,230,865**	(1,974,731)
Income tax adjustment		**(474,730)**	(18,100)
Net cash generated from / (used in) operations	**(A)**	**12,756,135**	(1,992,831)
Cash flow from investing activities			
Purchase of fixed assets		**(620,325)**	(257,326)
Interest received		**147,846**	126,580
Loan repayment from / (to) subsidiaries (net)		**(221,427)**	(643,142)
Net cash generated from / (used in) investing activities	**(B)**	**(693,906)**	(773,888)
Cash flow from financing activities			
Acceptance / (Repayment) of unsecured loans		**(750,350)**	(253,700)
Net cash generated from / (used in) financing activities	**(C)**	**(750,350)**	(253,700)
Increase/(Decrease) in cash and cash equivalents	**(A+B+C)**	**11,311,879**	(3,020,419)
Adjustment on account of currency translation reserve		**7,030,037**	1,963,929
Cash and cash equivalents at the beginning of year after unrealised exchange gain		**22,087,261**	23,143,751
Cash and cash equivalents at the end of year after unrealised exchange gain*		**40,429,177**	22,087,261

Notes:

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard 3 - 'Cash flow statements'.
2. Cash and cash equivalents consists of cash Rs. Nil (previous year Rs. Nil) and bank balance in current account Rs. 36,320,205 (previous year Rs.16,733,863) and in deposit account Rs.4,108,972 (previous year Rs.5,353,398).

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 06, 2008

For Trigyn Technologies Inc

Homiyar Panday
Director

R Ganapathi
Director

Place: Mumbai
Date: November 06, 2008

Schedules to the financial statements for the year ended March 31, 2008

(Currency: Indian Rupees)

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 1. Share capital		
Authorised share capital		
1,000 (2007: 1,000) equity shares of par value Rs 0.48 (equivalent USD 0.01) each.	**486**	486
Issued, subscribed and paid-up share capital		
1,000 (2007: 1,000) shares of par value Rs 0.48 (equivalent USD 0.01) each, fully paid up.	**486**	486

All the above shares are held by eCapital Solutions (Bermuda) Limited, the holding company.

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 2. Reserves and surplus		
Securities premium account	**29,135,514**	29,135,514
Capital reserve	**22,915,901**	22,915,901
Foreign currency translation reserve	**25,701,969**	18,671,932
	77,753,384	70,723,347
Schedule 3. Unsecured loans, interest free		
Holding company	**4,794,000**	5,212,800
Others	**3,795,250**	4,126,800
	8,589,250	9,339,600

Schedule 4. Fixed assets

(Amount in Rupees)

Particulars	Gross Block				Accumulated depreciation				Net book value	
	As at April 1, 2007	Additions during the year	Deletions/ Adjustments during the year*	As at March 31, 2008	As at April 1, 2007	Depreciation for the year	Deletions/ Adjustments during the year*	As at March 31, 2008	As at March 31, 2008	As at March 31, 2007
Computers and peripherals	5,175,711	362,977	415,820	**5,122,868**	4,695,196	328,067	380,226	**4,643,037**	**479,831**	480,515
Software	4,344,000	-	349,000	**3,995,000**	4,344,000	-	349,000	**3,995,000**	**-**	-
Furniture & Fittings	175,630	298,488	14,110	**460,008**	98,352	72,261	8,565	**162,048**	**297,960**	77,278
	9,695,341	**661,465**	**778,930**	**9,577,876**	**9,137,548**	**400,328**	**737,791**	**8,800,085**	**777,791**	**557,793**
Previous year	9,690,000	261,598	256,257	9,695,341	9,118,482	271,051	251,985	9,137,548	557,793	

* Deletions/Adjustments are on account of foreign currency translation

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 5. Sundry debtors		
(Unsecured, considered good, unless otherwise stated)		
Debts over six months		
- Considered good	**13,598,964**	13,494,332
- Considered doubtful *	**34,379,760**	37,383,148
	47,978,724	50,877,480
Other debts		
- Considered good	**221,992,156**	161,938,635
	269,970,880	212,816,115
Less: Provision for doubtful debts	**34,379,760**	37,383,148
	235,591,120	175,432,967

* includes amount due from Trigyn Technologies-UK Rs. 0.24 million (equivalent USD 5,611) (2007 : Rs.0.24 million (equivalent to USD 5,611)), which is company under same management as defined under section 370(1B) of the Indian Companies Act, 1956

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

(Currency: Indian Rupees)

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 6. Cash and bank balances		
Balances with non-scheduled banks:		
in current account		
- Wachovia bank	**36,320,205**	16,733,863
in fixed deposit		
- Wachovia bank	**4,108,972**	5,353,398
	40,429,177	22,087,261
Maximum balance held during the year with above banks		
- Wachovia bank	**68,354,757**	51,891,684
Schedule 7. Loans and advances		
(Unsecured, considered good)		
Loan to fellow subsidiary	**1,626,222**	1,404,795
Deposits	**382,422**	415,829
Advances recoverable in cash or in kind or for value to be received	**1,813,568**	4,235,340
	3,822,212	6,055,964
(Unsecured, considered doubtful)		
Loans to fellow subsidiaries	**25,786,488**	28,039,175
Other loans	**3,595,500**	3,909,600
Less: Provision for doubtful loans	**29,381,988**	31,948,775
	-	-
	3,822,212	6,055,964

Loans and advances to fellow subsidiaries include amounts due from Trigyn Technologies Limited, UK Rs 24.02 million (equivalent USD 552,866) (2007: Rs 24.67 million (equivalent USD 552,866)) and Applisoft, Inc., Rs 5.43 million (equivalent USD 124,941) (2007: Rs 4.13 million (equivalent USD 92,603)), which are companies under the same management as defined under section 370(1B) of the Indian Companies Act, 1956.

Maximum amount outstanding during the year from Trigyn Technologies Limited, UK Rs 24.67 million (equivalent USD 552,866) (2007: 24.67 million (equivalent USD 552,866)), Applisoft, Inc. Rs 5.43 million (equivalent USD 124,941) (2007: Rs 4.13 million (equivalent USD 99,879)) and Trigyn Technologies (India) Private Limited (UK Branch) Rs Nil million (equivalent USD Nil) (2007: Rs 0.11 million (equivalent USD 2,433)).

Schedule 8. Current liabilities		
Sundry creditors		
- Subsidiary	**11,146,171**	12,119,892
- Others	**216,529,079**	224,458,357
Advance from customers	**152,269**	-
Other liabilities	**82,869,509**	51,157,756
	310,697,028	287,736,005

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

(Currency: Indian Rupees)

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 9. Provisions		
Taxation	**4,354,550**	434,400
Leave encashment	**2,476,573**	3,349,879
	6,831,123	3,784,279
Schedule 10. Other income		
Interest received	**147,846**	126,580
Sundry balance written back	**3,529,507**	2,321,607
Miscellaneous income	**403**	333,140
	3,677,756	2,781,327
Schedule 11. Personnel costs		
Salaries and bonus	**282,419,740**	253,054,262
Incentives	**5,031,609**	3,469,927
Payroll taxes	**22,981,449**	18,782,956
Leave encashment	**845,827**	1,845,869
Staff insurance and benefits	**9,217,121**	9,166,860
	320,495,746	286,319,873
Schedule 12. Other costs		
Communication costs	**1,147,627**	985,886
Legal and professional fees	**3,314,567**	3,965,869
Statutory audit fees	**140,450**	144,286
Travel and conveyance costs	**3,593,301**	4,056,657
Insurance	**1,167,715**	2,258,946
Staff recruitment costs	**5,103,241**	2,864,984
Rent, rates and taxes	**3,916,703**	3,862,370
Repairs and maintenance	**75,606**	111,467
Provision for doubtful debts-net	**-**	540,485
Bad debts	**-**	22,942
Miscellaneous expenses	**11,022,382**	5,950,727
	29,481,592	24,764,620

Schedules to the financial statements for the year ended March 31, 2008

(Currency: Indian Rupees)

Schedule 13. Notes to Accounts

1. **Background**

Trigyn Technologies, Inc. ('TTI' or 'the Company') formerly known as "eCapital Solution Inc" was incorporated in the state of Delaware, USA on 9 April 1999 as a wholly owned subsidiary of eCapital Solutions (Bermuda) Limited ('EB'). In April 2000, Trigyn Technologies Limited ('TTL'), a company listed on the Bombay as well as National Stock Exchange acquired EB, thereby becoming the ultimate holding company of TTI.

The Company is engaged in the business of providing information technology support and software development services.

2. **Principal accounting policies**

2.1 Basis of preparation of financial statements

(a) These financial statements have been prepared under the historical cost convention, on the accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956 as applicable to bodies corporate.

(b) These financial statements have been prepared for the purpose of compliance with the provisions of section 212 of the Indian Companies Act, 1956 by the ultimate holding company i.e. TTL. Accordingly, these financial statements will be attached to the financial statements of TTL as prescribed under Section 212 of the Indian Companies Act, 1956. The Balance Sheet and Profit and Loss Account of the Company have been drawn up in terms of US dollars representing the functional currency of the Company. However, for purposes of compliance with the requirements of section 212 of the Indian Companies Act 1956, these financial statements have been translated into Indian Rupees in accordance with the methodology prescribed for conversion of financial statements of a non-integral operation in the revised Accounting Standard 11 on Accounting for the effects of changes in foreign exchange rates.

(c) The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

(d) These financial statements have been prepared assuming the Company will continue as a going concern. Management believes that the Company will be able to finance its operations and meet its commitments from internal cash generation in the foreseeable future.

2.2 Revenue recognition

Revenues from software development services comprise income from time and material and fixed price contracts. Revenue from 'time and material' contracts is recognized as related services are performed and accepted by the customer. Revenue from fixed price contracts is recognized using the percentage of completion method of accounting, under which the sales value of performance, including the profit thereon, is determined by relating the actual man hours of work performed to date to the estimated total man hours for each contract. Provision for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable, based on current contract estimates. The revenue allocated to post-contract customer support is recognized ratably over the term of the support and revenue allocated to service elements such as training, installation and customization is recognized as the services are performed.

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

(Currency: Indian Rupees)

Interest and Other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

Unbilled receivables represent costs incurred and revenues recognized on contracts, to be billed in subsequent periods as per the terms of the contract. Amounts received in advance of meeting the revenue recognition criteria are deferred and reflected as 'Billings in excess of costs and estimated earnings on uncompleted contracts'.

2.3 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the fixed assets. Depreciation on fixed assets is provided based on the straight-line method over its estimated useful life. Depreciation on additions and disposals is provided pro-rata for the period of use.

The useful life of fixed assets being followed by the Company is shorter than those prescribed under Schedule XIV to the Companies Act, and are summarised below:

Asset	Useful life (in years)
Computers and peripherals	3
Software	3
Furniture & Fittings	4

2.4 Retirement benefits

The Company provides leave encashment costs based on leave balance to the credit of the employees at the year-end, at the prevalent salary rates.

2.5 Income tax

Current taxes comprise state and federal taxes in the United States.

2.6 Earnings per share

The basic and diluted earnings per share is computed by dividing the profit / loss after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

2.7 Segment information

In accordance with Accounting Standard 17 "Segment Reporting", issued by the Institute of Chartered Accountants of India, if the Company's single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements. Accordingly, the Company has chosen to present segment information only in its consolidated financial statements.

2.8 Leases

Operating lease payments are recognized in the profit and loss account on a straight line basis over the lease term.

2.9 Provision and contingent liabilities

Provisions are recognized when the Company has present legal or constructive obligation, a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent liabilities, if any, are disclosed by way of notes to the Balance Sheet.

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

(Currency: Indian Rupees)

3. Earnings per share

Details of numerator and denominator used for the purposes of computing earnings per share are summarized below:

	2008	2007
Profit for the year	**41,298,422**	38,866,534
Weighted average number of shares used in computing earning per share	**1,000**	1,000
Face value of USD 0.01 each		
Basic and diluted earnings per share.	**41,298**	38,867

4. Leases

The Company has entered into operating lease arrangements, for leasing office premises in USA. The office premise has been taken under a non-cancelable lease for a period of 5 years, which is renewable at the option of the Company.

The future minimum lease payments in respect of non-cancelable operating lease in the US as at 31 March 2008 are summarized below:

	2008	2007
Lease rental payments for the year	**2,781,626**	3,003,482
Future minimum lease rentals payments payable:		
- not later than one year	**2,685,486**	2,781,626
- Later than one year but not later than five years	**1,566,533**	1,734656
	4,252,019	4,516,282

5. Related party transactions

Details of related parties including summary of transactions entered into by the Company during the year ended March 31, 2008 are summarized below:

Holding company

ECapital Solutions (Bermuda) Limited

Ultimate Holding company

Trigyn Technologies Limited

Fellow associate companies

Applisoft Inc.

ECapital Solutions (Mauritius) Limited

Leading Edge Infotech Limited

Trigyn Technologies Europe GmbH

Trigyn Technologies India (Private) Limited

EVector (Cayman) Limited

EVector Inc.

EVector (India) Private Limited

EVector (UK) Limited

Trigyn Technologies Limited , UK

Key Management Personnel

Ramkrishna Bhagwat(Resigned on 31.03.07)

R Ganapathi(Appointed on 2.04.07)

Homiyar Panday

C.V.Rao

C Rao Kasarabada

Richard Raja

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

(Currency: Indian Rupees)

Particulars of related party transactions during the year ended March 31, 2008

Nature of transactions	Holding & ultimate holding company	Fellow associates companies
Cost of services rendered to the Company	**138,607,395**	-
	(82,242,052)	(-)
Expenses incurred by the Company	**9,986,788**	337,384
	(327,349,821)	(15,328)
Expenses incurred on behalf of the Company	**486,462,611**	-
	(11,865,336)	(-)
Loans given (net) by the Company	-	-
	(-)	(1,448,000)
Year-end balances		
Gross amounts payable to creditors	**202,610,957**	57,122,033
	(165,191,767)	(62,112,168)
Gross amounts payable as loans	**4,794,000**	-
	(5,212,800)	(-)
Gross amounts receivable as loans	**-**	27,412,709
	(-)	(29,443,970)
Gross amounts receivable as debts	**-**	224,159
	(-)	(243,742)
Provision for doubtful loans	**-**	25,786,488
	(-)	(28,039,175)
Provision for doubtful debts	**-**	224,159
	(-)	(243,742)

Transactions with directors (refer note 6 (i) to schedule 13)
Previous years figure are given in brackets

6. **Supplementary statutory information**

	2008	2007
(i) Personnel costs includes managerial remuneration paid to the directors of the Company as follows:		
- Salaries and bonus	**9,386,617**	12,944,987
- Others	**648,262**	848,982
	10,034,879	13,793,969

7. The current assets, loans and advances are stated at the value, which in the opinion of the Board, are realisable in the ordinary course of the business. Current liabilities and provisions are stated at the value payable in the ordinary course of the business.
8. The balances of certain amounts under loans and advances, debtors and creditors are subject to confirmation/ reconciliation and consequential adjustment, if any. The management does not, however, expect any significant impact on the financial statements on this account.
9. **Prior year comparatives**

   Prior year figures have been appropriately reclassified / regrouped to conform to current year's presentation.

For Trigyn Technologies Inc.

Place : Mumbai	**Homiyar Panday**	**R Ganapathi**
Date : November 06, 2008	**Director**	**Director**

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. REGISTRATION DETAILS

Registration No.	NA	State Code	NA
Balance Sheet Date	31.03.2008 (Date Month Year)		

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	-

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)

Total Liabilities	403871	Total Assets	403871
SOURCES OF FUNDS:		**APPLICATION OF FUNDS:**	
Paid-up Capital (including share application money)	0.486	Net Fixed Assets	778
Reserves & Surplus	-	Investments	-
Secured Loans	-	Net Current Assets (liabilities)	(36080)
Unsecured Loans	8589	Miscellaneous Expenditure	-
		Accumulated loss	121645

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

Turnover (Total Income) (including other income)	1172088	Total Expenditure	1126395
+ - Profit Before Tax	45693	+ - Profit After Tax	41298
Earning per Share in Rs.	41298	Dividend %	-

(Please tick appropriate box + for profit - for loss)

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

ITEM CODE NO. (ITC CODE)	8524.9
PRODUCT DESCRIPTION	Computer Software
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable

AUDITORS' REPORT

To the Board of Directors Applisoft inc.

1. We have audited the attached balance sheet of **Applisoft Inc**. (the 'Company') as at March 31, 2008 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended March 31, 2008 annexed thereto (collectively referred to as 'financial statements'). 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.
2. 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.
3. As stated in note 2.1(b) to schedule 9, these financial statements have been prepared by the Company for the purposes of attaching to the financial statements of its ultimate holding company, Trigyn Technologies Limited, as prescribed under Section 212 of the Companies act, 1956.
4. As required by the Companies (Auditor's Report) Order, 2003, ('the said Order'), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the Act), and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
5. *We draw attention to note 2.1 (d) to schedule 9 in the financial statements. These financial statements have been prepared assuming the Company will continue as going concern despite negative networth, cessation of operations and current liabilities exceeds current assets. In our opinion, these factors, along with other matters set forth in the above note, raise substantial doubt that the Company will be able to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts and classification of liabilities that might results should the Company be unable to continue as a going concern.*
6. 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 examination of those books;
   c. the Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
   d. in our opinion, the financial statements comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
   e. except for the adjustments, if any, required to the carrying amount of assets and the classification of liabilities that might result should the Company be unable to continue as a going concern as stated in paragraph 5 above, in our opinion and to the best of our information and according to the explanations given to us, the balance sheet and profit and loss account give the information required by 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:
      (i) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2008;
      (ii) in the case of the profit and loss account, of the loss of the Company for the year ended March 31, 2008; and,
      (iii) in case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

<u>Address:</u>
252, Veer Sarvarkar Marg
Shivaji Park, Dadar
Mumbai – 400 028

Vilas Y. Rane
Partner
Membership Number: F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Date: September 28, 2008

Annexure to Auditors' Report of Applisoft Inc.

(Referred to in our Report of even date)

(i) The Company does not have any fixed assets during the year. According, the provisions of paragraph 4(i)(a) to (c) of the said Order are not applicable

(ii) The Company is in the business of providing software services, hence the provisions of paragraph 4 (ii) (a), (b) and (c) of the said Order are not applicable.

(iii) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system. We are informed that the nature of Company's business does not involve purchase of inventory and sale of goods.

(iv) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of section 58A, section 58AA and any other relevant provisions of the Act and the rules framed there under, hence the provisions of paragraph 4 (iv) of the said Order are not applicable.

(v) In our opinion, the Company does not have a paid-up capital and reserves exceeding Rs. 50 lacs as at the commencement of the financial year concerned nor have an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial year concerned. Accordingly, provisions of paragraph 4 (vii) of the said Order are not applicable to the Company.

(vi) (a) According to the information and explanations given to us, the Company has been regular in depositing undisputed employee benefits fund dues with the appropriate authorities during the year. There are no arrears as on March 31, 2008 exceeding six months from the date they became payable.

(b) There are no disputed amounts pending with the relevant Appellate Authorities.

(vii) In our opinion and according to the information and explanations given to us, the Company's accumulated losses exceed 50% of its net worth at the end of the financial year under reporting; and the Company has incurred cash losses in the financial year under report. The Company has not incurred cash losses in the immediately preceding financial year.

(viii) As the Company has not borrowed any loans from financial institutions, banks and debenture holders, the provisions of paragraph 4(xi) of the said Order are not applicable.

(ix) As the Company has not granted any loans or advances against security, the provisions of paragraph 4 (xii) of the said Order are not applicable.

(x) In our opinion and according to the information and explanations given to us, the Company is not a chit fund, or a nidhi, mutual benefit funds/societies, accordingly, the provisions of paragraph 4 (xiii) of the said Order are not applicable.

(xi) On the basis of our examination and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xii) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xiii) According to the information and explanations given to us, the Company has not taken any term loans.

(xiv) In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used the fund borrowed on short term basis during the year for long term investments.

(xv) The Company has not issued debentures or made any public issue during the year and accordingly, the provisions of paragraph 4 (xix) and (xx) of the said Order, are not applicable.

(xvi) To the best of our knowledge and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year.

Address:
252, Veer Sarvarkar Marg
Shivaji Park, Dadar
Mumbai – 400 028

Vilas Y. Rane
Partner
Membership Number: F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Date: September 28, 2008

Balance sheet as at March 31, 2008

	Schedule	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	**728,400**	728,400
Reserves and surplus	2	**5,105,250**	4,337,450
Loan funds			
Unsecured loans	3	**8,887,779**	9,240,281
		14,721,429	14,306,131
APPLICATION OF FUNDS			
Current assets, loans and advances			
Sundry debtors	4	**-**	-
Cash and bank balances	5	**1,378**	10,851
		1,378	10,851
Current liabilities and provisions			
Current liabilities	6	**211,751**	287,501
		211,751	287,501
Net current (liabilities) / assets		**(210,373)**	(276,650)
Profit and loss account		**14,931,802**	14,582,781
		14,721,429	14,306,131
Notes to Accounts	9		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: September 28, 2008

For Applisoft Inc.

C. V. Rao
Director

Richard Raja
Director

Place: Mumbai
Date: September 28, 2008

Profit and loss account for the year ended March 31, 2008

	Schedule	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Income			
Software consultancy services		-	-
Other income	7	-	8,531
		-	8,531
Expenditure			
Consultancy Charges		-	-
Other costs	8	**341,241**	687,205
Finance charges		**7,780**	12,489
		349,021	699,694
Loss for the year before taxation		**(349,021)**	(691,163)
Provision for taxation		-	-
Loss for the year after taxation		**(349,021)**	(691,163)
Accumulated loss, brought forward		**(14,582,781)**	(13,891,618)
Accumulated loss, carried forward		**(14,931,802)**	(14,582,781)
Basic and diluted earnings per share		**(23.27)**	(46.08)
Number of shares (face value of USD 1.00 each)		**15,000**	15,000
Notes to Accounts	9		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: September 28, 2008

For Applisoft Inc.

C. V. Rao
Director

Richard Raja
Director

Place: Mumbai
Date: September 28, 2008

Cash Flow Statement for the year ended March 31, 2008

	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Cash flow from operating activities		
(Loss) / profit for the year before taxation	**(349,021)**	(691,163)
Adjustments for:		
Interest income	**-**	-
Provision for doubtful debts	**-**	380,100
Operating loss before working capital changes	**(349,021)**	(311,063)
Adjustments in:		
(Increase) / Decrease in Sundry Debtors	**-**	(5,292)
Increase / (Decrease) in Current Liabilities and Provisions	**(75,750)**	(76,560)
Net cash generated from / (used in) operations (A)	**(424,771)**	(392,915)
Cash flow from investing activities		
Interest (Paid) / Received	**-**	-
Net cash generated from / (used in) investing activities (B)	**-**	-
Cash flow from financing activities		
Acceptance / (Repayment) of unsecured loans	**(108,202)**	55,842
Repayment of loan to ex-officer	**(244,300)**	(82,600)
Net cash generated from / (used in) financing activities (C)	**(352,502)**	(26,758)
Decrease in cash and cash equivalents (A+B+C)	**(777,272)**	(419,673)
Adjustment on account of currency translation reserve	**767,800**	268,140
Cash and cash equivalents at the beginning of year	**10,851**	162,384
Cash and cash equivalents at the end of year	**1,378**	10,851

Notes:

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard - 3 'Cash flow statements' .
2. Cash and cash equivalents as at the year end consist of bank balances in current account Rs. 1,378 (2007: Rs.10,851).

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: September 28, 2008

For Applisoft Inc.

C. V. Rao
Director

Richard Raja
Director

Place: Mumbai
Date: September 28, 2008

Schedules to the financial statements for the year ended March 31, 2008

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 1. Share capital		
Authorised share capital		
1,000,000 (2007:1,000,000) shares of par value Rs 48.56 (equivalent US$ 1.00) each.	**48,560,000**	48,560,000
Issued, subscribed and paid-up share capital		
15,000 (2007:15,000) shares of par value Rs 48.56 (equivalent US$ 1.00) each, fully paid up.	**728,400**	728,400
All the above equity shares of the Company are held by Trigyn Technologies Limited, the holding company.		
Schedule 2. Reserves and surplus		
Foreign currency translation reserve	**5,105,250**	4,337,450
Schedule 3. Unsecured loans (interest free)		
From holding company/Associates	**6,091,279**	6,199,481
From Director	**-**	-
From ex-officer of the Company	**2,796,500**	3,040,800
	8,887,779	9,240,281
Schedule 4. Sundry debtors		
(Unsecured, considered good, unless otherwise stated)		
Debts over six months		
- Considered doubtful*	**12,525,039**	13,619,217
Other debts		
- Considered good	**-**	-
	12,525,039	13,619,217
Less: Provision for doubtful debts	**12,525,039**	13,619,217
	-	-

*Includes due from Trigyn Technologies Inc. Rs.214,159 (2007: Rs.219,976), which is company under the same management as defined under section 370(1B) of the Companies Act, 1956.

Schedule 5. Bank balances		
Balances with non-scheduled banks		
- In current Account	**1,378**	10,851
	1,378	10,851
Maximum balance held during the year with the above bank (Wachovia Bank)	**10,851**	162,384
Schedule 6. Current liabilities		
Sundry creditors	**932**	1,014
Other liabilities	**210,819**	286,487
	211,751	287,501

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 7. Other income		
Miscellaneous income	**-**	8,531
	-	8,531
Schedule 8. Other costs		
Legal and professional fees	**272,900**	239,592
Rent, rates and taxes	**62,724**	67,513
Provision for bad and doubtful debts	**-**	380,100
Miscellaneous expenses	**5,617**	-
	341,241	687,205

Schedule 9. Notes to Accounts

1. Background

Applisoft, Inc. ('the Company') was incorporated on 6 September 1991 in San Jose, CA, USA in the name of TRG Inc. Subsequently, on 20 January 1996, the Company changed its name to Applisoft Inc. The Company is primarily engaged in the business of providing information technology and software consultancy services.

On 1 January 2001, Trigyn Technologies Limited ('TTL'), a company listed on the Stock exchange, Mumbai, India acquired 100% equity stake in the Company for consideration in cash aggregating Rs 421.6 million (equivalent USD 9 million).

The Company has stopped its operation from February 2006.

2. Principal accounting policies

2.1 Basis of preparation of financial statements

(a) These financial statements have been prepared under the historical cost convention, on the accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956 as applicable to bodies corporate.

(b) These financial statements have been prepared for the purpose of compliance with the provisions of section 212 of the Indian Companies Act, 1956 by the holding company i.e. TTL. Accordingly, these financial statements will be attached to the financial statements of TTL as prescribed under Section 212 of the Indian Companies Act, 1956. The Balance Sheet, Profit and Loss Account and Cash flow statement of the Company have been drawn up in terms of US dollars representing the functional currency of the Company. However, for purposes of compliance with the requirements of section 212 of the Indian Companies Act 1956, these financial statements have been translated into Indian Rupees in accordance with the methodology prescribed for conversion of financial statements of a non-integral operation in the revised Accounting Standard 11 on Accounting for the effects of changes in foreign exchange rates. No representation is made, that the US dollar amounts have been, could have been or could be converted in to Indian Rupees at such an exchange rate.

(c) The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

(d) These financial statements have been prepared assuming the Company will continue as a going concern despite the Company having stopped its operations from February 2006, negative net worth and current

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

liabilities exceeds its current assets. Management believes that the Company will be able to finance its operations and meet its commitments and also commitments given by the ultimate holding company to support its subsidiaries and from internal cash generation in the foreseeable future, given the various options it is perusing in this regard. Accordingly, the financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

2.2 Revenue recognition

Revenue from software consultancy services comprises income from time and material contracts, which is recognized as related services are performed and accepted by the customers.

Interest and other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

2.3 Income tax

Current taxes comprise state and federal taxes in the United States. In view of the carry forward tax losses, the Company has not made provision for current taxes. Further, deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized, other than deferred tax assets in respect of unabsorbed depreciation and carry forward tax losses, which are recognized only to the extent that there is virtual certainty that they will be realized. The deferred tax assets are reviewed at each balance sheet date for the appropriateness of their carrying values.

In view of significant losses incurred by the Company till the current period, deferred tax assets have not been recognized in the financial statements as at March 31, 2008. At each balance sheet date, such unrecognized deferred tax assets would be re-assessed and recorded in the financial statements when the realization of such assets become reasonably certain or virtually certain, as the case may be.

2.4 Earnings per share

The basic and diluted earnings per share are computed by dividing the profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

2.5 Segment information

In accordance with Accounting Standard 17 “Segment Reporting”, issued by the Institute of Chartered Accountants of India, if the Company’s single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements. Accordingly, the Company has chosen to present segment information only in its consolidated financial statements.

2.6 Provision and contingent liabilities

Provisions are recognized when the Company has present legal or constructive obligation, a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent liabilities, if any, are disclosed by way of notes to the Balance Sheet.

3. Earnings per share

Details of numerator and denominator used for the purposes of computing earnings per share are summarized below:

	2008	2007
(Loss) for the year	**(349,021)**	(691,163)
Weighted average number of shares used in computing earning per share	**15,000**	15,000
Basic and diluted earnings per share of Rs.10 each	**(23.27)**	(46.08)

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

4. Related party transactions

Details of related parties including summary of transactions entered into by the Company during the year ended March 31, 2008 are summarized below:

Holding company

Trigyn Technologies Limited

Fellow associate companies

Trigyn Technologies (India) Private Limited
ECapital Solutions (Bermuda) Limited
ECapital Solutions (Mauritius) Limited
Leading Edge Infotech Limited
Trigyn Technologies Europe GmbH
Trigyn Technologies Inc
EVector (Cayman) Limited
EVector Inc.
EVector (India) Private Limited
EVector (UK) Limited
Trigyn Technologies Limited, UK

Directors of the Company

Ramakrishna Bhagwat(resigned on 21.07.2008)

C V Rao
Richard Raja

Particulars of related party transactions during the year ended March 31, 2008

Nature of transactions	Holding company	Fellow associates companies	Key Management Personal
	Rs.	Rs.	Rs.
Expenses incurred on behalf of the Company	**56,096**	**337,384**	**-**
	(56,938)	(15,328)	(-)
Loans repaid during the year	**-**	**-**	**-**
	(-)	(-)	(1,338,765)
Loan taken during the year	**-**	**-**	**-**
	(-)	(1,448,000)	(-)
Year-end balances			
Gross amounts payable as loans	**824,874**	**5,325,696**	**-**
	(772,028)	(5,427,453)	(-)
Gross amounts receivable as debts	**-**	**196,954**	**-**
	(-)	(214,159)	(-)
Provision for doubtful debts	**-**	**196,954**	**-**
	(-)	(214,159)	(-)

(Previous years figure given in bracket)

5. Supplementary statutory information

	2008	2007
Legal and professional fees include:		
Auditor's remuneration:		
- audit fees	56,180	57,291
	56,180	**57,291**

Schedules to the financial statements for the year ended March 31, 2008 *(Contd.)*

6. The current assets, loans and advances are stated at the value, which in the opinion of the Board, are realisable in the ordinary course of the business. Current liabilities and provisions are stated at the value payable in the ordinary course of the business.

7. Prior year comparatives

Prior year figures have been appropriately reclassified / regrouped to conform to current year's presentation.

For Applisoft Inc.

C. V. Rao	**Richard Raja**
Director	**Director**

Place : Mumbai
Date : September 28, 2008

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. REGISTRATION DETAILS

Registration No. NA State Code NA

Balance Sheet Date 31.03.2008 (Date Month Year)

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	-

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)

Total Liabilities	14933	Total Assets	14933
SOURCES OF FUNDS:		**APPLICATION OF FUNDS:**	
Paid-up Capital (including share application money)	728	Net Fixed Assets	-
Reserves & Surplus	5105	Investments	-
Secured Loans	-	Net Current Assets	(210)
Unsecured Loans	-	Miscellaneous Expenditure	-
		Accumulated loss	14932

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

Turnover (including other income)	-	Total Expenditure	349
+ - Profit/(Loss)Before Tax	(349)	+ - Profit/(Loss) After Tax	(349)
Earning per Share in Rs.	(23.27)	Dividend %	-

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

ITEM CODE NO. (ITC CODE)	8524.9
PRODUCT DESCRIPTION	Computer Software
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable
ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	Not applicable

Annual Financial Statements of eCapital Solutions (Bermuda) Limited for the year 2004-05 (Unaudited)

Balance sheet at March 31, 2005

(Currency: Indian Rupee)

	Note	2005	2004
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	3	**151,312,960**	151,312,960
Reserves and surplus	4	**272,423,733**	272,423,733
		423,736,693	423,736,693
APPLICATION OF FUNDS			
Investments	5	**-**	-
Current assets, loans and advances			
Cash and bank balances	6	**92,568**	92,568
Loans and advances	7	**28,948,869**	28,948,869
		29,041,437	29,041,437
Current liabilities and provisions			
Current liabilities	8	**4,847,319**	4,847,319
Net current assets		**24,194,118**	24,194,118
Profit and loss account		**399,542,575**	399,542,575
		423,736,693	423,736,693

The accompanying notes form an integral part of the financial statements.

Profit and Loss Account for the year ended March 31, 2005

(Currency: Indian Rupee)

	Note	2005	2004
INCOME			
Interest income		**-**	-
Other income	9	**-**	-
		-	-
EXPENDITURE			
Operating costs	10	**-**	410,257
Loss for the year before exceptional items		**-**	410,257
Exceptional items	11	**-**	10,219,497
Loss after exceptional items		-	10,629,754
Accumulated losses, brought forward		**3,99,542,575**	388,912,821
Accumulated losses, carried forward		**399,542,575**	399,542,575
Basic and diluted earnings per share		**-**	(1.45)
Number of shares used in computing basic and diluted earnings per share		**7,350,000**	7,350,000

The accompanying notes form an integral part of the financial statements.

For eCapital Solutions (Bermuda) Limited

Place : Mumbai
Date : June 29, 2005

Director Director

Notes to the financial statements for the year ended March 31, 2005

(Currency: Indian Rupee)

1 Background

eCapital Solutions (Bermuda) Limited ('EB'), was incorporated in Bermuda in December 1998 as a 100 % subsidiary of eCapital Holdings (Bermuda) Limited ('EH'). On 12 April 2000, EH sold its 100% interest in EB, to Trigyn Technologies Limited ('TTL'), a public limited company incorporated in India, as a result of which EB became a wholly owned subsidiary of TTL. The primary objective of EB is to hold investments in its majority owned subsidiaries.

The majority owned subsidiaries of EB are primarily engaged in the business of providing software solutions and consultancy services in India, United States of America and Europe.

On 1 October 2001, EB acquired balance 49% equity stake representing 29,400 equity shares in its subsidiary Trigyn Technologies U.K ('TTUK') for consideration aggregating GBP 1 resulting in TTUK becoming a wholly owned subsidiary of EB. On 16 April 2002 the management of TTUK decided to wind up its operations and filed for liquidation.

On 30 May 2002, the Board of Directors of eVector (Cayman) Limited (EVCL), a wholly owned subsidiary of the Company, together with EVCL's preference shareholder and the Company decided to wind up EVCL and its subsidiaries' operations (refer note 11).

2 Principal accounting policies

2.1 Basis of preparation of financial statements

(a) These financial statements have been prepared under the historical cost convention, on the accrual basis of accounting, and in accordance with the provisions of the Indian Companies Act, 1956 as applicable to bodies corporate.

(b) These financial statements have been prepared for the purpose of compliance with the provisions of section 212 of the Indian Companies Act, 1956 by the holding company i.e. TTL. Accordingly, these financial statements will be attached to the financial statements of TTL as prescribed under Section 212 of the Indian Companies Act, 1956. The balance sheet and profit and loss account of the Company have been drawn up in terms of US dollars representing the functional currency of the Company. However, for purposes of compliance with the requirements of section 212 of the Indian Companies Act 1956, these financial statements have been translated into Indian Rupees in accordance with the methodology prescribed for conversion of financial statements of a non-integral operation in the revised Accounting Standard 11 on Accounting for the effects of changes in foreign exchange rates. No representation is made, that the US dollar amounts have been, could have been or could be converted in to Indian Rupees at such an exchange rate.

(c) The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

(d) The Company has made a net loss, before exceptional items, of Rs NIL (equivalent NIL USD) (2004: loss of Rs 10.63 million (equivalent USD 0.24 million)) for the year ended 31 March 2005 and has accumulated deficit aggregating Rs 399.54 million (equivalent USD 8.60 million) (2004: Rs 399.54 million (equivalent USD 8.60 million)) as at 31 March 2005. In the event, the Company is required to assume the liabilities of its subsidiary TTE, there exists significant uncertainty that the Company will be able to continue as a going concern and, therefore may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

2.2 Interest income

Interest on deployment of surplus funds is recognised using the time proportion method based on the underlying interest rates.

2.3 Investments

Long-term investments are carried at cost, and provision is made when in the management's opinion there is a decline, other than temporary, in the carrying value of such investments.

Notes to the financial statements for the year ended March 31, 2005 *(Contd.)*

(Currency: Indian Rupee)

2.4 Provision for taxation

The Company is incorporated in Bermuda where no taxes are payable. Accordingly, the Company has not made provision for taxes in the financial statements.

2.5 Earnings per share

The basic and diluted earnings per share is computed by dividing the loss after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

3 Share capital	**2005**	2004
Authorised share capital		
9,435,174 (2004: 9,435,174) equity shares of Rs 20 (equivalent USD 0.42) with voting rights	**194,240,000**	194,240,000
7,076,380 (2004: 7,076,380) equity shares of Rs 21 (equivalent USD 0.44) without voting rights	**145,680,000**	145,680,000
	339,920,000	339,920,000
Issued, subscribed and paid-up share capital		
6,049,804 (2004: 6,049,804) equity shares of Rs 20 (equivalent USD 0.42) with voting rights each, fully paid up.	**124,546,105**	124,546,105
1,300,196 (2004: 1,300,196) equity shares of Rs 20 (equivalent USD 0.42) without voting rights each, fully paid up.	**26,766,855**	26,766,855
	151,312,960	151,312,960

The above equity shares data is presented subsequent to stock consolidation carried out by the Company in March 2001, whereby 31,160,000 outstanding equity shares of the Company were consolidated into 7,350,000 equity shares in a 4.24: 1 ratio.

All the above equity shares of the Company are held by the holding company i.e. TTL.

Of the above, 117,940 (2004: 117,940) equity shares of Rs. 20 (equivalent USD 0.42) each fully paid with a premium of Rs 38 (equivalent USD 0.79) have been allotted for consideration other than cash for acquiring 2 equity shares (representing 100% of issued and paid up share capital) of Trigyn Technologies Europe, GmbH.

Refer note 12 for employee stock options issued by the Company.

4 Reserves and surplus		
Share premium balance	**281,009,437**	281,009,437
Foreign currency translation reserve	**(8,585,704)**	(8,585,704)
	272,423,733	272,423,733

5 Investments		
Long term investments		
Trade (unquoted) investment in subsidiaries		
5,500 (2004: 5,500) equity shares of Rs 47.65 (equivalent USD 1) each fully paid in eCapital Solutions (Mauritius) Limited	**253,157**	253,157
1,000 (2004: 1,000) equity shares of Rs 0.48 (equivalent USD 0.01) each fully paid in Trigyn Technologies Inc. USA.	**27,617,100**	27,617,100
60,000 (2004: 60,000) equity shares of Rs 0.75 (equivalent GBP 0.01) each fully paid up in Trigyn Technologies Limited, U.K.	**60,528,260**	60,528,260
2 (2004: 2) equity shares of Rs 550,750		

Notes to the financial statements for the year ended March 31, 2005 *(Contd.)*
(Currency: Indian Rupee)

		2005	2004
	(equivalent DM 25,000) each fully paid up in Trigyn Technologies Europe, GmbH	**9,882,089**	9,882,089
	15,000,000 (2004: 15,000,000) equity shares of Rs 0.48 (equivalent USD 0.01) each fully paid up in Vector Cayman Limited	**6,904,275**	6,904,275
	Less: provision for decline other than temporary in the value of investments. (refer note 11)	**105,184,881**	105,184,881
		105,184,881	105,184,881
		-	-
6	**Cash and bank balances**		
	Balances with non scheduled banks		
	- In current account		
	The Bank of Bermuda Limited	**92,568**	92,568
		92,568	92,568
	Maximum balance held during the year with above banks		
	- In current account		
	Lloyds TSB	**-**	-
	The Bank of Bermuda Limited	**92,568**	5,661,506
	- In deposit account		
	The Bank of Bermuda Limited	**-**	-
7	**Loans and advances**		
	(unsecured, considered good)		
	Advances for investment in subsidiaries, pending allotment of equity shares		
	- eCapital Solution (Mauritius) Limited	**14,899,563**	14,899,563
	Loans/advances to subsidiaries	**14,049,306**	14,049,306
		28,948,869	28,948,869
	(unsecured, considered doubtful) Advances for investment in subsidiaries, pending allotment of equity shares		
	- eCapital Solution (Mauritius) Limited	**146,994,506**	146,994,506
	- Trigyn Technologies Europe GmbH	**25,282,045**	25,282,045
	Loans/advances to subsidiaries	**83,279,150**	83,279,150
		255,555,701	255,555,701
	Less: Provision for doubtful loans/advances (refer note 11)	**255,555,701**	255,555,701
		-	-
		28,948,869	28,948,869

Loans and advances to subsidiaries includes amount due from Trigyn Technologies Limited, UK aggregating Rs 43,248,747 (equivalent USD 939,608) (2004: Rs 43,248,747 (equivalent USD 939,608)) and amount due from Trigyn Technologies Inc. Rs 52,971,213 (equivalent USD 1,150,835) (2004: Rs 52,971,213 (equivalent USD 1,150,835)), which are companies under the same management as defined under section 370(1B) of the Indian Companies Act, 1956. Maximum amount outstanding from Trigyn Technologies Limited, UK aggregated Rs 43,248,747 (equivalent USD 939,608) (2004: Rs 43,248,747 (equivalent USD 939,608)) and from Trigyn Technologies Inc. aggregated Rs 62,304,392 (equivalent USD 1,207,687) (2004: Rs 62,304,392 (equivalent USD 1,207,687)

		2005	2004
8	**Current liabilities**		
	Sundry creditors	**4,824,305**	4,824,305
	Others	**23,014**	23,014
		4,847,319	4,847,319

Notes to the financial statements for the year ended March 31, 2005 *(Contd.)*

(Currency: Indian Rupee)

Sundry creditors include Rs NIL (2004: Rs 12,492,543 (equivalent USD 262,173) payable to erst while Director. As at 31 March 2005, the Company had no amounts due to small-scale industrial undertakings.

9	**Other income**		
	Exchange gain (net)	-	-
10	**Operating costs**		
	Legal and professional fees	-	330,552
	Bank charges	-	3,610
	Travel and conveyance costs	-	-
	Miscellaneous	-	76,125
		-	410,257

11 Exceptional items

Provision for decline other than temporary in the value of investments in subsidiaries

On the basis of the preliminary evaluation, done in previous years and based on the diminution provided in the investment value of the parent Company, the Company has made a further provision of aggregating Rs 10.22 million (equivalent USD 0.22 million) for 'decline other than temporary' in the carrying value of its investments in its subsidiaries eCapital (Mauritius) Limited ('EM') and Trigyn Technologies, Inc ('TTI'), Trigyn Technologies GmBH and Trigyn Technologies Ltd., UK (put into liquidation). The primary reasons for such decline are attributed to the general downturn in the software services and products business, which may result in loss of certain perceived business synergies.The Company is in the process of performing a detailed evaluation to ascertain whether adjustments are required to record a further decline other than temporary in the carrying value of these investments.

Company's investment in eVector Cayman Limited ('EVCL') aggregate Rs 7,284,000 (equivalent USD 150,000) as at 31 March 2002. On 30 May 2002, the Company, the Board of Directors of EVCL and the EVCL's preference shareholders decided to wind up operations of EVCL and its subsidiaries. In this regard, the Company has entered into a settlement agreement with EVCL and preference shareholder of EVCL, whereby the Company would receive Rs 6.07 million (equivalent USD 125,000) towards Company's contributed share capital in EVCL. Based on the above, the Company has provided for decline other than temporary in respect of the balance investment value aggregating Rs 1.21 million (equivalent USD 25,000) as on March 31, 2002. Provision for advances made to subsidiaries pending allotment of equity shares

Advances for investment in subsidiaries represents amount pending allotment of equity shares in TTE and EM aggregating Rs 26.67 million (equivalent USD 0.55 million) and Rs 181.96 million (equivalent USD 3.74 million) respectively. In respect of advances to TTE, the Company had made provision on March 31, 2002 in respect of the entire amount paid towards subscription of equity share capital aggregating Rs 26.67 million

(equivalent USD 0.55 million). Further, in respect of advances to EM, based on preliminary evaluation, the Company had made a provision of 26% aggregating Rs 47.53 million (equivalent USD 0.98 million). During the year 2003, the Company's Management made an internal valuation of the underlying investments in EM and Trigyn Technologies Inc, USA and decided to make an additional provision in respect of the advances to EM and TTI, aggregating Rs. 162.50 million (USD 0.34 million).

Provisions for doubtful loans and advances

Due to adverse financial conditions of its subsidiary TTI and the winding up of TTUK operations, there exists uncertainty as to realisibility of loans and advances balance due from these subsidiaries. Accordingly, the Company had made provision for doubtful loans and advances during 2003, due from these subsidiaries aggregating Rs 87.86 million (USD 1.81 million).

		Note	**2005**	2004
12	**Supplementary statutory information**			
	(i) Operating costs include auditors remuneration:			
	- Statutory audit fees		-	**32,625**

13 Prior year comparatives

Prior year figures have been appropriately reclassified to conform to current year's presentation.

For eCapital Solutions (Bermuda) Limited

Place : Mumbai
Date : June 29, 2005

Director Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. REGISTRATION DETAILS

Registration No.	N A	State Code	N A
Balance Sheet Date	3 1 . 0 3 . 2 0 0 5 (Date Month Year)		

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	-

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)

Total Liabilities	428584	Total Assets	428584
SOURCES OF FUNDS:		**APPLICATION OF FUNDS:**	
Paid-up Capital (including share application money)	151313	Net Fixed Assets	-
Reserves & Surplus	272423	Investments	-
Secured Loans	-	Net Current Assets	29042
Unsecured Loans	-	Miscellaneous Expenditure	-
		Accumulated loss	399542

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

Turnover (Total Income) (including other income)	-	Total Expenditure	-
+ - Profit Before Tax	-	+ - Profit After Tax	-
Earning per Share in Rs.	-	Dividend %	-

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

ITEM CODE NO. (ITC CODE)	Not applicable
PRODUCT DESCRIPTION	INVESTMENT COMPANY

Annual Financial Statements of eCapital Solutions (Mauritius) Limited for the year 2004-05 (Unaudited)

Balance sheet as March 31, 2005
(Currency: Indian Rupee)

	Note	2005	2004
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	3	**267,080**	267,080
Share application money		**161,894,064**	161,894,064
Foreign currency translation reserve		**6,584,252**	6,584,252
		168,745,396	168,745,396
APPLICATION OF FUNDS			
Investments	4	**-**	**-**
Current assets, loans and advances			
Cash and bank balances	5	**17,342**	17,342
Loans and advances	6	**1,674,701**	1,674,701
		1,692,043	1,692,043
Current liabilities and provisions			
Current liabilities	7	**574,044**	574,044
Net current assets		**1,117,999**	1,117,999
Profit and loss account		**167,627,397**	167,627,397
		168,745,396	168,745,396

Profit and Loss Account for year ended 31, 2005
(Currency: Indian Rupee)

	Note	2005	2004
INCOME			
Other income	8	-	-
		-	-
EXPENDITURE			
Operating costs	9	**-**	99,680
Loan written off (refer note 6)		**-**	-
Provision for diminution in value if investments (refer note 10)		**-**	-
		-	99,680
Profit / (Loss) for the year before prior year adjustments		**-**	99,680
Prior year adjustment (refer note 6)		**-**	-
Net profit / (loss) after exceptional and prior-period items		**-**	99,680
Exceptional items, diminution in value of investments		**-**	119,696,800
Accumulated losses, brought forward		**(167,627,397)**	(47,830,917)
Accumulated losses, carried forward		**(167,627,397)**	(167,627,397)
Basic and diluted earnings per share		-	(21,781.12)
Number of shares used in computing basic and diluted earnings per share		**5,500**	5,500

The accompanying notes form an integral part of the financial statements.

For eCapital Solutions (Mauritius) Limited

Date: June 29, 2005

Director Director

Notes to the Financial Statement for the year ended March 31, 2005
(Currency: Indian Rupee)

1 Background

eCapital Solutions (Mauritius) Limited ('EM'), was incorporated in Mauritius in December 1998 as a 100 % subsidiary of eCapital Solutions (Bermuda) Limited ('EB'). The primary objective of EM is to hold investments in its majority owned subsidiaries.

The majority owned subsidiary of EM is primarily engaged in the business of providing software solutions and consultancy services in India.

2 Principal accounting policies

2.1 Basis of preparation of financial statements

(a) These financial statements have been prepared under the historical cost convention, on the accrual basis of accounting, and in accordance with the provisions of the Indian Companies Act, 1956 as applicable to bodies corporate.

(b) These financial statements have been prepared for the purpose of compliance with the provisions of section 212 of the Indian Companies Act, 1956 by the holding company i.e. TTL. Accordingly, these financial statements will be attached to the financial statements of TTL as prescribed under Section 212 of the Indian Companies Act, 1956. The balance sheet and profit and loss account of the Company have been drawn up in terms of US dollars representing the functional currency of the Company. However, for purposes of compliance with the requirements of section 212 of the Indian Companies Act 1956, these financial statements have been translated into Indian Rupees in accordance with the methodology prescribed for conversion of financial statements of a non-integral operation in the revised Accounting Standard 11 on Accounting for the effects of changes in foreign exchange rates. No representation is made, that the US dollar amounts have been, could have been or could be converted in to Indian Rupees at such an exchange rate.

(c) The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

(d) The Company has made a net loss of Rs NIL (equivalent NIL USD) (2004: loss of Rs 119.79 million (equivalent USD 2.75 million)) for the year ended 31 March 2005 and has accumulated deficit aggregating Rs 167.63 million (equivalent USD 3.85 million) (2004: Rs 167.63 million (equivalent USD 3.85 million)) as at 31 March 2005. In order to support its operation, the Company requires external financial support, in absence of which there exists a significant uncertainty that the Company will be able to continue as a going concern and, therefore may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

2.2 Interest income

Interest on deployment of surplus funds is recognised using the time proportion method based on the underlying interest rates.

2.3 Investments

Long-term investments are carried at cost, and provision is made when in the management's opinion there is a decline, other than temporary, in the carrying value of such investments.

2.4 Provision for taxation

The Company is incorporated in Mauritius where no taxes are payable. Accordingly, the Company has not made provision for taxes in the financial statements.

2.5 Earnings per share

The basic and diluted earnings per share are computed by dividing the profit/loss after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

Notes to the Financial Statement for the year ended March 31, 2005 *(Contd.)*
(Currency: Indian Rupee)

		2005	2004
3	**Share capital**		
	Authorised share capital		
	100,000 ordinary shares of Rs. 47.65 (equivalent USD 1) each	**4,856,000**	4,856,000
		4,856,000	4,856,000
	Issued, subscribed and paid-up share capital 5,500 ordinary equity shares of Rs. 47.65 (equivalent USD 1) each fully paid up	**267,080**	267,080
		267,080	267,080
	All the above equity shares of the Company are held by the holding company i.e. EB.		
4	**Investments**		
	Long term investments		
	Trade (unquoted) investment in subsidiary		
	1,471,024 equity shares of Rs. 100 each (equivalent USD 2.10 each (2004: USD 2.10 each) fully paid up in Trigyn Technologies (India) Private Limited	**162,010,000**	162,010,000
	Less: Provision for decline other than temporary in the value of investments. (refer note 10)	**162,010,000**	162,010,000
		-	-
5	**Cash and bank balances**		
	Balances with non scheduled banks		
	- In current account		
	HSBC Limited	**17,342**	17,342
		17,342	17,342
	Maximum balance held during the year with above banks		
	- In current account		
	HSBC Limited	**17,342**	92,921
6	**Loans and advances**		
	(unsecured, considered good) Advances recoverable in cash or in kind or for value to be received	**1,674,701**	1,674,701
		1,674,701	1,674,701

Advance recoverable includes amount recoverable from holding company. Maximum amount outstanding during the year aggregated Rs. 1,674,701 (equivalent USD 36,384) (2004: Rs. 1,674,701(equivalent USD 36,384)

		2005	2004
7	**Current liabilities**		
	Sundry creditors	**261,253**	261,253
	Others	**312,791**	312,791
		574,044	574,044

As at 31 March 2005, the Company had no amounts due to small-scale industrial undertakings.

Notes to the Financial Statement for the year ended March 31, 2005 *(Contd.)*
(Currency: Indian Rupee)

		2005	2004
8	**Other income**		
	Exchange gain (net)	-	-
9	**Operating costs**		
	Legal and professional fees	-	98,375
	Bank charges	-	1,305
		-	99,680

10 Exceptional items

Provision for decline other than temporary in the value of investments in subsidiaries

In the year 2001-2002, on the basis of a preliminary evaluation, the Company had made provision of 26% aggregating Rs 42.31 million (equivalent USD 0.89 million). During the previous year, the Company evaluated the underlying investments and based on the independent valuation of the underlying at the Ultimate Holding Company level, the carrying value of the assets have been subject to further diminution and been fully provided for (2004: Rs 42.31 million (equivalent USD 0.89 million)) for 'decline other than temporary' in the carrying value of its investments in its subsidiary Trigyn Technologies (India) Pvt. Ltd. ('TTIPL'). The primary reasons for such decline are attributed to the general downturn in the software services and products business, which may result in loss of certain perceived business synergies. The Company is also considering various restructuring options.

11 Taxation

The Company was incorporated prior to 1 July 1998 and is subject to tax under the Income Tax Act 1974, as amended. The chargeable income of the Company is subject to income tax in Mauritius at the rate of 0% unless it elects to pay tax at specified rate not exceeding 35%. In the previous year, the Company has not made such an election.

As from the year of Assessment commencing 1 July 2003, the Company will be liable to income tax in Mauritius on its chargeable income at 15%. It will however be entitled to a tax credit equivalent to the higher of the actual foreign tax suffered and 80% of the Mauritius Tax on its foreign source income.

12 Supplementary statutory information

Operating costs include auditors remuneration:

	2005	2004
-Statutory audit fees	-	43,500

13 Prior year comparatives

Prior year figures have been appropriately reclassified to conform to current year's presentation.

For eCapital Solutions (Mauritius) Limited

Date : June 29, 2005 Director Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. REGISTRATION DETAILS:

Registration No. NA

State Code NA

Balance Sheet Date 31-03-2005 (Date Month Year)

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS):

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement (including share application money)	NIL

III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS):

Total Liabilities	169319	Total Assets	169319
SOURCES OF FUNDS:		**APPLICATION OF FUNDS:**	
Paid-up Capital (Incl. Share Application Money)	162161	Net Fixed Assets	NIL
Reserves & Surplus	6584	Investments	NIL
Secured Loans	NIL	Net Current Assets	1118
Unsecured Loans	NIL	Misc. Expenditure	-
		Accumulated loss	167627

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS):

Turnover (including other income)	NIL	Total Expenditure	NIL
+ - Profit/Loss Before Tax	NIL	+ - Profit /Loss for the year	NIL
Earning per Share in Rs.	NIL	Dividend Rate %	-

(Please tick appropriate box + for Profit, - for Loss)

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS):

ITEM CODE NO. (ITC CODE) Not applicable

PRODUCT DESCRIPTION Investment Company

Balance sheet by Account at 31st March 08
Trigyn Technologies Europe GmbH Unternehmensberatung, Pforzheim

Assets

		Euro	Financial Year 2007-08 Euro	Prior Year 2006-07 Euro
	Furniture and Fixtures			
690	Office Assets		**2,130.00**	3,605.00
	Financial Assets			
990	Buyback value of Pension insurance		**93,823.13**	85,238.68
	Debtors and other Accounts receivable			
1200	Debtors	39,009.44		64,163.74
1248	Lumpsum debtors provisions	-622.00	**38,387.44**	-392.00
	Accounts receivable related parties			
1260	Open debts of Related parties		3,703.95	3,703.95
	Other Assets			
1350	Caution deposits	**1,325.71**		1,225.71
1370	Clearing	**204.07**		0.00
1401	VAT 7% deductible	**10.20**		5.12
1405	VAT 16% deductible	**0.00**		10,527.50
1409	VAT 16% deductible EU Supplies	**1,884.76**		3,154.68
1406	VAT 19% deductible	**11,731.79**		2,230.92
1450	Corporate Income tax claimable	**106.57**		60.38
3805	VAT outwards 16%	**0.00**		-2,317.64
3806	VAT outwards 19%	**-3,298.00**		-827.92
3820	VAT Advance	**-8,245.12**		-8,137.75
3841	VAT previous year	**-74.99**	**3,644.99**	-2,812.80
Cash	**& Bank**			
1600	Cash	**26.71**		112.77
1840	Dresdner Bank Main Account	**13,555.98**	**13,582.69**	36,903.25
	Loss not covered by Capital carried forward		**967,294.35**	1,002,985.34
	Total of Assets		**1,122,566.55**	**1,199,428.93**

Liabilities & Capital

		Euro	Financial Year 2007-08 Euro	Prior Year 2006-07 Euro
	Capital			
2900	Registered Capital		**25,564.59**	25,564.59
	Capital Reserves			
2928	Capital Reserves		**609,321.51**	609,321.51
	Loss carried forward			
2978	Loss Carried forward		**-1,641,905.21**	-1,670,973.74
	Profit of the year		**-35,690.99**	33,102.30
	Loss not covered by Capital carried forward		**967,294.35**	1,002,985.34
	Accrual for Pension and Similar expense			
3010	Pension Provision		**143,884.15**	129,885.77
	Other Provisions & accruals for expense			
3070	Other costs provided for	1,337.70		8,245.00
3095	Provision for Audit	4,501.50	**5,839.20**	6,300.00
	Accounts Payable			
3300	Liabilities to Trade Suppliers		**17,623.08**	21,185.14
	Accounts payable related parties			
3400	Liabilities to Trigyn Bangalore	994,613.88		998,613.88
3402	Liabilities to e-vector	35,931.52	**1,030,545.40**	35,931.52
	Other Liabilities			
3790	Liabilities - payroll	90.47	**90.47**	-732.38
	Total of Capital and Liability		**1,122,566.55**	**1,199,428.93**

Profit and Loss Statement for the period from 1st April 2007 to 31st March 2008

(last year period : 1st April 2006 to 31st March 2007)

		1.4.2007 - 31.03.2008		1.4.2006 - 31.03.2007	
		Euro	Euro	Euro	Euro
1.	Sales		210,739.28		336,556.00
2.	Increase / reduction in work-in-process inventory		0.00		0.00
			210,739.28		**336,556.00**
3.	Other Operating Income		36.78		11,687.28
			210,776.06		**348,243.28**
4.	Material Costs				
	a. Cost of raw materials and supplies and of purchased goods	0.00		0.00	
	b. Cost of purchased services	32,465.99	32,465.99	51,863.90	51,863.90
5.	Personal expenses				
	a. Wages and salaries	143,770.52		180,006.26	
	b. Social security and expenses for pension	35,595.02	179,365.54	41,559.58	221,565.84
6.	Depreciation of tangible fixed assets		1,200.00		1,200.00
7.	Other operating expenses		33,656.67		40,301.80
			(35,912.14)		**33,311.74**
8.	Interest and similar income		221.15		290.47
9.	**Result from ordinary activities**		**(35,690.99)**		**33,602.21**
10.	Other taxes		-		499.91
11.	**Net profit / (Net Loss) for the year**		**(35,690.99)**		**33,102.30**

Notes for the financial year from 1st April 2007 to 31st March 2008

Preliminary comments

"Under the terms of a declaration dated 12th April 2002, the sole shareholder - eCapital Solutions (Bermuda) Ltd. - agreed to guarantee the company's dues payable to Trigyn Technologies (India) Pvt. Ltd., Bangalore, amounting to € 995,613,88 to prevent an over-indebtedness in the sense of insolvency law. Furthermore, all amounts due by the company to the sole shareholder, at the present time and at any time in the future, are placed behind the claims of all the company's other creditors. As of balance sheet date, the shareholder currently has no dues from Trigyn Technologies Europe GmbH, Pforzheim." This comment included in last year's report and in that of the foregoing 3 years is still valid, with the exception of the preliminary comment "to prevent an overindebtedness in the sense of insolvency law ", as despite the assumption of the debts, a case of debt overload under insolvency law is still applicable (ref. Other Information).

Accounting and valuation principles; foreign currency conversion

Tangible fixed assets are stated at acquisition cost less scheduled depreciation. The reducing-balance depreciation method has been applied insofar as this is permissible for taxation purposes.

Depreciation is calculated in accordance with the tax simplification rule R 44(2) EStR (German Income Tax Regulations), partly using the reducing-balance method and partly using the straight-line method, on the basis of the German income tax depreciation tables. Minor value assets are depreciated in full in the year of acquisition.

The financial assets represent the reinsurance cover asset value advised by the insurance company.

Receivables and other assets are stated at their nominal value less provisions as required. A general provision for bad and doubtful debts has been recorded in respect of trade accounts receivable to cover overall credit risks.

Pension provisions have been determined in accordance with § 6a EStG (German Income Tax Law) on the basis of an actual valuation, assuming that the company is a going concern and using an interest rate of 6%.

Other provisions and accruals take into account all uncertain liabilities, losses and risks in respect of the financial year, which became known up to the time of preparation of the annual financial statements

Payables are stated at the amounts to be paid.

Receivables and payables in foreign currency are recorded at the rate of exchange on the date of transaction. Exchange losses arising upto the balance sheet date that would have to be considered in terms of a permanent impairment of value, were not applicable.

Explanatory comments on the balance sheet

1. **Fixed assets**

   The composition and the development of the fixed assets in the financial year 2007/2008 are set out in the appendices to these notes.

2. **Receivables**

   All receivables and other assets fall due in less than one year. Amounts due from affiliated companies consist exclusively of trade accounts receivable.

3. **Payables**

   All payables fall due in less than one year. The general reservation of ownership applies to some portion of the trade accounts payable. Amounts due to affiliated companies consist exclusively of trade accounts payable.

Other information

Information for a better understanding of the net worth, financial and earnings position

The balance sheet, statement of loss and gain and appendices, as per legal regulations, reflect the actual economic situation of the company.

The balance sheet based on the going concern principle is justified by the positive future Prognosis despite the over-indebtedness according to the Insolvency law since a reevaluation according to liquidation based accounts would only change 2 positions therein with barely any major consequence (ref. earlier comment).

Managing Director

Dr. Bhaskar Sanyal, Keltern

Management Declaration

The company's financial statements are included in the consolidated financial statements of Trigyn Technologies Limited, Mumbai, India, (top level consolidation).

Pforzheim, 28th April 2008

Trigyn Technologies Europe GmbH, Pforzheim

The Management

Economic status of the company

The company's business consists of selling of software licenses and providing services in the IT sector.

The software licenses are acquired by Trigyn from Trigyn Technologies Limited, Mumbai or Trigyn Technologies (India) Pvt. Ltd., Bangalore, for sale. These licenses relate to telecommunications and e-commerce software. The two most important software products are: Appollo, a billing and customer care solution in the telecommunication area and Akcelo, an e-commerce software development tool.

The company's services consist, on one hand, of IT personnel resources services and, on the other hand, the company produces customer-specific software. The company in connection with the personnel resources services mostly engages Indian IT engineers.

On 1st January 2000 and 1st April 2000 framework contracts were signed with Trigyn Technologies (India) Pvt. Ltd. (formerly eCapital Solutions, India Pvt. Ltd.):

a) Trigyn Technologies (India) Pvt. Ltd. will, on demand, make its own personnel available to the company at short notice.

b) Under the terms of the framework contract, the company sub-contracts software production to Trigyn Technologies (India) Pvt. Ltd.

Similar contracts were signed with Trigyn Technologies Limited in April 2004 for equivalent services as an alternate to Trigyn Bangalore.

The relevant costs for both services have been included in the purchased services.

The company had 2 employees at the balance sheet date. All of the employees were Indian engineers in the personnel resource division.

The company conducts its business in rented offices in Pforzheim.

Legal status of the company

Formation	20th February 1995 (as d+s consult Dreller und Sanyal Unternehmensberatungs-GmbH)
Name	Trigyn Technologies Europe GmbH
Registered Office	Pforzheim
Articles of Association	The currently valid articles of association are dated 11th September 2000
Commercial Register	Pforzheim, department B, reference number 3752.
Objectives	Research, development, construction, industrial manufacture, particularly in the capacity of general contractor whereby manual work is carried out by third parties, and the sales of communication-technological products of every kind (hard-ware and software), especially software technology, software development, system integration and business consultancy of all types, insofar as this does not require any special legal permit, for the most part in Europe.
Financial year	In connection with the amendment of 11th September 2000 to the articles of association, the financial year was changed. The financial year starts on 1st April and ends on 31st March.
Subscribed capital	DM 50000,00 = € 25564,59
Share capital ownership	The company is a 100% subsidiary of eCapital Solutions (Bermuda) Limited, Hamilton, Bermuda.
Proposed appropriation	Management will propose at the shareholders' meeting that the retained losses amounting to € 1,677,596,20 as of 31st March 2008 are carried forward to the next financial year.
Last year's financial statements	At the shareholder's meeting on 26th April 2007
Company's size	The company is a small company as defined in § 267 (1) HGB.
Affiliated companies	The company is included via its sole shareholder eCapital Solutions (Bermuda) Limited, Hamilton, Bermuda, in the consolidated financial statements of Trigyn Technologies Limited, Mumbai.
Managing Directors	The composition of management is set out in the company's notes to the annual financial statements.
	The notes include the information required by § 285 No. 10 HGB. The information required by § 285 No. 9 HGB has not yet been disclosed as permitted by § 286 (4) HGB.
Tax status	The Company has not yet been subject to an external audit by the tax authorities.

Auditors' report on Consolidated Financial Statements

To the Board of Directors

Trigyn Technologies Limited

1. We have audited the attached Consolidated Balance Sheet of **Trigyn Technologies Limited** ('the Company') and its subsidiaries, (the Company and its subsidiaries constitute 'the Group') as at March 31, 2008, and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto (together referred to as the consolidated financial statements). These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. 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 statements. We believe that our audit provides a reasonable basis for our opinion.
3. *We did not audit the financial statements of certain subsidiaries, namely Trigyn Technologies Limited, Reading, UK, eVector (Cayman) Limited and its 100% subsidiaries in UK, USA and India, eCapital Solutions (Mauritius) Limited and eCapital Solutions (Bermuda) Limited, whose financial statements reflect total assets of Rs. 66,002 thousands as at March 31, 2008, total revenues of Rs. Nil and net cash inflows amounting to Rs. Nil for the year ended on that date. These financial statements have been incorporated in the consolidated financial statements on the basis of unaudited financial statements as provided and certified by the management of the said subsidiaries. Further, as stated in note 3 (i) to schedule 16, all of these financial statements are of periods prior to March 31, 2008. We are therefore unable to comment on the impact, if any, arising out of these unaudited financial statements on the consolidated financial statements.*
4. We did not audit the financial statements of one of the subsidiaries, Trigyn Technologies Europe Gmbh, Pforzheim, Germany, whose financial statements reflect total assets of Rs. 9,565 thousands as at March 31, 2008 and total revenues of Rs. 13,160 thousands for the year ended on that date, which have been audited by other auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of this subsidiary, is based solely on the report of the other auditor.
5. As stated in note 11 to schedule 16, the Group has not fully complied with the requirements of Accounting Standard (AS) 17 'Segment Reporting' issued by The Institute of Chartered Accountants of India.
6. *Attention is invited to note 3 (ii) to schedule 16 to the consolidated financial statements with respect to adjustments carried out in the unaudited consolidated financial statements for the financial year ended March 31, 2005 for the purpose of preparation of the consolidated financial statements.*
7. Attention is invited to note 2.2 to schedule 16 to the consolidated financial statements with regard to the financial statement having been prepared on a going concern basis for the reasons stated therein.
8. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21, 'Consolidated Financial Statements', issued by the Institute of Chartered Accountants of India.
9. *Subject to what is stated in paragraphs 3 to 7 above*, in our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements, read with the notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:
   a) in the case of the consolidated balance sheet, of the state of affairs of the Group as at March 31, 2008;
   b) in the case of the consolidated profit and loss account, of the profit of the Group for the year ended on that date; and
   c) in the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

Vilas Y. Rane
Partner
Membership No: F-33220
For Price Waterhouse.
Chartered Accountants
Place: Mumbai
Date: November 21, 2008

Consolidated Balance Sheet as at March 31, 2008

	Schedule	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	**249,904,860**	249,609,860
Share application money	2	**397,500**	8,497,500
Reserves and surplus	3	**6,605,730,609**	6,600,782,879
		6,856,032,969	6,858,890,239
Minority interest (Refer note 4 to schedule 16)		**347,106,880**	347,106,880
Loan funds	4		
Unsecured loans		**6,591,750**	7,167,600
		6,591,750	7,167,600
		7,209,731,599	7,213,164,719
APPLICATION OF FUNDS			
Fixed assets			
Gross block	5	**301,572,648**	294,761,844
Less: Accumulated depreciation		**277,471,909**	270,384,201
Net block		**24,100,739**	24,377,643
Capital work-in-progress		**—**	4,125,962
		24,100,739	28,503,605
Investments	6	**6,024,769**	5,041,477
Current assets, loans and advances			
Unbilled receivables		**1,605,601**	4,505,939
Sundry debtors	7	**241,948,076**	179,945,120
Cash and bank balances	8	**185,484,314**	172,523,142
Loans and advances	9	**35,349,335**	23,234,643
		464,387,326	380,208,844
Less: Current liabilities and provisions			
Current liabilities	10	**171,401,470**	164,330,464
Provisions	11	**5,425,728**	5,768,304
		176,827,198	170,098,768
Net current assets		**287,560,129**	210,110,076
Profit and loss account		**6,892,045,963**	6,969,509,561
		7,209,731,599	7,213,164,719
Notes to the accounts	16		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 21, 2008

For Trigyn Technologies Limited

R Ganapathi
Chairman & Executive Director

Richard Raja
Director

Milind Telawane
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Place: Mumbai
Date: November 21, 2008

Consolidated Profit and Loss Account for the year ended March 31, 2008

	Schedule	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Income			
Software and Consultancy Services		**1,196,305,316**	1,030,583,398
Other Income	12	**24,606,217**	24,371,616
		1,220,911,533	1,054,955,014
Expenditure			
Personnel costs	13	**890,827,499**	731,210,310
Depreciation	5	**7,826,029**	5,577,863
Finance Charges	14	**1,893,173**	1,515,290
Other Costs	15	**236,733,563**	253,796,215
		1,137,280,265	992,099,678
Profit for the year before tax and extraordinary item		**83,631,269**	62,855,336
Less: Provision for taxation			
- Income tax provision		**5,483,273**	933,159
- Fringe benefit tax		**684,398**	346,656
Profit for the year after tax and before extraordinary item		**77,463,598**	61,575,521
Add: Extra-ordinary item (Refer Note 5 to Schedule 16)		**—**	346,103,849
Profit for the year		**77,463,598**	407,679,370
Accumulated loss, brought forward		**(6,969,509,561)**	(7,377,188,931)
Accumulated loss, carried forward		**(6,892,045,963)**	(6,969,509,561)
Earning per share before extraordinary item			
- Basic earnings per share (Face value of Rs. 10 each, refer note 9 to schedule16)		**3.10**	2.69
- Diluted earnings per share (Face value of Rs. 10 each, refer note 9 to schedule 16)		**3.08**	2.41
Earning per share after extraordinary item			
- Basic earnings per share (Face value of Rs. 10 each, refer note 9 to schedule16)		**3.10**	17.84
- Diluted earnings per share (Face value of Rs. 10 each, refer note 9 to schedule 16)		**3.08**	15.98
Notes to the accounts	16		

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 21, 2008

For Trigyn Technologies Limited

R Ganapathi
Chairman & Executive Director

Richard Raja
Director

Milind Telawane
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Place: Mumbai
Date: November 21, 2008

Consolidated Cash Flow Statement for the year ended March 31, 2008

	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Profit for the year before tax and after extraordinary item	**83,631,269**	408,959,185
Adjustments for:		
Interest income	**(4,873,693)**	(3,009,919)
Income from Trade Investments	**(14,000)**	(14,000)
Provision for doubtful debts/advances to debtors / employees	-	
Depreciation and amortization	**7,826,029**	6,041,663
Interest written back (Refer note 5 to Schedule 16)	—	(153,546,371)
Loan written back (Refer note 5 to Schedule 16)	—	(192,557,478)
Profit on sale of fixed assets (net)	—	(124,000)
Interest Cost	—	460,311
Operating profit before working capital changes	**86,569,604**	66,209,391
Changes in:		
(Increase)/Decrease in Sundry Debtors	**(59,102,616)**	(66,888,236)
(Increase)/Decrease in Loans and advances	**(13,554,045)**	(990,545)
Increase/(Decrease) in Current Liabilities and Provisions	**6,728,430**	45,868,146
Cash (used in) / generated from operations	**20,641,374**	44,198,756
Direct tax paid (net)	**(4,728,319)**	(908,698)
Net cash (used in) / generated from operations (A)	**15,913,056**	43,290,058
Cash flow from investing activities		
Proceeds from sale of fixed assets	—	124,000
Purchase of fixed assets	**(3,423,164)**	(11,302,331)
Purchase of investments	**(983,292)**	(345,217)
Interest Received	**4,873,693**	3,009,919
Dividend Received	**14,000**	14,000
Net cash (used) /generated in investing activities (B)	**481,238**	(8,499,629)
Cash flow from financing activities		
Interest paid	—	(193,017,788)
Interest written back (Refer note 5 to Schedule 16)	—	192,557,478
Proceeds from fresh issue of equity shares	**295,000**	136,500,000
Proceeds from share application money	—	8,100,000
Repayment of preference share capital	—	(50,000,000)
Repayment of loans	**(575,851)**	(217,585,918)
Loan written back (Refer note 5 to Schedule 16)	—	153,546,371
Net Cash (used in)/generated from financing activities (‘C)	**(280,851)**	30,100,142
(Decrease)/ Increase in cash and cash equivalents (A+B+C)	**16,113,442**	64,890,572
Adjustments on account of currency translation reserve	**(3,152,270)**	(3,095,159)
Cash and cash equivalents at the beginning of year	**172,523,142**	110,727,729
Cash and cash equivalents at the end of year	**185,484,314**	172,523,142

Note:

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3 ‘Cash flow statements’ issued by the Institute of Chartered Accountants of India.
2. Cash and cash equivalents as at the year end consist of cash on hand Rs.32099 (2007: Rs.42,058) and bank balances in current account Rs.135,239,155 (2007: Rs.138,603,579) and in deposit account Rs.50,213,057 (2007: Rs. 33,877,505).

As per our report of even date attached

Vilas Y. Rane
Partner
Membership Number :F-33220

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Mumbai
Date: November 21, 2008

For Trigyn Technologies Limited

R Ganapathi
Chairman & Executive Director

Richard Raja
Director

Milind Telawane
Chief Financial Officer

Rajesh Shirambekar
Company Secretary

Place: Mumbai
Date: November 21, 2008

Schedules to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 1. Share capital		
Authorised		
35,000,000 (2007: 35,000,000) equity shares of Rs 10 each.	**350,000,000**	350,000,000
5,000,000 (2007: 5,000,000) preference shares of Rs 10 each.	**50,000,000**	50,000,000
	400,000,000	400,000,000
Issued, subscribed and paid-up		
24,990,486 (2007: 24,960,986) equity shares of Rs 10 each fully paid-up.	**249,904,860**	249,609,860
Total	**249,904,860**	249,609,860

Of the above, 5,251,666 (2007: 5,251,666) equity shares of Rs 10 each fully paid-up have been issued as bonus shares by capitalisation of share premium.

Of the above, 7,350,000 (2007: 7,350,000) equity shares of Rs 10 each fully paid-up with a premium of Rs.815 have been allotted to eCapital Holding (Bermuda) Limited for consideration other than cash for acquiring 7,350,000 equity shares (representing 100% of issued and paid up share capital) of eCapital Solutions (Bermuda) Limited.

Schedule 2. Share application money		
Application money under Employees stock option plan (‘ESOP’)	**397,500**	397,500
Warrant Application money	**—**	8,100,000
Total	**397,500**	8,497,500

(The Company, on June 16, 2006 had allotted 60,00,000 share warrants at a price of Rs.13.50 each on preferential basis. The holder of the warrants were entitled for one equity share at a price of Rs.13.50 against each warrant any time within 18 months from the date of allotment. The said warrants expired on 15th December 2007 and the amount has been transferred to Capital Reserve during the year)

Schedule 3. Reserves and surplus		
Share premium account		
- Balance at the beginning of the year	**6,573,753,715**	6,538,364,825
- Addition on issue of shares	**—**	35,388,890
- Balance at the end of the year	**6,573,753,715**	6,573,753,715
Employee stock options outstanding		
- Balance at the beginning of the year	**2,762,980**	2,762,980
- Addition on issue of stock options	**—**	—
- Reversal on forfeiture of stock options	**—**	—
- Balance at the end of the year	**2,762,980**	2,762,980
Captial Reserve	**8,100,000**	—
Foreign Exchange Translation Reserve	**21,113,914**	24,266,184
Total	**6,605,730,609**	6,600,782,879

Schedules to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 4. Loan funds		
Unsecured loans		
From ex-officer	**2,796,500**	3,040,800
From others	**3,795,250**	4,126,800
Total	**6,591,750**	7,167,600

Schedule 5. Fixed assets (At cost)

(Amount in Rs.)

Particulars	Gross Block				Depreciation				Net Block	
	As on 1-Apr-07	Additions during the year	Deletion during the year	As on 31-Mar-08	Upto 1-Apr-07	For the year	Deletion during the year	Upto 31-Mar-08	As on 31-Mar-08	As on 31-Mar-07
Tangible assets										
Buildings (Note 1)	6,449,503	—	—	6,449,503	2,875,613	363,834	—	3,239,447	3,210,056	3,573,890
Leasehold Improvements	114,767,861	1,733,447	—	116,501,308	103,359,516	4,567,016	—	107,926,532	8,574,776	11,408,345
Computers & Peripherals	118,475,663	2,130,555	415,820	120,190,398	114,208,663	1,090,222	380,756	114,918,129	5,272,269	4,267,000
Office Equipments	18,008,233	772,571	—	18,780,804	16,426,448	423,752	—	16,850,200	1,930,604	1,581,785
Furniture & fixtures	6,880,613	2,930,803	14,110	9,797,306	5,494,098	764,069	8,565	6,249,602	3,547,704	1,386,515
Intangible assets										
-Computer Software	30,179,971	22,360	349,000	29,853,329	28,019,863	617,136	349,000	28,287,999	1,565,330	2,160,108
Total	**294,761,844**	**7,589,736**	**778,930**	**301,572,648**	**270,384,201**	**7,826,029**	**738,321**	**277,471,909**	**24,100,739**	**24,377,643**
Previous year	288,294,909	7,161,365	694,430	294,761,844	265,515,772	5,577,863	709,434	270,384,201	24,377,643	

Note 1 : Building includes value of properties in Co-operative socities including shares of respective socities.

Schedules to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 6. Investments		
Long term investments (at cost)		
Non - trade (unquoted) investments		
100 equity shares (2007: 100) of Rs.36 each fully paid up in Bombay Mercantile Co-operative Bank Limited	**3,600**	3,600
Buyback Value of Pension Insurance	**5,921,169**	4,937,877
10,000 equity shares (2007: 10,000) of Rs.10 each fully paid up in North Kanara GSB Co-operative Bank Limited	**100,000**	100,000
	6,024,769	5,041,477
100,000 shares (2007: 100,000) of $0.01 each fully paid up of Empowertel Systems, each fully paid up	**485,600**	485,600
Less: Provision for decline other than temporary in value of investment	**485,600**	485,600
	—	—
Total	**6,024,769**	5,041,477
Schedule 7. Sundry debtors		
(Unsecured, considered good, unless otherwise stated)		
Debts over six months		
- considered good	**13,598,964**	13,494,332
- considered doubtful	**224,741,951**	231,706,867
Other debts		
- considered good	**228,349,112**	166,450,788
- considered doubtful	**39,254**	22,709
	466,729,281	411,674,696
Less: Provision for doubtful debts	**224,781,205**	231,729,576
Total	**241,948,076**	179,945,120
Schedule 8. Cash and bank balances		
Cash on hand	**32,099**	42,058
Cheques on hand		—
Balances with scheduled banks		
- in current account	**39,897,109**	61,376,442
- in deposit account	**50,213,057**	33,877,505
	90,142,265	95,296,005
Balances with non scheduled banks	**95,342,049**	77,227,137
Total	**185,484,314**	172,523,142

Schedules to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Schedule 9. Loans and advances		
(Unsecured, considered good)		
Advances recoverable in cash or in kind for value to be received	**17,290,323**	13,905,943
Loans and advances to employees	**5,152,600**	4,968,206
Deposits	**11,239,708**	1,254,437
Advance taxes (Net of provision for tax Rs.8,855,030)	**1,666,705**	3,106,057
	35,349,335	23,234,643
(Unsecured considered doubtful)		
Loans and advances to employees	**1,016,528**	1,016,528
Advance for purchase of fixed asset	**1,342,893**	1,342,893
Less: Provision made for advances	**2,359,421**	2,359,421
	-	-
Total	**35,349,335**	23,234,643
Schedule 10. Current liabilities		
Sundry creditors	**35,799,109**	53,699,995
Unclaimed dividend		
- Amount to be deposited with Investor Education and Protection Fund	**-**	380,061
- Others	**-**	109,241
Other liabilities	**135,602,361**	110,141,167
Interest accrued but not due on term loans	**-**	-
Total	**171,401,470**	164,330,464
Schedule 11. Provisions		
Provision for leave encashment and gratuity costs	**5,425,728**	5,768,304
Total	**5,425,728**	5,768,304

Schedules to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

	For the year ended March 31, 2008 Rs.	For the year ended March 31, 2007 Rs.
Schedule 12. Other income		
Interest on deposits with banks	**4,871,396**	2,909,162
Interest on income tax refund	**2,297**	100,757
Lease rental income	**11,880,756**	14,088,176
Profit on sale of fixed assets	**-**	124,114
Dividend from non trade investments	**14,000**	14,000
Exchange Gain (Net)	**4,165,802**	4,327,942
Miscellaneous income	**3,671,966**	2,807,465
Total	**24,606,217**	24,371,616
Schedule 13. Personnel costs		
Salaries, bonus and overseas allowances	**836,090,782**	718,616,688
Contribution to provident and other funds	**39,435,791**	5,619,743
Gratuity and leave encashment costs	**2,330,021**	2,785,409
Staff welfare	**1,384,883**	718,543
Sales commission	**11,586,022**	3,469,927
Total	**890,827,499**	731,210,310
Scheule 14. Finance charges		
Interest		
- Others	**-**	460,311
Bank and other finance charges	**1,893,173**	1,054,979
Total	**1,893,173**	1,515,290
Schedule 15. Other costs		
Consultancy charges	**163,312,433**	195,721,965
Provision for doubtful debts / advances	**4,444,497**	3,830,294
Bad Debts	**-**	22,942
Rent, rates and taxes	**5,557,487**	7,247,394
Electricity charges, power and fuel	**2,364,559**	1,192,617
Water Charges	**234,565**	-
Travel and conveyance costs	**20,635,842**	11,771,814
Legal and professional fees	**14,076,741**	15,756,909
Communication expenses	**2,977,990**	2,120,192
Insurance	**2,459,411**	3,249,102
Repairs and maintenance	**272,371**	643,659
Exchange loss (net)	**4,435,003**	2,286,966
Amortisation of miscellaneous expenditure	**-**	463,800
Miscellaneous expenses	**15,962,667**	9,488,561
Total	**236,733,566**	253,796,215

Notes to the consolidated financial statements for the year ended March 31, 2008

Schedule 16

1. Background

Trigyn Technologies Limited (TTL or 'the Company' or 'the Parent Company') was incorporated on March 25, 1986 under the Indian Companies Act, 1956, with its registered office in Mumbai, India.

TTL is the holding company of the Trigyn Group of companies.

TTL is primarily engaged in the development of customised applications and client server custom engineered solutions, principally for customers in the banking and financial services, telecommunications and e-business segments.

List of subsidiaries is summarized below:

Subsidiaries	Country of incorporation and other particulars	Percentage of holding (%)
eCapital Solutions (Bermuda) Limited, ('EB')	A subsidiary of TTL organised under the laws of Bermuda.	100
Applisoft, Inc., ('Applisoft')	A subsidiary of TTL organised under the laws of California, USA.	100
Leading Edge Infotech Limited, ('LEI')	A subsidiary of TTL incorporated under the laws of India.	100
Trigyn Technologies Inc., ('TTI')	A subsidiary of EB organised under the laws of Delaware, USA.	100
eCapital Solutions (Mauritius) Limited, ('EM')	A subsidiary of EB organised under the laws of Mauritius.	100
Trigyn Technologies (India) Private Limited, ('TTIPL')	A subsidiary of EM incorporated under the laws of India.	100
Trigyn Technologies Europe Gmbh, Pforzheim, Germany ('TTE')	A subsidiary of EB organised under the laws of Germany.	100
Trigyn Technologies Limited, Reading, UK (TTUK)	A subsidiary of EB organised under the laws of UK.	100
eVector (Cayman) Limited, ('EVCL') and its 100% subsidiaries in UK, USA and India.	A subsidiary of EB organised under the laws of Cayman Islands.	100 *

The TTUK and EVCL and its 100% subsidiaries are being subject to voluntary liquidation. Accordingly, these companies' financials are prepared under liquidation basis of accounting.

* Refer note 3 for issue of Class A Preferred stock by EVCL.

2. Principal accounting policies

2.1 Basis of preparation of consolidated financial statements and principles of consolidation

The consolidated financial statements of TTL and its subsidiaries (as listed in note 1 above), collectively referred to as the "Trigyn Group" or the "Group" have been prepared under the historical cost convention except for the separate financial statements of EVCL and its subsidiaries which have been prepared under liquidation basis of accounting (for details refer note 2.2 below). Trigyn Technologies Limited, UK has been put under voluntary liquidation proceedings and the financials of this subsidiary presented herein have been prepared under liquidation basis of accounting. These consolidated financial statements have been prepared in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements"

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

issued by the Institute of Chartered Accountants of India ('ICAI') and on the basis of the separate audited financial statements of TTL and its subsidiaries included in the consolidated financial statements, to the extent mentioned here before as well as EB and EM, which have been relegated to the status of non-performing companies. All income and expenditure having a material bearing on the financial statements are recognised on the accrual basis.

The financial statements of the Parent Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/transactions and resulting unrealized profits in full. Unrealized losses resulting from intra-group transactions have also been eliminated unless cost to the Group cannot be recovered. The amounts shown in respect of accumulated losses/reserves comprise the accumulated losses/reserves as per the Balance Sheet of the Parent Company and its share in the post acquisition increase in the relevant accumulated losses/reserves of its subsidiaries.

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying consolidated financial statements.

2.2 Going concern

These consolidated financial statements have been prepared assuming that the Trigyn Group will continue as a going concern despite negative net worth. Management believes that the Parent Company and its operating subsidiaries will be able to finance their operations and meet the commitments including commitments given to support all its subsidiaries other than TTUK, TTE and Applisoft, from internal cash generation in the foreseeable future, given the various options it is pursuing in this regard. Further, the Company has issued preferential shares to a strategic investor M/s. United Telecoms Limited and settled its dues payable to Oriental Bank of Commerce in full through One time settlement with the said bank in an earlier financial year and has now become completely debt free and is also in a position to meet it's working capital and / or capex requirements in future from its operating revenues. Accordingly, these consolidated financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might result should the Parent Company or any of its subsidiaries be unable to continue as a going concern, except for the separate financial statements of EVCL and its subsidiaries i.e. EVIPL, EI and EUL ('collectively referred to as the eVector Group'), as well as TTUK which have been prepared under liquidation basis of accounting, as the eVector Group is in the process of winding up its operations (for details refer note 2.1).

TTUK, a 100% subsidiary of EB, has been placed in insolvent voluntary liquidation on April 16, 2002. Accordingly, these consolidated financial statements include the separate financial statements of TTUK prepared under liquidation basis of accounting. (for details refer note 2.1).

2.3 Revenue recognition

Revenues from software development services comprise income from time and material and fixed price contracts. Revenue from 'time and material' contracts is recognised, as and when related services are performed and accepted by the customer. Revenue from fixed price contracts is recognised using the percentage of completion method of accounting, under which the sales value of performance, including the profit thereon, is determined by relating the actual man hours of work performed to date to the estimated total man hours for each contract. Provision for estimated losses on incomplete contracts are recorded in the period in which such losses become probable, based on current contract estimates.

Unbilled receivables represent costs incurred and revenues recognised on contracts, to be billed in subsequent periods as per the terms of the contract.

Interest and Other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

2.4 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the fixed assets. Cost also includes financing costs directly attributable to acquisition of fixed assets. Depreciation on additions and disposals is provided pro-rata for the period of use.

Depreciation is provided on straight line basis at higher of the rates based on useful lives of the fixed assets as estimated by the management and those stipulated in Schedule XIV to the Companies Act, 1956.

The useful life of fixed assets being followed by the Group is shorter than those prescribed under Schedule XIV to the Companies Act, and are summarised below:

Asset	Useful life (in years)
Leasehold improvements	Over the term of the lease or the estimated useful life of the asset which ever is shorter
Buildings	20 years
Office equipment	3-4 years
Computers and peripherals	3 years and 2 months
Furniture and fixtures	4 years
Motor vehicles	4 years and 2 months

Software purchased alongwith the related hardware are capitalised and depreciated at the rates applicable to Computers and peripherals. Subsequent purchase of software are capitalised and depreciated over an estimated useful life of 2-3 years.

2.5 Retirement benefits

In accordance with Indian regulations, TTL and LEIL and TTIPL provide for gratuity, a defined benefit retirement plan covering all its eligible employees. Gratuity costs are based on an actuarial valuation carried out by an independent actuary at the balance sheet date in the case of TTL and on an arithmetic basis in case of LEIL.

In accordance with Indian regulations, all employees of TTL, LEIL and TTIPL receive benefits from a provident fund, which is a defined contribution retirement plan. Contributions to the provident fund are charged to the profit and loss account in the year in which the contributions are due.

TTL and and TTIPL provide for leave encashment costs based on an actuarial valuation carried out by an independent actuary at the balance sheet date

LEIL provides for leave encashment costs based on leave balances to the credit of employees at the year-end at the prevalent salary rates

2.6 Investments

Long-term investments are carried at cost, and provision is made when in the management's opinion, there is a diminution, other than temporary, in the carrying value of such investments. Current investments are carried at lower of cost and fair value.

2.7 Miscellaneous expenditure

Preliminary expenses incurred by companies within the Group have been written off on a straight-line basis over a period of ten years.

2.8 Income tax

EB and EM are incorporated in Bermuda and Mauritius respectively, where no taxes are currently payable and accordingly no provision for taxes is made in the consolidated financial statements.

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

Current tax provision is made annually based on the tax liability computed after considering tax allowances, exemptions and relief. Deferred tax liability or asset is recognized for timing differences between the profits/ losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized, other than deferred tax assets in respect of unabsorbed depreciation and carry forward tax losses, which are recognised only to the extent that there is virtual certainty that they will be realized.

In view of losses incurred by the Company and its subsidiaries, deferred tax assets have not been recognised in the financial statements as at March 31, 2008.

Deferred tax assets are reviewed at each balance sheet date for the appropriateness of their carrying values.

2.9 Leases

Assets given under operating lease are reflected in the financial statements under fixed assets. Further, lease income from such operating lease arrangements have been recognised in the statement of profit and loss on a straight line basis over the lease term.

2.10 Foreign currency transactions

Transactions in foreign currency are recorded at the monthly average exchange rates. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the year are recognised in the profit and loss account. Foreign currency denominated current assets and current liabilities at the year-end are translated at the year-end exchange rates and the resulting net gain or loss is recognised in the profit and loss.

2.11 Foreign currency translation

Non-Indian operations

The consolidated financial statements are reported in Indian rupees. The translation of the local currency of each foreign subsidiary, considered as non integral operations, and conversion of foreign branches, which are integral to the operations within the Group into Indian rupees is performed in respect of assets and liabilities other than fixed assets using the exchange rate in effect at the balance sheet date and for revenue and expense items other than the depreciation costs using a monthly simple average exchange rate for the year. Fixed assets are translated at exchange rates on the date of the transaction and depreciation on fixed assets is translated at exchange rates used for translation of the underlying fixed assets.

Net exchange difference resulting from the above translation of the financial statements of foreign subsidiaries has been transferred to foreign exchange translation reserve and in respect of foreign branches the exchange difference is recognised in the consolidated profit and loss account.

2.12 Stock based compensation

TTL being a listed company is required to comply with the ‘Employees Stock Option Scheme and Employees Stock Purchase Scheme’ guidelines, 1999 issued by Securities and Exchange Board of India (‘SEBI’) for accounting compensation cost relating to employee stock options granted by the Company. Accordingly, the excess of the market price of the underlying equity share as at the date of grant has been recognised as employee compensation expense and is being amortised on a straight line basis over the vesting period.

Since, SEBI guidelines are not applicable to unlisted companies; compensation cost relating to employee stock options granted by EVCL has not been accounted in the consolidated financials statements.

2.13 Provision and contingent liabilities

Provisions are recognized when the Company has present legal or constructive obligation, a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

and a reliable estimate can be made for the amount of the obligation. Contingent liabilities, if any, are disclosed by way of notes to the Balance Sheet.

2.14 Impairment of assets

The Company reviews the carrying values of tangible assets for any possible impairment at each balance sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value at appropriate discount rates.

2.15 Earning per share

The basic and diluted earnings per share is computed by dividing the profit/ (loss) after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

3. Accounting adjustments/assumptions in consolidation

i) The consolidated financial statements includes the financials of certain subsidiaries which are unaudited, and are accounted and updated upto a particular date and are as prepared by the management. The details of which are given below:

Name of the subsidiaries	Updated upto
eCapital Solutions (Bermuda) Limited	March 31, 2005
eCapital Solutions (Mauritius) Limited	March 31, 2005
Trigyn Technologies Limited, Reading, UK (under liquidation)	March 31, 2002
eVector (Cayman) Limited and its 100% subsidiaries (under liquidation)	March 31, 2002

Management further confirms that there have been no changes in the financials status of the above said subsidiaries from the date on which the last financial statements have been drawn.

ii) On account of lack of adequate details in relation to certain items of the unaudited consolidated financial statement of earlier years, an adjustment of Rs. 681,908,684 had been carried out in the unaudited consolidated financial statement for the year ended March 31, 2005, by reducing the 'brought forward losses' and the 'foreign exchange translation reserve' by an equivalent amount for the purpose of preparation of the consolidated financial statements, of those years.

4. Minority interest

Composition

At March 31, 2008, minority interest aggregating Rs 347.11 million (equivalent of USD 10 million original investment less the distributions made as on balance sheet date to the holders of the Class A Preferred Stock) represents the interest of the holders of 5 million Class A Preferred Stock issued by EVCL at Rs 0.49 (equivalent USD 0.01) each with a premium of Rs 96.63 (equivalent USD 1.99) per share. The holders of each share of Class A Preferred Stock vote together with the common equity stockholders of EVCL and have the right to those many votes equal to the number of equity stock, which would be issued to the preferred stockholders upon conversion of their stock into common equity stock.

The holders of Class A Preferred Stock are entitled to receive cumulative dividends of Rs 7.76 (equivalent USD 0.16) per share per annum, subject to the profits of EVCL and until such time that EVCL closes a round of financing involving the sale of preferred securities in excess of Rs 291.36 (equivalent USD 6) per share with aggregate subscription amount to be received by EVCL of at least Rs 485,600,000 (equivalent USD 10,000,000).

The Class A Preferred Stock is convertible at the option of the stock holder at any time into such number of fully paid equity shares as is determined by dividing the applicable initial purchase price of Rs 97.12 (equivalent USD 2), by the Class A Preferred Stock Conversion price. The conversion price is to be determined at the time of the

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

conversion subject to adjustments as per formula stipulated in the New Article of Association of EVCL dated December 21, 2000. Initially the Class A Preferred Stock conversion price has been determined at Rs 97.12 (equivalent USD 2) per share.

The Class A Preferred Stock shall automatically convert into common equity share of EVCL at the then effective Class A Preferred Stock conversion price (based on the prescribed formula) upon closing of an underwritten public issue pursuant to an effective registration statement under the US Securities Act of 1933, at a public offering price of at least Rs 291.36 (equivalent USD 6) per share with the gross proceeds to EVCL being in excess of Rs 1,214,000,000 (equivalent USD 25,000,000) or in a similar public offering of equity shares in jurisdiction and on a recognised securities exchange outside of the United Sates.

The holders of at least 66.67% of the Class A Preferred Stock have the right to cause the forced auction of EVCL, in case EVCL does not complete a qualified Initial Public Offering, within three year following the closing, or commits any Protective Provision Breach as stipulated in the Investors Rights Agreement dated December 22, 2000.

Upon liquidation, the Preferred Stock holders are entitled to an amount equal to 150% of the initial purchase price, which is Rs 145.68 (equivalent USD 3) and cumulative dividend unpaid until liquidation (‘liquidation preference amount’). The remaining assets would be distributed to equity and preferred stock holders on a pro-rata basis, based on the number of common equity shares held by each shareholder on an ‘as converted basis’, only after the preferred stockholders receive Rs 291.36 (equivalent USD 6) including the liquidation preference amount mentioned above.

As explained in note 2.2, on May 30, 2002, the Board of Directors of EVCL decided to wind up operations of the eVector Group. Upon conclusion of winding up proceedings, the balance net assets remaining with the eVector Group after meeting its liquidation related expenses, recurring operating expenses for the period from the balance sheet date until the date of liquidation and payment of its outstanding liabilities would be distributed between the equity shareholder i.e. EB and the preference share holders in accordance with the settlement agreement entered into between them. In this regard, in accordance with the settlement agreement, Rs 5.96 million would be paid to EB in relation to EB’s contribution towards share capital in EVCL and the balance net assets would be distributed to the preference stockholders of EVCL.

Accordingly, in view of eVector Group’s liquidation arrangements, the minority interest has been reduced to Rs. 347.11 million on account of the pay-out to the investors from their invested funds in Preference A Shares. The effect in the minority interest could vary upon the final execution of the Settlement Agreement.

5. Extra ordinary item

In the previous year, the Company has entered into an One Time Settlement (‘OTS’) with Oriental Bank of Commerce (‘OBC’ or ‘the bank’). As per the terms of the OTS, the bank has permitted the full and final settlement of term loan granted to the Company amounting to Rs.21.60 crores (interest thereon Rs. 6.26 crores upto March 31, 2006) and the investment made by the bank in preference share capital of the Company amounting to Rs. 5 crores (interest thereon Rs.13 crores upto March 1, 2006) for Rs. 11.25 crores subject to fulfillment of certain conditions. The Company has fulfilled the said conditions by way of issue of further shares to the strategic investor. The Company has made the full payment of Rs. 11.25 crores to the bank towards settlement, and the balance amount of Rs. 15.35 crores towards loan and Rs. 19.26 crores towards interest has been written back in the books as Extraordinary adjustments.

6. Pursuant to the approval of members accorded at the Extra Ordinary General Meeting held on June 2, 2006, the Company had during the previous year alloted 10,111,111 equity shares of Rs. 10 each for cash at a premium of Rs. 3.50 per equity share and 6,000,000 share warrants of Rs. 10 each (10% of the total subscription price to be paid upfront on the date of allotment of the warrants) convertible into equity shares of Rs. 10 each at a premium of Rs. 3.50 per equity share on a preferential basis. These share warrants were convertible into equity shares by December 16, 2007 at the option of the warrant holders.

The amount received on allotment of 10,111,111 equity shares and upfront consideration towards 6,000,000 share warrants alloted during the year has been invested/utilised as follows:

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

Sr. No	Particulars	Amount (Rs.)
1.	Repayment of Term Loan	62,500,000
2.	Redemption of Cummulative Preference shares	50,000,000
3.	Capital Expenditure	15,369,662
4.	Utilisation for working capital	16,370,338
	Total	**144,600,000**

7. Employee Stock Option Plans

i) The 1998 Employee stock option plan

The 1998 Employees Stock Option Plan ('the Plan') provides for the issue of options up to 5% of the paid up equity share capital at a minimum exercise price of Rs 265 per equity share, with a vesting period of 36 months from the date of grant of option. In 2002, the Company revised the Plan, whereby the options granted to the employees would vest in four equal installments from the date of the grant of the options.

Presented below is a summary of the Company's 1998 stock option plan activity during the years ended March 31, 2008:

	2008	2007
Options outstanding at the beginning of the year	**4,000**	4,000
Options cancelled during the year	—	—
Options outstanding at the end of the year	**4,000**	4,000

The Securities and Exchange Board of India ("SEBI") issued Employees Stock Option Scheme and Employees Stock Purchase Scheme Guidelines, 1999 ("the Guidelines"), which are effective for all stock option schemes established after 19 June 1999. In accordance with the Guidelines, the excess of the market price of the underlying equity shares as at the date of the grant of the options over the exercise price of the options, including upfront payments, if any, is to be recognised and amortised on a straight line basis over the vesting period.

The Company's 1998 Stock Option Plan was established prior to the Guidelines. Had the stock compensation cost for the plan been determined as per the Guidelines, the Company's reported net profit would have been higher by Rs. 498,750 (2007:Rs. 498,750).

ii) Employee stock option plan 2000

In June 2000 the shareholders of the Company approved the Employees Stock Option Plan 2000 ("the 2000 Plan"), which covers the employees of the Company including its subsidiaries and affiliates. The 2000 plan automatically expires in June 2010, unless terminated earlier. These options would vest equally over a period of four years, with a minimum vesting period of one year from the date of the grant of these options. The Company has reconstituted a compensation committee as prescribed by the SEBI guidelines in March 2005, for the purpose of administering this Plan. All the options have been granted at 100% of fair value unless otherwise stated specifically.

During the year ended March 31, 2001, the Company issued 156,050 options including 34,250 options to employees of its subsidiaries, at an exercise price of Rs 380 per option and the prevalent market price of the shares, on the date of grant of these options was Rs 394.3 per share.

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

In the AGM held on December 30, 2003, the Company passed a resolution to grant Mr. Homiyar Panday, President - US Operations and Employee of the subsidiary company, Trigyn Technologies Inc., upto a maximum limit of 240,000 stock options convertible into equivalent amount of equity shares in one tranche at an exercise price of Rs.10/- per equity share. The prevalent market price of the shares on the date of grant of these options was Rs. 21. These shares, if opted for, are to vest after a lock in period of one year from the date of grant of the said stock options. The Company has accordingly provided the price differential in its books of accounts in terms of the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999.

Presented below is a summary of the Company's 2000 stock option plan activity during the years ended March 31, 2008:

	2008	**2007**
Options outstanding at the beginning of the year	**978,750**	1,028,750
Options granted during the year	**—**	—
Options lapsed during the year	**—**	50,000
Options outstanding at the end of the year	**978,750**	978,750

In accordance with the SEBI guidelines, the excess of the market price of the underlying equity share as at the date of grant of the option over the exercise price of the options on the date of grant has been recognized as employee compensation expenses and is being amortised on a straight line basis over the vesting period. Employee Stock Option Plans compensation income for the year ended March 31, 2008 aggregated Rs.Nil (2007: Rs Nil).

8. Related party transactions

Details of related parties including summary of transactions entered into by the Trigyn Group during the year ended March 31, 2008 are summarised below:

Names of related parties (as certified by the management)

Key Management Personnel

R Ganapathi

Homiyar Panday

Particulars of related party transactions during the year ended March 31, 2008

Personal cost includes managerial remuneration paid to whole-time directors as follows:

	2008	**2007**
- Salaries and bonus	**11,402,617**	14,975,536
- Others	**648,262**	848,982
	12,050,879	15,824,518

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

9. Earning Per Share

Details of numerator and denominator used for the purposes of computing earnings per share are summarized below:

	2008	2007
Profit for the year after tax and before extra-ordinary and prior period adjustments	**84,774,887**	61,575,521
Add: extra-ordinary adjustments	—	346,103,849
Profit after tax and extraordinary adjustments	**84,774,887**	407,679,370
Number of shares outstanding at the year end	**24,990,486**	24,960,986
Weighted average number of shares used in computing earnings per share (Basic)	**24,990,486**	22,855,659
Weighted average number of shares used in computing earnings per share (Diluted)	25,116,512	25,510,876
Face Value of Rs.	**10**	10
Earnings per share before extra ordinary adjustments		
- Basic	**3.10**	2.69
- Diluted	**3.08**	2.41
Earnings per share after extra ordinary adjustments		
- Basic	**3.10**	17.84
- Diluted	**3.08**	15.98

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

10. Segmental reporting

The Companies financial reporting is organized in four major segments viz. Consultancy and IT Services, Finance and Insurance, Government, and Manufacturing and Pharma.

These divisions are the basis on which the Company is reporting its primary segment information. Segments are identified based on the types of customers.

Primary segment information: (Rs. In lakhs)

Details	Consultancy / IT Services		Finance / Insurance		Government		Manufacturing/ Pharma		Elimination		Total	
	2008	2007	**2008**	2007	**2008**	2007	**2008**	2007	**2008**	2007	**2008**	2007
Segment Revenue												
External sales	**327**	844	**2,390**	2,513	**9,174**	6,793	**1458**	973			**13,349**	11,123
Inter-segment sales	**—**	—	**15**	17	**1360**	800	**11**	-	**(1,386)**	(817)	**(1,386)**	(817)
Total Revenue	**327**	844	**2,375**	2,496	**7,814**	5,993	**1447**	973	**(1,386)**	(817)	**11,963**	10,306
Segment Result	**62**	251	**496**	479	**1318**	913	**266**	273	**—**	—	**2,142**	1,916
Unallocated expenses (net)											**(1,354)**	(1,312)
Operating profit / (loss)											**788**	604
Interest											**—**	(5)
expenses											**49**	30
Interest income											**(62)**	(13)
Income taxes												
Profit / (loss) from ordinary activities											**775**	616
Prior period expenses / adjustments											**—**	-
Extra-ordinary items											**—**	3461
Net Profit/(loss)											**775**	4077

Note: Following information in respect of the primary segment and secondary segment are not given as details for the same are not available.

In respect of primary segment:

- total carrying amount of segment assets,
- total amount of segment liabilities,
- total cost incurred during the period to acquire segment assets that are expected to be used for more than one period,
- total amount of expense included in the segment result for depreciation and amortisation in respect of segment assets for the period, and
- reconciliation of segmental assets and segmental liabilities with assets and liabilities of the group as per the consolidated financial statement.

In respect of secondary segment:

- Segment revenue from external customer by geographical area based on the geographical location of the customer,
- the total carrying amount of segment assets by geographical location of assets, and
- the total cost incurred during the period to acquire segment assets that are expected to be used during more than one period (tangible and intangible fixed assets) by geographical location of assets.

Notes to the consolidated financial statements for the year ended March 31, 2008 *(contd.)*

11. Regulatory matters

The holding company has applied to the concerned regulatory authorities in respect of certain non-compliances, which had been reported on the previous balance sheet date. Most of these non-compliances are a result of the persistent down trend in the software industry, particularly in the United States, which is the largest customer market for the Company. The matter is summarized below:

- Discount cost aggregating Rs. 116.83 million representing allowances made by the Company, arising from negotiations and settlement with a certain customer outside India. The management is confident that the pending applications will be reviewed favorably by the concerned authorities without any significant penalty.

12. Contingent Liabilities

TTL:-

i. Counter guarantees on behalf of Leading Edge Infotech Limited, a wholly owned subsidiary Rs 1,000,000 (2007: Rs. 1,000,000).

TTIPL:-

i. During the year 2002, one of the client's, eTender.com Limited, filed an injunction in the High Court of Delhi against the company in relation to the software developed by the Company for them. The Company has filed its responses and submitted adequate documentary proof to the honorable High Court, refuting the claims made by the client. Given the strong documentary evidence in Company's favour, the management is of the opinion that the claims of the client are not tenable and hence the Company is of the view that there would not arise any contingent liability on this account. The Company has spent efforts many times more than the revenues realized from the client and has adequate documentary evidence to substantiate its claims.

ii. The sales tax demand of Rs.1,310,303 was raised against the order passed under Section 23(3) of Delhi Sales Tax Act for the year 2000-01 against which the Company has gone into appeal. The Dy. Commissioner (Appeal – IV) has granted stay against the said order subject to deposit of 10% of the disputed amount i.e. Rs.1,31,030 under the Local Sales Tax Act. The Company has deposited required 10% deposit and matter is still pending.

iii. The Company's software development centre in India is in Software Technology Park ('STP') under the STP guidelines issued by the Government of India. It is exempted from customs and central excise duties and levies on imported and indigenous capital goods. The Company has executed a bond to pay customs duty, central excise duty, levies and liquidated damages payable, if any, in respect of imported and indigenous capital goods and stores and spares consumed duty free, in the event that certain terms and conditions are not fulfilled. Bank guarantees provided to the Customs Authorities in this regard aggregate to Rs 2,500,000 as at March 31, 2008 (March 31, 2007: Rs. 2,500,000).

13. The current assets, loans and advances are stated at the value, which in the opinion of the Board, are realisable in the ordinary course of business. Current liabilities and provisions are stated at the value payable in the ordinary course of the business.

14. The balances of certain amounts under loans and advances, debtors and creditors are subject to confirmation / reconciliation and consequential adjustment, if any. The management does not however expect any significant impact on the financial statements on this account.

15. The previous year's figures have been regrouped / reworked and or rearranged wherever necessary to confirm to current year's groupings and classifications.

For and on behalf of the Board

R Ganapathi **Chairman & Executive Director**	**Richard Raja** **Director**
Milind Telawane **Chief Financial Officer**	**Rajesh Shirambekar** **Company Secretary**

Place: Mumbai
Date: November 21, 2008

TRIGYN TECHNOLOGIES LIMITED

Regd. Office : 27, SDF I, SEEPZ - SEZ, M.I.D.C., Andheri (East), Mumbai 400 096. INDIA
PHONE : +91 (22) 2829 0909, FAX : + (22) 2829 1418.

PROXY FORM

DP ID____ Client ID ______________________________________

Folio No.___________________________________ No. of Shares held ____

I/We____ of

____being a Member / Members of Trigyn Technologies Limited hereby

appoint____or failing him / her

____ of ____as

my / our proxy in my / our absence to attend and vote on my / our behalf at the Twenty Second Annual General Meeting of the Company to be held at The All India Plastics Manufacturers' Association Auditorium, AIPMA House, A-52, Street No. 1, M.I.D.C. Marol, Andheri (E), Mumbai 400 093 on December 23, 2008 at 3.30 p.m.

Signed this ___________ day of __________________ ,2008

Signature ____

Please affix 1 Rupee Revenue Stamp here

Note : The proxy must be returned so as to reach registered office of the Company not less than forty eight hours before the time for holding the aforesaid meeting.

--(TEAR HERE)--

TRIGYN TECHNOLOGIES LIMITED

Regd. Office : 27, SDF I, SEEPZ - SEZ, M.I.D.C., Andheri (East), Mumbai 400 096. INDIA
PHONE : +91 (22) 2829 0909, FAX : + (22) 2829 1418.

ATTENDANCE SLIP

DP ID____ Client ID_______________________________________

Folio No.___________________________________ No. of Shares held ____

Full name of Member (s) ____

I / We hereby record my / our presence at the Twenty Second Annual General Meeting of the Company to be held at The All India Plastics Manufacturers' Association Auditorium, AIPMA House, A-52, Street No. 1, M.I.D.C. Marol, Andheri (E), Mumbai 400 093 on December 23, 2008 at 3.30 p.m.

Signed of the Member / Proxy / Representative * ________________________________

Note : Please fill in this attendance slip and hand over at the entrance to the meeting.

* Strike out whichever is not applicable.

BOOK POST

If undelivered please return to :
Sharepro Services (India) Pvt. Ltd.
Unit : Trigyn Technologies Limited
Satam Estate, 3rd Floor
Above Bank of Baroda
Cardinal Gracious Road,
Chakala, Andheri (E)
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