



Business  
profit  
loss

# Annual Report 2012 - 13

## **VISION**

“By 2015, we will evolve as one of the most respected global software services providers, generating revenue of \$500 Million”

## **MISSION**

“To ensure customer satisfaction by adding value and be recognized for the superior overall experience offered to our customers.”

## **QUALITY POLICY**

Trigyn Technologies endeavors to be the preferred supplier of products and services it offers through its on-going commitment towards delivering Quality products and services.

SAI Global Ltd. certified Trigyn with the prestigious ISO 9001-1994 standard in December 1996. We have been successfully re-certified for ISO 9001:2008 (Certificate No: QEC6929) standard in March 2009.

In our continued quest for improving our Quality practices, we have been assessed at the coveted SEI-CMMI Version 1.2 Level 3.

We emphasize Quality through:

### **Commitment**

- The Management is committed to the Quality endeavor by providing all the necessary resources in terms of manpower, skills, tools etc.
- Management Review meetings are conducted quarterly to monitor the effectiveness and continuing suitability of the quality system.
- The responsibility for the performance of the quality system in the organization, including international standards and associated procedures is assigned to the Management Representative.

### **Involvement**

- A Software Engineering Process Group (SEPG) exists in the organization with representation from the software groups. This group is primarily responsible for establishing, maintaining and constantly improving the organization's software processes and software assets like repository of project data and metrics.
- A Software Quality Assurance Group (SQAG) is established whose role is to conduct regular audits and reviews in the projects to ensure compliance to organization standards. They are responsible for early detection of problems/warning in the project, gathering process improvements and sharing learning across projects.
- A strong Training department with trained and experienced training professionals exists. Regular training on technical as well as soft skills is provided to all employees to sharpen their skills and knowledge.

### **Pre-emption**

- All projects follow a well-defined Software Planning process, which involves detailed estimations, Quantitative goal setting for the project, risk planning, software configuration planning, quality planning and resource planning.
- Risk Management is an inherent part of every project involving contingency planning and regular risk tracking.

### **Value Added Services**

- Peer Reviews & Testing: Trigyn's well-defined process for conducting peer reviews aims for an independent assessment of the content and quality of the work products under review. Testing encompasses Unit, Peer, Integration, System, I-Lab and Acceptance testing.
- Test Studio: It's a well-set independent testing environment with a professional testing team. The purpose is to provide complete Software Validation through Structured Testing, Automation (use of software testing tools) and Simulation to bring a True and Accurate Picture of the Quality of the Product.

### **Continuous Improvement**

- Model based approach: In corroboration with the Quality goals, Trigyn has a well-structured Quality Management System (QMS) having a strong process focus and comprising of Procedures, Guidelines, Standards and Templates adhering to the requirements of both ISO 9001 and SEI-CMMI Version 1.2.
- Impending goals: We strive to continuously improve our processes and performance. With this aspect in mind our future aim is to:
  - o Achieve CMMI Level 5.
  - o Continue ISO 9001 Certification as per latest release.

**BOARD OF DIRECTORS**

- R. GANAPATHI** - Chairman and Executive Director  
**Ms. P. BHAVANA RAO** - Executive Director  
**Dr. P. RAJA MOHAN RAO** - Non-Executive Director  
**C.V. RAO** - Non-Executive Director  
**Dr. C. RAO KASARABADA** - Non-Executive Director  
**A. R. ANSARI** - Independent Director  
**MOHAN NARAYANAN** - Independent Director  
**CH. V.V.PRASAD** - Independent Director  
**VIVEK KHARE** - Independent Director  
**Dr. B. R. PATIL** - Independent Director

**FINANCIAL MANAGER**

ROHIT KOLI

**COMPANY SECRETARY**

PARTHASARATHY IYENGAR

**AUDITORS**

FORD, RHODES, PARKS &amp; CO.

CHARTERED ACCOUNTANTS

**BANKERS**

PUNJAB NATIONAL BANK

ING VYSYA BANK

HDFC BANK

**REGISTERED OFFICE**

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

**US OFFICE**

100, METROPLEX DRIVE,  
 EDISON, NJ 08817 USA.

**GERMANY OFFICE**

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

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## NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of Trigyn Technologies Limited will be held on Friday, September 27, 2013 at 3.30 p.m. at HOTEL SUNCITY RESIDENCY 16th Road, MIDC, Marol, Andheri (E), Mumbai 400093 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013 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 Dr. B. R. Patil, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Ch. V. V. Prasad, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr. P. Raja Mohan Rao, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint M/s Ford, Rhodes, Parks & Co., Chartered Accountants, the retiring auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up 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

6. To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:  

“**RESOLVED THAT** Mr. A. R. Ansari, who was appointed as an Additional Director by the Board of Directors with effect from August 14, 2013 and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 read with Article 131 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a shareholder proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.”
7. To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:  

“**RESOLVED THAT** Mr. Mohan Narayanan, who was appointed as an Additional Director by the Board of Directors with effect from August 14, 2013 and who holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 read with Article 131 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a shareholder proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.”
8. To consider and if thought fit to pass with or without modification, the following resolution as an **Special Resolution**:  

“**RESOLVED THAT** pursuant to provisions of Section 198, 269, 309, 311, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the provisions of the Articles of Association of the Company approval of the members of the Company is hereby accorded for appointment of Mr. R. Ganapathi as Chairman and Executive Director of the Company for a period of three years from April 1, 2012 to March 31, 2015, upon the principal terms and conditions set out in the explanatory statement attached hereto and the Agreement submitted to this meeting and initialed by the Chairman of the meeting for identification at following remuneration:  

Salary –₹ 50,00,000/- per annum (Rupees Fifty Lakhs Only per annum).

Perquisites: 1) Gratuity and Provident Fund as may be applicable, 2) Leave and encashment of unavailed leave as per the rules of the Company.

Minimum Remuneration: Notwithstanding anything to the contrary contained herein, where in any financial year, during the currency of the tenure of Mr. R. Ganapathi, the Company has no profits or its profits are inadequate, the Company will pay salary and perquisites as permitted under Schedule XIII of the Companies Act, 1956 above as minimum remuneration.

**RESOLVED FURTHER THAT** Mr. R. Ganapathi shall be not be subject to retirement by rotation under Sec 255 of the Companies Act, 1956 read with Article 124 of the Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

9. To consider and if thought fit to pass with or without modification, the following resolution as an **Special Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 198, 269, 309, 311, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the provisions of the Articles of Association of the Company approval of the members of the Company is hereby accorded for appointment of Ms. Bhavana Rao as an Executive Director of the Company for a period of three years from April 1, 2012 to March 31, 2015, upon the principal terms and conditions set out in the explanatory statement attached hereto and the Agreement submitted to this meeting and initialed by the Chairman of the meeting for identification at following remuneration:

Salary – ₹ 12,00,000/- per annum (Rupees Twelve Lakhs Only per annum).

Perquisites: 1. Gratuity and Provident Fund as may be applicable, 2) Leave and encashment of unavailed leave as per the rules of the Company.

Minimum Remuneration: Notwithstanding anything to the contrary contained herein, where in any financial year, during the currency of the tenure of Ms. Bhavana Rao, the Company has no profits or its profits are inadequate, the Company will pay salary and perquisites as permitted under Schedule XIII of the Companies Act, 1956 as minimum remuneration.

**RESOLVED FURTHER THAT** Ms. Bhavana Rao shall be not be subject to retirement by rotation under Sec 255 of the Companies Act, 1956 read with Article 124 of the Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

By **Order of the Board of Directors**  
For **Trigyn Technologies Limited**

**Parthasarathy Iyengar**  
Company Secretary & Head - Legal

**Regd. Office:**  
27, SDF I, SEEPZ, M.I.D.C.,  
Andheri (East),  
Mumbai - 400 096  
Place : Mumbai  
Date : August 14, 2013



**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 Items nos.6, 7, 8 and 9 are annexed hereto.
3. The Information required as per clause (c) of part II of the Schedule XIII in relation to appointment of Mr. R. Ganapathi and Ms. Bhavana Rao is annexed hereto.
4. Brief Profile of Dr. B. R. Patil, Mr. V. V. Prasad, Dr. P. Raja Mohan Rao, Mr. A. R. Ansari, Mr. Mohan Narayanan, Mr. R. Ganapathi and Ms. P. Bhavana Rao are annexed hereto
5. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 20, 2013 to Friday, September 27, 2013 (both days inclusive).
6. 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.
7. Members / Proxies should bring the Attendance Slip duly filled in and hand over the same at the entrance of the place of the meeting.
8. 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.
9. 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.
10. 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.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO. 6**

Mr. A. R. Ansari was appointed with effect from August 14, 2013, as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956, read with Article 131 of the Articles of Association of the Company.

In terms of provisions of Section 260 of the Act, Mr. A. R. Ansari will hold office upto the date of the ensuing AGM. The Company had received a notice in writing from a member along with a deposit of ₹ 500/- for proposing the candidature of Mr. A. R. Ansari for the office of a Director of the Company under the provisions of Section 257 of the Act.

Mr. A. R. Ansari is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Companies Act, 1956. The Company has received the requisite Form DD-A from Mr. A. R. Ansari, in terms of Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for such appointment.

No director, except Mr. A. R. Ansari, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution for approval of the members.

**ITEM NO. 7**

Mr. Mohan Narayanan was appointed with effect from August 14, 2013, as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956, read with Article 131 of the Articles of Association of the Company.

In terms of provisions of Section 260 of the Act, Mr. Mohan Narayanan will hold office upto the date of the ensuing AGM. The Company had received a notice in writing from a member along with a deposit of ₹ 500/- for proposing the candidature of Mr. Mohan Narayanan for the office of a Director of the Company under the provisions of Section 257 of the Act.

Mr. Mohan Narayanan is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Companies Act, 1956. The Company has received the requisite Form DD-A from Mr. Mohan Narayanan, in terms of Companies

(Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for such appointment.

No director, except Mr. Mohan Narayanan, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution for approval of the members.

#### ITEM NO. 8

Mr. R. Ganapathi was appointed as Chairman and Executive Director on the Board of the Company for the period of three year with effect from April 1, 2012 to March 31, 2015, under Section 198, 269, 309, Schedule XIII and such other applicable provisions of the Companies Act, 1956.

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

Mr. R. Ganapathi was appointed as Chairman and Executive Director of the Company with effect from April 1, 2012 for a period of three years. His appointment was duly approved by the members vide special resolution in the 26th Annual General Meeting held on September 28, 2012. There is no change in his remuneration, however for better clarity his detailed break-up of salary and appointment is placed for approval of the members at the ensuing Annual General Meeting.

It would be in the interest of the Company to avail of the valuable experience, knowledge and guidance of Mr. R. Ganapathi.

The information as required under Schedule XIII Part II 1(B)(IV) is given below.

#### I) GENERAL INFORMATION:

- 1) Nature of Industry: Information Technology
- 2) Date or expected date of commencement of commercial production: Not Applicable (The Company is an existing Company)
- 3) In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus: Not Applicable
- 4) Financial performance based on given indicators:  
Particular Period: April 1, 2012-March 31, 2013  
Total Revenue: ₹ 3929.05 Lakhs  
Profit (Loss) after Tax: ₹ 436.03 Lakhs
- 5) Export performance and net foreign exchange collaboration, if any:  
Revenue (Export) : ₹ 387,818,092/-
- 6) Foreign Investment or collaboration, if any: The Company has investment in the following overseas subsidiaries:
  - i) eCapital Solution (Bermuda) Ltd.

#### II) Information about the Appointee:

##### 1) Background Details:

Mr. R. Ganapathi, aged 58, is an IIT, Madras graduate with a B.Tech Degree.

Mr. R. Ganapathi is also a fellow of the Indian Institute of Foreign Trade. He gained rich experience while working with Bharat Heavy Electricals Ltd. He is actively involved in execution of welfare projects undertaken by Rotary Clubs and was Governor of Rotary International. He has a marketing consultancy firm in the areas of power projects and power transmission. He is also associated with software training. Among others he is also on the Board of IG3 Infra Limited, Orient Green Power Limited, Tamil Nadu Corporation for Development of Women Limited and Grand Luxe Hotels Limited. He is also currently on the Executive committee of Southern India Chamber of Commerce and Industry.

- 2) Past Remuneration: ₹ 3,000,000/- p.a. ( Rupees Thirty Lakhs Only p.a.) from April 1, 2009 to March 31, 2012. ₹ 5,000,000/- p.a. (Rupees Fifty Lakhs Only p.a.) from April 1, 2012.

## 3) Remuneration proposed:

Remuneration proposed to Mr. R.Ganapathi is ₹ 5,000,000/- p.a. (Rupees Fifty Lakhs Only p.a.) from April 1, 2012 to March 31, 2015.

## 4) Comparative remuneration profile with respect to industry, size of the Company, Profile of the position and person:

The remuneration payable to the appointee has been benchmarked with the remuneration being drawn by similar positions in IT industry and such benchmark has been considered by the Remuneration Committee/ Board of Directors of the Company.

## 5) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

The appointee has no pecuniary relationship directly or indirectly with the Company.

Mr. R Ganapathi is concerned or interested in resolution no.8 in respect of his own appointment.

## III) Other Information

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

## IV) Disclosure

The agreement between the Company and Mr. R. Ganapathi, inter alia contains the following terms and conditions: Salary –₹ 50,00,000/- per annum (Rupees Fifty Lakhs Only per annum).

Perquisites: 1) Gratuity and Provident Fund as may be applicable, 2) Leave and encashment of unavailed leave as per the rules of the Company.

Minimum Remuneration: Notwithstanding anything to the contrary contained herein, where in any financial year, during the currency of the tenure of Mr. R. Ganapathi, the Company has no profits or its profits are inadequate, the Company will pay salary and perquisites as specified above as minimum remuneration.

Mr. R. Ganapathi will also be entitled to reimbursement from the Company travelling, hotel and other expenses incurred by him in the course of business 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 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 1.00 p.m. prior to the date of the meeting.

This may also be treated as an abstract of the 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.

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.

The Board recommends the resolution for approval of the members.

**ITEM NO. 9**

Ms. P. Bhavana Rao was appointed as Executive Director on the Board of the Company for the period of three year with effect from April 1, 2012 to March 31, 2015, under Section 198, 269, 309, Schedule XIII and such other applicable provisions of the Companies Act, 1956.

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



Ms. Bhavana Rao was appointed as Executive Director with effect from April 1, 2012 for a period of three years. Her appointment was duly approved by the remuneration committee and the board of directors of the Company. There is no change in her remuneration, however for better clarity her detailed break-up of salary and appointment is placed for approval of the members at the ensuing Annual General Meeting.

It would be in the interest of the Company to avail of the valuable experience, knowledge and guidance of Ms. P. Bhavana Rao.

The information as required under Schedule XIII Part II 1(B)(IV) is given below.

V) GENERAL INFORMATION:

- 1) Nature of Industry: Information Technology
- 2) Date or expected date of commencement of commercial production: Not Applicable (The Company is an existing Company)
- 3) In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus: Not Applicable
- 4) Financial performance based on given indicators:  
Particular Period: April 1, 2012-March 31, 2013  
Total Revenue: ₹ 3929.05 Lakhs  
Profit (Loss) after Tax: ₹ 436.03 Lakhs
- 5) Export performance and net foreign exchange collaboration, if any:  
Revenue (Export) : ₹ 387,247,386/-
- 6) Foreign Investment or collaboration, if any: The Company has investment in the following overseas subsidiaries:
  - i) eCapital Solution (Bermuda) Ltd.

VI) Information about the Appointee:

1) Background Details:

Ms. P. Bhavana Rao, aged 30, has done her graduation in B Tech (IT) and post graduation in MBA (Human Resource). She has rich work experience in the field of Information Technology, e-Governance, Education Training and Telecom. She won award in Citation for Excellence from PES Institute of Technology, in recognition of involvement in research activities, and achieving accolades in various competitions and Special Mention Award at the CSI Regional (South) Competition for Young IT Professionals (2004) for paper titled 'A Versatile Web-Enabled E-learning Engine at a mouse click'.

2) Past Remuneration: ₹ 12,00,000/- p.a. (Rupees Twelve Lakhs Only p.a.) from April 1, 2012.

3) Remuneration proposed:

Remuneration proposed to Ms. P. Bhavana Rao is ₹,12,00,000/- p.a. (Rupees Twelve Lakhs Only p.a.) from April 1, 2012 to March 31, 2015.

4) Comparative remuneration profile with respect to industry, size of the Company, Profile of the position and person:

The remuneration payable to the appointee has been benchmarked with the remuneration being drawn by similar positions in IT industry and such benchmark has been considered by the Remuneration Committee/ Board of Directors of the Company.

5) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

The appointee has no pecuniary relationship directly or indirectly with the Company. She is related to Dr. P. Raja Mohan Rao and Mr. C. V. Rao, Non-executive Directors of the Company

Ms. P. Bhavana Rao is concerned or interested in resolution no.9 in respect of her own appointment. Dr. P. Raja Mohan Rao and Mr. C. V. Rao, Non-executive Directors of the Company are interested in resolution no. 9 being related to Ms. P. Bhavana Rao.

## VII) Other Information

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

## VIII) Disclosure

The agreement between the Company and Ms. P. Bhavana Rao, inter alia contains the following terms and conditions:  
Salary – ₹ 12,00,000/- per annum (Rupees Twelve Lakhs Only per annum).

Perquisites: 1. Gratuity and Provident Fund as may be applicable, 2) Leave and encashment of unavailed leave as per the rules of the Company.

Minimum Remuneration: Notwithstanding anything to the contrary contained herein, where in any financial year, during the currency of the tenure of Ms. Bhavana Rao, the Company has no profits or its profits are inadequate, the Company will pay salary and perquisites as specified above as minimum remuneration.

Ms. P. Bhavana Rao will also be entitled to reimbursement from the Company travelling, hotel and other expenses incurred by her in the course of business of the Company.

Ms. P. Bhavana Rao shall not so long as she 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 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 1.00 p.m. prior to the date of the meeting.

This may also be treated as an abstract of the 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 Ms. P. Bhavana Rao as an Executive Director shall benefit the overall growth in business of the Company and therefore recommend the resolution for your kind approval.

Ms. P. Bhavana Rao is concerned or interested in resolution no.9 in respect of her own appointment. Dr. P. Raja Mohan Rao and Mr. C. V. Rao, Non-executive Directors of the Company are interested in resolution no. 9 being related to Ms. P. Bhavana Rao.

The Board recommends the resolution for approval of the members.

**By Order of the Board of Directors  
For Trigyn Technologies Limited**

**Parthasarathy Iyengar**  
Company Secretary & Head - Legal

**Regd. Office:**

27, SDF I, SEEPZ, M.I.D.C.,  
Andheri (East),  
Mumbai - 400 096  
Place : Mumbai  
Date : August 14, 2013

**INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT ON  
THE APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS****DR. B. R. PATIL**

He is an eminent social scientist with multidisciplinary background and 45 years of experience in leading research, consultancy, policy making and capacity-building projects in 25 countries from Asia, Africa, Europe and America for 10 national and 25 bilateral, multilateral and international agencies while working for USAID for 6 years, Population Foundation for 6 years, Council for Social Development for 10 years, National Council of Applied Economic Research for 4 years, National Institute of Rural development for 3 years and Agricultural Development Council for 3 years in progressively higher positions.

His areas of specialization are urban, rural, tribal, socioeconomic and community development; sectors of interest are education, health, livelihood and governance; domains of expertise are in planning, monitoring, evaluation, documentation and advocacy for policy reforms and structural changes for faster and better results in which he has published 6 books, 150 reports, 200 papers and 25 audio-visual products.

He has provided technical and capacity building support to more than 200 NGOs in South Asia and other countries through international NGOs like South Asia Partnership, Lutheran World Service and Plan International in various capacities like Chairperson and chief Adviser. He has trained 1500 development professionals in designing and implementing socioeconomic research projects and 1000 development practitioners in designing and implementing socioeconomic program and policy interventions at various stages in their career development.

**MR. CH. V. V. PRASAD**

Mr. Ch. V. V. Prasad is a Non-executive and Independent Director. He 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.

**DR. P. RAJA MOHAN RAO**

Dr. P. 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.

**MR. A. R. ANSARI**

Mr. A. R. Ansari born on July 1, 1952 is a former Chairman and Managing Director of Neyveli Lignite Corporation Limited, a 'NAVARATNA' Company of Government of India. He is a B.Sc, BE (Mining) from Indian School of Mines, Dhanbad by qualification. He graduated in the year 1973 with 5th Rank.

He has 28 years' experience in mining minerals industry and 11 years' experience in power generation industry. He has served in various states of India such as Orissa, Bihar, Madhya Pradesh, Andhra Pradesh, Karnataka, Jammu & Kashmir and Tamil Nadu.

He was on Board of Neyveli Lignite Corporation Limited for 10 years and was CMD of Neyveli Lignite Corporation Limited for 3.5 years till retirement on June 30, 2012. He is credited to have bought the 'NAVARATNA' status to Neyveli Lignite Corporation Limited. Under his leadership Neyveli Lignite Corporation Limited increased production by 15% and power generation by 19% while PAT increased by 71%, Turnover by 43% and Net Worth by 33%.

During his career he has been bestowed with numerous awards some of them being Indira Gandhi Paryavaran Award by Government of India, Best Energy Man of the Year by Global Need Foundation, Exemplary Leadership Award 2012 by Asia Pacific Congress and World HRD - Excellent Award (nurturer Talent 2012) by World HRD Congress.

#### **MR. MOHAN NARAYANAN**

Mr. Mohan Narayanan is a veteran in the IT industry having spent more than 27 years helping the Indian knowledge industry grow to a global super power. He is a co-founder and CEO of Kubos Consultancy Services Pvt. Ltd., Mr. Mohan Narayanan currently is focused on building a world-class consulting Organization that provides customers with the best of consulting expertise and implementable corporate solutions.

His career has taken him across the world associating him with many Fortune 500 customers. His last corporate assignment was with Cognizant Technology Solutions, where he was instrumental in setting up and successfully spearheading one of the largest verticals in the Organization, Healthcare & Life Sciences, which was acknowledged as amongst the top contributors in terms of growth and revenue. He setup the first Knowledge Process Outsourcing (KPO) initiative by an IT company in India for supporting clinical trials of a very large pharmaceutical organization, in addition to building innovative tools, competencies and solutions for the entire Healthcare spectrum. Prior to Cognizant, Mr. Mohan Narayanan worked with Tata Burroughs, Mumbai (currently TCS) for over 10 years and with Macneill & Magor Ltd for over 4 years.

Mr. Mohan Narayanan is a member of various Industry forums and is a regular speaker at Nasscom events, especially on Healthcare. He is a member of the scientific advisory board of Sciformix Corporation; a US based life sciences KPO. He is also a chartered member and part of the governing council of TiE Chennai.

Mr. Mohan Narayanan takes keen interest in socially relevant initiatives and is a director in the board of Healing Fields which is a non-profit social welfare organization focused on providing health services and education to the rural poor.

His passion for learning and development means that he plays an active part in Industry- Academy relationships. He is the member of executive council of IIT Madras Alumni Association and takes responsibility for creating mentoring interactions between students and alumni. He has also served as a member of the executive council of Centre for University Industry Collaboration (CUIC), Anna University, India.

By way of education, Mr. Mohan Narayanan has a Masters Degree in Electrical Engineering from Indian Institute of Technology (IIT), Madras.

#### **MR. R. GANAPATHI**

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 rich experience while working with Bharat Heavy Electricals Ltd. He is actively involved in execution of welfare projects undertaken by Rotary Clubs and was Governor of Rotary International. He has a marketing consultancy firm in the areas of power projects and power transmission. He is also associated with software training. Among others

he is also on the Board of IG3 Infra Limited, Orient Green Power Limited, Tamil Nadu Corporation for Development of Women Limited and Grand Luxe Hotels Limited. He is also currently on the Executive committee of Southern India Chamber of Commerce and Industry.

**MS. P. BHAVANA RAO**

Ms. P. Bhavana Rao has done her graduation in B Tech (IT) and post-graduation in MBA (Human Resource). She has rich work experience in the field of Information Technology, e-Governance, Education Training and Telecom. She won award in Citation for Excellence from PES Institute of Technology, in recognition of involvement in research activities, and achieving accolades in various competitions and Special Mention Award at the CSI Regional (South) Competition for Young IT Professionals (2004) for paper titled 'A Versatile Web-Enabled E-learning Engine at a mouse click'.

**By Order of the Board of Directors  
For Trigyn Technologies Limited**

**Parthasarathy Iyengar**  
Company Secretary & Head - Legal

**Regd. Office:**

27, SDF I, SEEPZ, M.I.D.C.,  
Andheri (East),  
Mumbai - 400 096  
Place: Mumbai  
Date: August 14, 2013



**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Twenty Seventh Annual Report together with the audited accounts of the company for the year ended 31st March, 2013.

**FINANCIAL RESULTS**

Financial Results (Standalone) for the period ended March 31, 2013 are given below:

(₹ In lakhs)

ITEM	UN-CONSOLIDATED		CONSOLIDATED	
	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2012
<b>Income</b>				
Income from operations	3929.05	3008.46	34,842.45	27,393.56
Other Income	283.57	487.72	288.50	522.38
<b>Total Revenue</b>	<b>4212.62</b>	<b>3496.18</b>	<b>35130.95</b>	<b>27915.95</b>
<b>Less: Expenditure</b>				
Operating and Other Expenses	3552.55	2733.14	32660.53	25854.54
Depreciation	77.40	93.72	81.80	100.00
Profit before Tax	582.67	669.32	2388.62	1961.40
Tax Expenses	146.64	147.77	823.25	482.76
Profit / (Loss) after Tax	436.03	521.55	1565.37	1478.65
Add : Exceptional Items	0.00	0.00	0.00	(404.86)
Net Profit	436.03	521.55	1565.37	1073.79

**REVIEW OF OPERATIONS**

During the year under review on a consolidated basis your company achieved revenue of ₹ 35,130.95 lakhs a growth of 25.8% in revenue as compared to the previous year, while on standalone basis it grew by 20.50%. Your Company posted a net profit of ₹ 436.03 lakhs on a standalone basis and ₹ 1,565.37 lakhs on a consolidated basis.

For the year ended March 31, 2013 on consolidated basis EPS stood at ₹ 5.33/-.

Your Company has improved its' performance over previous year and foresees a better outlook.

**TRANSFER TO RESERVES & DIVIDEND**

In view of the carried forward losses the Board of Directors of your Company do not recommend any dividend for the year under review.

The Company has not made any transfer to the reserves during the year under review.

**SUBSIDIARY COMPANIES****Exemption from attaching the Balance Sheets, etc. of the Subsidiary Companies with the Balance Sheet of the Company**

The Ministry of Corporate Affairs ("MCA") has vide its circular no. 02/2011 dated 8th February, 2011, granted a general exemption under Section 212(8) of the Companies Act from attaching copies of the Balance Sheet, Profit and Loss Accounts, Directors' Report and Auditors' Report of its subsidiary companies with the Balance Sheet of the Company, subject to fulfillment of certain conditions. In terms of the said circular, copies of the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and the Report of the Auditors of the Subsidiary Companies have not been attached to the Balance Sheet of the Company. The Company has presented Consolidated Financial Statements comprising Trigyn Technologies Limited and its subsidiaries duly audited by the Statutory Auditors of the Company. The Consolidated Financial Statements prepared by the Company are in compliance with the Accounting Standard AS-21 as prescribed by the Companies (Accounting Standards) Rules, 2006 and the Listing Agreement with the Stock Exchanges. The Annual Accounts and related documents of all the Subsidiary Companies shall be made available for inspection to the shareholders of the Company and its subsidiaries at the Registered Office of the Company from Monday to Friday during the working hours. The Company will also make available physical copies of such documents upon request by any Member of the Company or its subsidiaries interested in obtaining the same and the same would also be made available on the website of the Company. A statement under Section 212 (8) is annexed to this report as Annexure II.

**MANAGEMENT DISCUSSION & ANALYSIS:**

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

**PUBLIC DEPOSITS**

Your Company has not accepted any deposit within the meaning of Section 58A and 58AA of the Companies Act, 1956 during the year ended on March 31, 2013 and doesn't have any outstanding public deposits.

**DIRECTORS**

During the year Mr. Maulik Shah and Mr. Vivek Kulkarni resigned from directorship owing to personal commitments. Mr. A. R. Ansari and Mr. Mohan Narayanan were appointed as Additional Directors in the Board Meeting held on August 14, 2013.

The Company has received notice u/s 257 of the Companies Act, 1956 from a member proposing candidature of Mr. A. R. Ansari and Mr. Mohan Narayanan for the office of Independent Director.

Mr. R. Ganapathi was appointed as Chairman and Executive Director of the Company with effect from April 1, 2012 for a period of three years. His appointment was duly approved by the members vide special resolution in the 26<sup>th</sup> Annual General Meeting held on September 28, 2012. There is no change in his remuneration, however for better clarity his detailed break-up of salary and appointment is placed for approval of the members at the ensuing Annual General Meeting.

Ms. Bhavana Rao was appointed as Executive Director with effect from April 1, 2012 for a period of three years. Her appointment was duly approved by the remuneration committee and the board of directors of the Company. There is no change in her remuneration, however for better clarity her detailed break-up of salary and appointment is placed for approval of the members at the ensuing Annual General Meeting.

Dr. Raja Mohan Rao, Shri Chi V. V. Prasad and Dr. B. R. Patil, directors of the Company who retire by rotation under Article 124 of the Article of Association of the Company and pursuant to Sec 255 of the Companies Act, 1956, being eligible for re-appointment, offer themselves for re-appointment.

A brief profile of all the above mentioned Directors being appointed are attached to the Notice for the ensuing Annual General Meeting.

**DIRECTORS RESPONSIBILITY STATEMENT**

In terms of and pursuant to Section 217 (2AA) of the Companies Act, 1956, in relation to the Annual Statement of Accounts for the Financial Year 2012-2013, your Directors state and confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. your Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year, and of the profit of the Company for that year;
3. your Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 as amended, for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; and
4. your directors have prepared the annual accounts 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 2012-13 is given separately in the Annual Report.

**CORPORATE SOCIAL RESPONSIBILITY:**

With a noble cause to help the deserving people in the society, during the year, your Company has donated ₹ 35,000/- to the charitable institutions engaged in the activity of medical Centre, upliftment of the down trodden and assisting the old age people.

The donation amount is within the limits prescribed under Section 293(1) (e) of the Companies Act, 1956.

**AUDITORS****a) Auditors Report:**

The Auditors Report form part of the Annual Report and your Directors are pleased to inform that there are no qualifications in the Auditors Report for the year ended March 31, 2013.

**b) Appointment of Auditors**

M/s. Ford, Rhodes, Parks & Co., Chartered Accountants, the existing Auditors retire at the ensuing Annual General Meeting of your Company. They have expressed their willingness to be re-appointed as Auditors of the Company and are qualified to be appointed under Section 224(1B) of the Companies Act, 1956. It is therefore proposed to re-appoint M/s. Ford, Rhodes, Parks & Co., Chartered Accountants as statutory auditors of the Company. A resolution seeking your approval for the appointment of the said auditors has been included in the Notice convening the Annual General Meeting.

**EMPLOYEES:**

The details of employees 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 are set out in Annexure III to the Directors' Report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:****A. CONSERVATION OF ENERGY**

Your company consumes electricity only for the operation of its computer and administration of its offices. Though the consumption of electricity is negligible as compare to the total turnover of the company, your company always endeavors to take effective steps to reduce the consumption of electricity.

**RESEARCH & DEVELOPMENT**

a)	Specific areas in which R&D carried out by the Company	N.A.
b)	Benefits derived as a result of the above R&D	N.A.
c)	Future plan of action	N.A.
d)	Expenditure on R&D	N.A.

**B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

The Company has not absorbed any new technology during the year under review. The statement pursuant to Sec 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Reports of Board of Directors) Rules, 1988 is hereunder:

a)	Efforts made towards technology absorption, adaptation and innovation	N.A.
b)	Benefits derived as a result of the above efforts	N.A.
c)	Information regarding Imported Technology	N.A.

**C. FOREIGN EXCHANGE EARNING/OUTGO:**

The foreign exchange earnings of your Company during the year were ₹ 387,818,092/- (Previous year ₹ 285, 473,559/) while the outgoings were ₹ 74,572,177/- (Previous year ₹ 63,403,583/-).

**ACKNOWLEDGEMENTS:**

The Directors wish to place on record their appreciation of the contribution made by employee at all level to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation for the support provided by the Company's Bankers, Customers, Vendors, SEEPZ, regulatory and government authorities in India and abroad.

For Trigyn Technologies Limited

**R. Ganapathi**  
Chairman and Executive Director

Place: Mumbai  
Date August 14, 2013

**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, Nonexecutive 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, 2013, 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, 2013.

For **Trigyn Technologies Limited**

**R. Ganapathi**  
**Chairman and Executive Director**

Mumbai

Date: August 14, 2013

**INFORMATION REGARDING EMPLOYEE STOCK OPTION PLAN Annexure I**

(As on March 31, 2013)

Sr.	Particulars	ESOP – 2000	ESOP – 1998
1	Number of stock options granted	10,78,000	31,000
2	Pricing Formula	Market Price	₹265 per option or prevailing market price whichever is higher
3	Number of options vested	5,59,950	500
4	Number of options exercised	Nil	Nil
5	Total number of shares arising as a result of exercise of option	Nil	Nil
6	Number of options cancelled / lapsed	Nil	Nil
7	Variation of terms of options	Exercise Period extended upto May 6, 2020	Nil
8	Money realized by exercise of options	Nil	Nil
9	Total number of options in force	5,59,950	500
10	employee wise details of options granted to:		
	(i) senior managerial personnel	Mr. R. Ganapathi – 1,00,000 Mr. Homi Panday – 2,40,000 Mr. Thomas Gordon – 1,50,000	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 (i) 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	1.75	1.75
12	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee 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 following weighted-average information:	Nil	Nil
(i)	risk-free interest rate,	Nil	Nil
(ii)	expected life,	Nil	Nil
(iii)	expected volatility,	Nil	Nil
(iv)	expected dividends,	Nil	Nil
(v)	the price of the underlying share in market at the time of option grant.(in ₹)	Nil	Nil

## Annexure II

### Information on Subsidiary Companies for the year ended March 31, 2013

As per Direction from Government of India, Ministry of Corporate Affairs vide General Circular No: 2 / 2011 No. 51/12/2007-CL-III dated February 8, 2011

#### Statement under Section 212 (8) of the Companies Act, 1956

Particulars	Leading Edge Infotech Limited	eCapital Solutions Bermuda Limited	Trigyn Technologies (India) Private Limited	Trigyn Technologies Inc.	Trigyn Technologies Europe GmbH
Capital	5,000,000	151,312,960	147,104,400	486	1,377,420
Reserves	-	281,009,437	-	287,627,717	32,830,243
Total Assets	2,697,724	56,761,861	22,504,747	1,014,970,612	835,996
Total Liabilities	15,879,580	10,656,004	210,638,353	727,342,409	76,472,395
Details of Investment (Except in case of Investment in the subsidiaries).	50,000	-	485,600	-	-
Turnover	2,503,127	-	374,437	3,484,206,126	1,048,679
Profit / (Loss) before Taxation	(1,009,295)	(1,298,995)	152,192	181,126,937	323,783
Provision for Taxation	-	-	-	67,660,933	-
Profit / (Loss) after Taxation	(1,009,295)	(1,298,995)	152,192	113,466,004	323,783
Proposed Dividend	-	-	-	-	-
Reporting Currency	INR	BMD	INR	USD	EURO
Exchange Rate as on March 31, 2012.	-	54.36	-	54.36	69.66

The annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.

The annual accounts of the subsidiary companies shall be kept for inspection by any shareholders in the registered office of Trigyn Technologies Limited and of the subsidiary companies concerned.

Note: Corresponding figures for previous year presented have been regrouped, wherever necessary to confirm to the current year's classification.

**Annexure III**

Information as per Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, and forming part of the directors' report for the year ended March 31, 2011

Name of employee	Designation	Remuneration (in Rs.)	Nature of employment	Qualification & experience of employees	Date of commencement of employment	Age	Previous employmen	Equity share holding
Valmeeka Nathan	Chief Executive Officer	25,356,164*	Chief Executive Officer	Bachelors degree in Mechanical Engineering from Birla Institute of Technology and Science, Pilani, 25 Years Experience	April 25, 2013	52 yrs	Infosys Technologies Limited	Nil

\*includes reimbursements

For and on behalf of Board of Directors of  
**TRIGYN TECHNOLOGIES LIMITED**

**R. GANAPATHI**  
**CHAIRMAN & EXECUTIVE DIRECTOR**

## MANAGEMENT DISCUSSION & ANALYSIS

### Overview

Trigyn Technologies Ltd., earlier known as Leading Edge Systems Ltd., (“Trigyn” or the “Company”) is a leading IT solutions and services Company with global operations, delivering cost effective and quality end to end solutions and services. Trigyn’s 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 offers its valuable services to clients of repute in domains of International Organizations, Non-Governmental Organizations, State and Local Governments, and the Commercial sector including Financial Services, Pharmaceutical, Manufacturing and Distribution. The Company offers a comprehensive range of service offerings including Offshore Development and Maintenance Solutions and Services, Staff Augmentation, Managed Services, and Business Process Outsourcing. These services include System Integration Services, Application Development and Maintenance, Reengineering, 24X7 Support Services, Financial Products Support for the Asia marketplace and more. The Company maintains Centers of Excellence in its Offshore Development Center focused on Enterprise Content Management, Enterprise Mobility and Emerging Technologies.

### Quality

Trigyn has attained the prestigious CMMI for Development, Version 1.2 Level 3 during fiscal year 2010-11, which implies that strong management practices and processes are in place, and which aids in the planning and execution of projects. There is also a continuous effort to improve the quality management process which is evident by the Company’s ISO 9001:2008 recertification, 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 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 where we operate. Trigyn continues to be engaged in various “Green Energy” initiatives with its customers.

### Diversity and Gender Equality

Trigyn is committed to diversity across all of the geographic locations where it provides services and solutions to its customers. To this end, the Company continues to enter into contracts with several US based Minority and Women owned businesses. Outside of the USA, 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 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. Trigyn developed and adopted an Affirmative Action Plan in the US, to ensure operational compliance with its objectives and values.

### Solutions & Services

#### • System Integration Services

Trigyn operates a highly effective, efficient and proven Offshore Development Center (ODC) based in Mumbai, India. Trigyn provides a host of services for its customers from its ODC, these 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 9001:2008 certification, to add value to its esteemed customer’s 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 delivery center, along with a highly integrated and automated set of tools to track, 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. To ensure that these objectives are achieved, the Company has adopted and is using the industry leading enterprise project management tool called Digité, which is used by a number of its multinational competitors.

- **Managed Services**

Trigyn has a proven track record in providing large scale Managed Services. Trigyn has delivered large scale engagements globally, across 14 countries and has established infrastructure, management resources, and methodologies that ensure success. Trigyn has the experience to meet and exceed the most demanding Service Level Agreements (SLAs) in very challenging environments. Trigyn is able to mobilize and deploy IT resources and offer other logistical services to some of the most remote locations with limited connectivity and infrastructure. Today, Trigyn has over 600 highly skilled resources working in its Managed Services operation, providing services in more than 14 different countries

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

- Improved service levels, security and availability
- Extended capabilities with optimal resource management
- Ability to manage change with agility & excellence
- Ability to align IT with business strategy
- Staff Augmentation Services

Trigyn operates a highly refined, mature and integrated staff augmentation business which provides qualified and reliable resources to its customer over a broad range of technologies and in diverse geographic locations. This operation is headed by a team of industry veterans with extensive industry knowledge and staffed by seasoned recruitment specialists both in the USA and in Mumbai, India. The Company has invested in human capital and tools to ensure that this sector 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. 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 continues to enjoy much success from its continued focus on the diversification of its Staff Augmentation business. The Company continues to add to its portfolio of clients in the International Governments, Non-Governmental, State and Local Governments and Commercial sectors. Most of the resources placed fall into the following areas or domains:

- Project Management and Business Analysis
- Architecture, Design, Development and Quality Assurance
- Helpdesk and Network Support
- Network & Infrastructure Design
- ERP Technical and Functional (SAP & Oracle)
- UX/UI and Usability

#### **Organizational Strategy**

The Management of Trigyn follows the Organizational Strategy and Roadmap to implement 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 and related initiatives being pursued across other geographies by the Company.
- Continued focus on consolidating overhead to least costly geographies, to realize savings and enhance service offerings as a result of further integration, automation, knowledge transfer and training.
- Reevaluation of initiatives in geographies where economic conditions are no longer favorable for continued expansion efforts and such geographies can be serviced through partnerships or 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**

Trigyn is well positioned to continue to grow along with the industry. With the continued economic slowdown which has impacted the US and EU markets, the advantages for companies operating in resource rich markets such as India, will continue to prove to be a source of stability and growth.

It has also been widely reported in the past 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.

**Industry Alliances**

Trigyn has established partnership with the leading technology companies like Microsoft, EMC<sup>2</sup>, TIBCO® and IBM. Trigyn is registered software reseller with Redington, one of the leading value added distributors in the Asia-Pacific region. Trigyn believes in a partner ecosystem that creates value for its clients through innovative solutions focused on making a difference, and in assisting its clients in achieving their vision, goals and organization objectives. The industry alliances provide a robust foundation to provide the best-of-the-breed solutions to cater to the increasing demands from clients for value added services around the software and solutions from OEM vendors. Trigyn shall focus on partnering with emerging software solution vendors who wish to establish base in the India sub-continent and tap the potential in niche areas. Furthermore, Trigyn is an evangelist for open-source and promotes these solutions to clients where these deliver value and unique proposition.

**Opportunities**

Trigyn 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 Offshore Development, Managed Services and Staff Augmentation, as well as across diverse geographies such as the US, Europe, Africa and Asia. It has worked hard to ensure that a number of the critical business functions are serviced by resources in its ODC and has integrated the cultures across its operations.

**Results of Operations**

- Total Income

The total income of Trigyn for the year 2012-13 was ₹ 3929.05 lakhs as compared to ₹ 3008.46 lakhs during the year 2011-12. The increase in revenue was primarily due to the higher volume of business during the year under review.

- Total Expenditure

The total expenditure including interest and depreciation of Trigyn for the year 2012-13 was ₹ 3,629.95 lakhs as compared to ₹ 2826.86 lakhs during the previous year. Cost control was a priority of the Management during the year and the total expenditure was controlled by various cost effective measures initiated to contain direct and indirect costs.



- **Gross Profit**

The Gross Profit/Loss of Trigyn was ₹582.67 lakhs for the year 2012-13 as compared to Gross Profit of ₹ 669.32 lakhs during the previous year.

- **Net Profit**

The Net Profit/Loss of Trigyn was ₹ 436.03 lakhs for the year 2012-13 as compared to a profit of ₹ 521.55 lakhs during the previous year.

The Company mainly operates in a single segment i.e. Information Technology Services and therefore segment reporting as required under Accounting Standard -17 is not applicable.

#### **Threats**

The business revenues are sourced predominantly from the US market. Given the prolonged economic impact in this market, Trigyn's business could be adversely impacted. This impact could also be felt by the State and Local Governments, 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 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 fluctuations
- 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
- Over reliance on business from one client, the United Nations.

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 shares on the stock market.

#### **Internal Controls and Adequacy**

Trigyn 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.

#### **Human Resource**

The Company believes that effective human resource administration is the best way to ensure that personnel needs are well integrated and amalgamated in to long term organizational goals. Effective employee management tops the priority of the Human Resource Department of the Company.

The Company has overall 1050 employees including the employees of it's overseas subsidiaries.

#### **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 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 and accordingly the actual results could differ materially from those indicated by the 'forward looking statements'. Trigyn 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

The Board of Directors as on March 31, 2013 comprises of ten Directors, of which five are Independent Directors. The Chairman is an Executive Director.

The Company’s Board of Directors met five times during the year 2012-13 and the minimum required information has been placed before the Board. The Board Meetings took place on May 14, 2012, August 10, 2012, August 27, 2012, November 7, 2012 and February 11, 2013.

The Composition of the Board, attendance at Board Meetings (BM) held during the financial year under review and the last Annual General Meeting (AGM), number of Directorships as on March 31, 2013, Memberships/Chairmanships in Public Companies and their shareholding in the Company are as follows:

Name	Category	FY 2012-13 Attendance at		No. of Directorships in other public companies as on March 31, 2013 @		Outside Committee positions held *	
		BM	Last AGM	Chairman	Member	Chairman	Member
Mr. R. Ganapathi	Chairman and Executive Director	5	Yes	-	6	-	6
Dr. P. Raja Mohan Rao	Non-executive Director	3	Yes	-	2	-	-
Mr. C.V. Rao	Non-executive Director	0	No	-	10	-	-
Ms. P. Bhavana Rao	Executive Director	3	No	-	5	-	-
Dr. C. Rao Kasarabada	Non-executive director	0	No	-	1	-	-
Mr. Ch. V.V. Prasad	Independent Director / Non-Executive Director	5	No	-	10	-	-
Mr. Vivek Kulkarni	Independent Director / Non-Executive Director	1	No	-	-	-	-
Mr. Maulik Shah	Independent Director / Non-Executive Director	0	No	-	-	-	-
Mr. Vivek Khare	Independent Director / Non-Executive Director	5	Yes	-	-	-	-
Dr. B.R. Patil	Independent Director / Non-Executive Director	4	No	-	-	-	-

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

@ excluding Directorship in Private and Foreign Companies.

As on March 31, 2013, none of the Directors hold any share in the Company.

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.

The information as required under clause 49 (IV) (G) of the Listing Agreement is annexed to the Notice of the Annual General Meeting.

#### **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. No personnel have been denied access to the audit committee.

The Committee elects the Chairman of the meeting from the Independent Directors present at the meeting in the absence of Mr. Vivek Khare.

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 2012-13, the Committee met five times, on May 14, 2012, August 10, 2012, August 27, 2012, November 7, 2012 and February 11, 2013

The composition of the Committee and attendance at its meeting is as under:

<b>Name of the Member of the Audit Committee</b>	<b>Attendance at the Audit Committee Meetings</b>
Mr. Vivek Khare, Independent Director & Chairman of the Audit Committee	5
Mr. R. Ganapathi, Executive Director	5
Ms. P. Bhavana Rao, Executive Director	3
Mr. Ch. V.V. Prasad, Independent Director	5
Mr. Maulik Shah*, Independent Director	Nil
Dr. B. R. Patil, Independent Director	4
Mr. A. R. Ansari <sup>®</sup> , Independent Director	NA

\* Resigned from Directorship. His resignation was duly accepted in the Board Meeting held on August 14, 2013.

<sup>®</sup> Appointed as a member in the Board Meeting held on August 14, 2013.

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
- IV. to secure attendance of outsiders with relevant expertise, if it considers necessary

#### **REMUNERATION COMMITTEE**

The Company is not paying remuneration to any of the Non-Executive Directors other than sitting fees.

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

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

Mr. Vivek Khare - Independent Director

Mr. Maulik Shah – Independent Director\*

Mr. R. Ganapathi – Executive Director

Ms. P. Bhavana Rao – Executive Director

Mr. Mohan Narayanan<sup>®</sup> - Independent Director

\* Resigned from Directorship. His resignation was duly accepted in the Board Meeting held on August 14, 2013.

<sup>®</sup> Appointed as a member in the Board Meeting held on August 14, 2013.

Remuneration paid to Directors during 2012 – 2013 is as given below:

Names	Sitting fees (₹)	Remuneration including Salary & Perquisites (₹)	Contribution to PF	Service Contracts	Notice Period
Mr. R Ganapathi	-	5,000,000/-	600,000/-	01-04-2012 to 31-03-2015	1 month
Ms. Bhavana Rao	-	1,200,000/-	144,000/-	01-04-2012 to 31-03-2015	1 Month
Mr. Ch. V.V. Prasad	105,000/-	-	-	-	-
Mr. Vivek Kulkarni	10,000/-	-	-	-	-
Mr. Vivek Khare	105,000/-	-	-	-	-
Mr. Maulik Shah	Nil	-	-	-	-
Dr. B. R. Patil	80,000/-	-	-	-	-

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.

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

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 May 14, 2012, August 10, 2012, November 7, 2012 and February 11, 2013.

The composition of the Committee and attendance at its meeting is as under:

Name of the Director	Attendance at the Share Transfer / Investor Grievance Committee Meetings
Mr. R. Ganapathi, Executive Director	4
Ms. P. Bhavana Rao, Executive Director	Nil
Mr. Ch. V.V. Prasad, Independent Director	Nil
Mr. Vivek Khare, Independent Director	4
Mr. Maulik Shah*, Independent Director	Nil
Dr. B. R. Patil, Independent Director	Nil
Mr. A. R. Ansari®, Independent Director	NA

\* Resigned from Directorship. His resignation was duly accepted in the Board Meeting held on August 14, 2013.

® Appointed as a member in the Board Meeting held on August 14, 2013.

During the year, the Company has not received any complaint from Investor and from any of the Stock Exchanges or SEBI. No share transfers were pending as on March 31, 2013.

The Company Secretary acts as a Secretary to all the aforesaid three Committees of the Board and also acts as a Compliance Officer.

#### GENERAL BODY MEETINGS

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

Financial Year	Date	Time
2009 – 2010	September 30, 2010	3.30 p.m.
2010 – 2011	September 28, 2011	3.30 p.m.
2011 – 2012	September 28, 2012	3.30 p.m.

The following special resolutions were passed during the last three Annual General Meetings (AGM) :

1. At the 24<sup>th</sup> AGM held on September 30, 2010 towards approval for extension of period of ESOP Scheme 2000 up to May 6, 2020, approval for extension period of ESOPs granted to employees and non-executive director, approval for extension of ESOPs granted to employees of subsidiary company, approval for extension of period of ESOPs granted exceeding 1% of the issued share capital.
2. At the 25<sup>th</sup> AGM held on September 28, 2011 no Special resolution was passed.
3. At the 26<sup>th</sup> AGM held on September 28, 2012 towards approval for appointment and payment of remuneration to Mr. R. Ganapathi. Appointment was according to the provision of Section 198, 269, 309, Schedule XIII of the Companies Act, 1956. Special resolution was passed and same was duly filed with Registrar of Companies (ROC). 24<sup>nd</sup> and 25<sup>th</sup> AGMs for the financial year 2009-10 and 2010-11 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. 26<sup>th</sup> AGM for the financial year 2011-12 was held at Hotel Suncity Residency, 16<sup>th</sup> Road, MIDC, Marol, 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 to Accounts No. 29 of the audited Accounts for the financial year 2012-2013, forms 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 2012-13.

##### **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**

During the year 2012-13, the Company has not made any Preferential Issue of equity shares.

##### **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](http://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 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 period ended March 31, 2013 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 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 Maha Nayak (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**

September 27, 2013 at 3.30 p.m. at HOTEL SUNCITY RESIDENCY 16th Road, MIDC, Marol, Andheri (E), Mumbai 400093.

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

April 1, 2013 to March 31, 2014

Financial reporting for the Quarter ended June 30, 2013	Board Meeting was held on August 14, 2013
Financial reporting for the Quarter/ Half Year ended September 30, 2013	On or before November 14, 2013
Financial reporting for the Quarter ended December 31, 2013	On or before February 14, 2013
Financial reporting for the Quarter and Financial year ended March 31, 2014	On or before May 30, 2014
Annual General Meeting for the year ended March 31, 2014	On or before September 30, 2014

- **Date of Book Closure**

Friday, September 20, 2013 to Friday, September 27, 2013 (both days inclusive)

- **Dividend Payment Date**

No dividend has been declared by the Company during the year 2012-13

- **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

The Annual Listing Fees in respect of the equity shares of the Company has been paid for the year 2013-14.

- **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 (₹)	Low (₹)	High (₹)	Low (₹)
April, 2012	13.85	11.61	13.85	13.35
May, 2012	13.79	10.55	15.45	12.35
June, 2012	11.07	10.05	12.45	11.15
July, 2012	12.85	10.05	12.95	11.95
August, 2012	17.25	10.06	17.45	15.55
September, 2012	15.00	11.09	14.55	14.01
October, 2012	14.06	12.21	14.35	13.75
November, 2012	13.03	10.05	13.25	12.06
December, 2012	12.44	10.35	12.85	12.05
January, 2013	11.95	09.41	12.25	11.25
February, 2013	10.05	08.81	10.55	09.65
March, 2013	09.06	06.04	10.45	08.85

- **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, 2012	12.01	17318.81	12.02	5248.15
May, 2012	10.78	16218.53	10.07	4924.25
June, 2012	11.06	17429.98	11.06	5278.09
July, 2012	10.65	17236.18	11.25	5229.00
August, 2012	12.98	17429.56	12.75	5258.05
September, 2012	14.03	18762.74	13.95	5703.03
October, 2012	12.52	18505.38	12.07	5619.07
November, 2012	11.75	19339.09	11.35	5879.85
December, 2012	10.75	19426.71	10.75	5905.01
January, 2013	09.05	19894.98	09.09	6034.75
February, 2013	08.09	18861.54	09.25	5693.05
March, 2013	06.97	18835.77	06.95	5682.55

- **Registrar and Transfer Agents**

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

Unit: Trigyn Technologies Ltd.  
Samhita Warehousing Complex,  
13 AB, Gala No. 52, 2nd Floor,  
Nr. Sakinaka Telephone Exchange,  
Off. Kurla Andheri Road,  
Sakinaka, Mumbai 400072.  
Tel.: 022 - 67720300 / 67720309  
Fax: 022 – 28591568

E-mail: laxmanp@shareproservices.com / praving@shareproservices.com / sharepro@shareproservices.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, 2013. The complaints mainly related to issues related to revalidation of warrants, change of address, etc

- **Distribution of Shareholding as on 31<sup>st</sup> March, 2013**

Shareholding in No. of shares	Shareholders		Shares	
	Nos.	% to Total	Nos	% to Total
Less than 500	9886	75.825	1889464	6.438
501 – 1000	1515	11.620	1306547	4.452
1001 – 2000	780	5.983	1220694	4.159
2001 – 3000	258	1.979	666838	2.272
3001 – 4000	142	1.089	507442	1.729
4001 – 5000	121	0.928	577140	1.966
5001 – 10000	172	1.319	1269891	4.327
10001 and above	164	1.258	21910720	74.656
<b>Total</b>	<b>13038</b>	<b>100.000</b>	<b>29348736</b>	<b>100.000</b>



- Shareholding Pattern as on 31st March, 2013

Category	No of shares held	Percentage of shareholding
<b>Promoter's Holding</b>		
<b>Promoters</b>		
- Indian Promoters	1,41,59,020	48.24
- Foreign Promoters	-	-
<b>Persons Acting in Concert</b>	--	-
<b>Sub-Total</b>	<b>1,41,59,020</b>	<b>48.24</b>
<b>Non- Promoters Holding</b>		
Institutional Investors	-	-
Mutual Funds and UTI	-	-
Banks, Financial Institutions, Insurance Companies, (Central/ State Govt. Institutions/Non-Government Institutions)	-	-
FII's	3,400	0.01
<b>Sub-Total</b>	<b>3,400</b>	<b>0.01</b>
<b>Others</b>		
Bodies Corporate	16,90,622	5.75
Indian Public	1,28,12,038	43.65
NRIs	5,33,656	1.82
Foreign National	1,50,000	0.51
<b>Sub-Total</b>	<b>1,51,86,316</b>	<b>51.74</b>
<b>Grand Total</b>	<b>2,93,48,736</b>	<b>100</b>

- Dematerialisation of Shares

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

As on March 31, 2013, 99.14 % shares of the Company have been dematerialised.

- 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 its website a designated email ID viz. [ro@trigyn.com](mailto: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. Laxman Poojari/ Mr.Pravin Golatkar**

Senior Manager

**Sharepro Services (India) Pvt. Ltd.**

**Unit : Trigyn Technologies Limited**

**Samhita Warehousing Complex,**

**13 AB, Gala No. 52, 2nd Floor,**

**Nr. Sakinaka Telephone Exchange,**

**Off. Kurla Andheri Road,**

**Sakinaka, Mumbai 400072.**

Tel. : 022 - 67720300 / 67720309

Fax : 022 – 28591568

E-mail : [laxmanp@shareproservices.com](mailto:laxmanp@shareproservices.com),

[praving@shareproservices.com](mailto:praving@shareproservices.com), [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com).

**Mr. Parthasarathy Iyengar**

Company Secretary, Compliance Officer, Head – Legal & Admin

Trigyn Technologies Limited

Unit 27, SDF-I,

SEEPZ, Andheri (East),

Mumbai 400096

Tel. : 022 – 6140 0909, 022 – 6140 0888

Fax : 022 – 28291418

E-mail : [ro@trigyn.com](mailto:ro@trigyn.com)

**Auditors' Certificate regarding compliance of conditions of Corporate Governance**

To the members of **Trigyn Technologies Limited**

We have examined the compliance of conditions of Corporate Governance by Trigyn Technologies Limited for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

**For Ford, Rhodes, Parks & Co.**  
Chartered Accountants  
Firm Registration No: 102860W

Mumbai  
August 14, 2013

**B. S. S. SHETTY**  
Partner  
Membership No: 6031

## PERFORMANCE AT A GLANCE

(₹ In Millions)

for the year ending March 31,

	2013	2012	2011	2010	2009
Total income	421.26	349.62	293.10	270.60	245.97
Operating expenses	352.25	269.76	226.72	191.36	139.51
operating profit	69.01	79.86	66.38	79.24	106.47
Interest and finance charges	3.00	3.56	3.00	3.30	2.90
Depreciation	7.74	9.37	8.97	7.99	5.52
Profit before taxes	58.27	66.93	54.40	67.95	98.05
Taxation	14.66	14.78	-	0.08	0.86
Net profit / (loss)	43.60	52.15	54.40	67.87	97.19
<b>Share Capital</b>					
Equity	293.49	293.49	279.04	265.03	250.05
Preference	-	-	-	-	0.00
Reserves & Surplus	777.40	733.80	668.91	602.37	481.95
Net worth	1070.89	1,027.28	947.95	867.40	732.01
<b>Performance Indicators</b>					
as a % of total income					
Operating Margin	16.38	22.84	22.65	29.28	43.28
Net Margin	10.35	14.92	18.56	25.08	39.51
Taxation	3.48	4.23	-	0.03	0.35
Taxation / Net profit / (loss)	25.17	22.08	-	0.12	0.88
Current Ratio	4.06	4.26	4.24	4.46	2.31
total income/net working capital(times)	0.72	0.64	0.61	0.67	0.96
Fixed assets turnover (times)	26.88	20.67	1.57	1.50	1.41
Receivable (in days)	234.32	275.59	187.01	170.95	159.26
<b>Investment Indicators</b>					
Book value per share	36.49	35.00	33.97	32.73	29.27
Earnings per share	1.49	1.79	2.05	2.71	3.89
Share price as on March 31, (BSE) ₹	6.97	13.35	21.30	20.10	8.00
Market capitalisation (in millions)	204.56	391.81	594.35	532.71	200.04

## INDEPENDENT AUDITOR'S REPORT

To

**The members of Trigyn Technologies Limited**

**Report on the Financial Statements for the year ended 31<sup>st</sup> March, 2013**

We have audited the accompanying financial statements of Trigyn Technologies Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 31<sup>st</sup> March 2013;
- ii. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matter**

*We draw attention to Note 30 to the Financial Statements regarding the approval of managerial remuneration by the shareholders.*

Our opinion is not qualified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

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

2. As required by section 227(3) of the Act, we report that:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. 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;
- iii. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- iv. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
- v. on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For Ford, Rhodes, Parks & Co.  
Chartered Accountants  
Firm Registration No.102860W**

**B. S. S. Shetty  
Partner  
Membership No. 6031**

Place: Mumbai  
Date: 28<sup>th</sup> May, 2013

**ANNEXURE TO THE AUDITORS' REPORT**

[Referred to in paragraph pertaining to "Report on Other Legal and Regulatory Requirement" of our Report of even date to the members of Trigyn Technologies Limited on the financial statements for the year ended 31<sup>st</sup> March, 2013]

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of all the fixed assets, except for certain items of fixed assets purchased in the earlier years, for which the records are being updated.  
(b) During the year the company has carried out physical verification of fixed assets.  
(c) During the year, the Company has not disposed off any substantial part of fixed assets so as to affect the going concern assumption.
2. The Company did not hold any inventories during the financial year. Thus the provisions of sub clause (a), (b) and (c) of clause 4 (ii) of the Order are not applicable.
3. (a) The company has granted interest free unsecured loans to companies covered in the register maintained under Section 301 of the Companies Act, 1956. The number of parties is six and the amount outstanding as at the end of the year is Rs. 235,078,494/-. (P.Y. Rs. 232,885,104/- and the number of parties was six). These loans have been provided as doubtful of recovery to the extent of Rs. 228,939,443/- (P.Y. Rs. 227,640,448/- and the number of parties was six)  
(b) There are no stipulations as to the repayment of the loan.  
(c) The Company has not taken loans, secured or unsecured from companies, firms and other parties covered under the register maintained under Section 301 of the Companies Act, 1956. Thus the provisions of sub clause (f) and (g) of clause 4 (iii) of the Order are not applicable.
4. 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, for the purchase of fixed asset and for sale of services. During the course of our audit, no major weakness has been noticed in the internal control system.
5. According to the information and explanations provided by the management, during the year, there are no contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register required to be maintained under the Section.
6. The Company has not accepted any deposits from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956.
7. The Company has appointed independent Chartered Accountant to carry out the internal audit of the company. In our opinion, the Company internal audit system is commensurate with its size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records for the Company.
9. (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, service tax, custom duty, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, service tax, custom duty, cess and other statutory dues were outstanding at the year-end for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us by management and the records of the Company examined by us, the particulars of dues of income tax as on 31<sup>st</sup> March, 2013 which have not been deposited on account of a dispute are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act 1961	Income tax demand	23,051,971	A.Y. 2005-06	ITAT
Income tax Act 1961	Income tax demand	12,263,314	A.Y. 2006-07	ITAT
Income tax Act 1961	Income tax demand	122,547,027	A.Y. 2007 – 08	ITAT
Income tax Act 1961	Income tax demand	19,718,246	A.Y. 2008 - 09	ITAT
Income tax Act 1961	Income tax demand	62,288,645	A.Y. 2009- 10	CIT (Appeal)
Income tax Act 1961	Income tax demand	18,810,020	A.Y. 2010 – 11	Assistant CIT

10. The Company has accumulated losses exceeding fifty percent of its net worth at the end of the financial year. The Company has not incurred any cash losses in the current financial year as well as in immediate preceding financial year.
11. On the basis of information and explanation given to us by the management , the Company has not taken any loans from any financial institution or bank or debenture holders during the financial year.
12. Based on our examination of the records and information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of clause 4 (xiii) of Order are not applicable as the Company is not a chit fund Company or nidhi/ mutual benefit fund/society.
14. The Company has not dealt or traded in shares, securities, debentures or other investments during the year. Hence provisions of clause 4(xiv) of the Order are not applicable.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 4 (xv) of the Order are not applicable to the Company.
16. The Company has not availed any term loan from banks and financial institutions and hence clause (xvi) of paragraph 4 of the order is not applicable.
17. According to the information and explanations given to us and overall examination of the balance sheet, we report that no funds raised on short term basis have been used for long term investments.
18. The company has not made any preferential allotment of shares to the companies, firms or parties that are covered under the register maintained under the provisions of Section 301 of the Act.
19. The Company has not issued any debentures and therefore paragraph 4 (xix) of the Order is not applicable.
20. The Company has not raised any money by way of public issue during the year and therefore paragraph 4 (xx) of the Order is not applicable
21. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India for the purpose of reporting the true and fair view of the Financial statements and as per the information and explanation given by the management we report that, we have neither come across any instance of fraud on or by the company, either noticed or reported during the year, nor have been informed of any such case by the management.

**For Ford, Rhodes, Parks & Co.**  
**Chartered Accountants**  
**Firm Registration No.102860W**

**B. S. S. Shetty**  
**Partner**  
**Membership No. 6031**

Place: Mumbai  
Date: 28<sup>th</sup> May, 2013



**BALANCE SHEET AS AT MARCH 31, 2013***(Figures in ₹)*

	Note No	As at March 31, 2013	As at March 31, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	3	293,487,360	293,487,360
Reserves and surplus	4	777,398,811	733,795,844
		<u>1,070,886,171</u>	<u>1,027,283,204</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	5	12,569,163	8,445,853
Other current liabilities	6	151,713,141	152,935,074
Short-term provisions	7	27,895,449	6,134,464
		<u>192,177,753</u>	<u>167,515,391</u>
<b>Total</b>		<b><u>1,263,063,924</u></b>	<b><u>1,194,798,595</u></b>
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Fixed assets			
- Tangible assets	8	12,383,063	10,906,876
- Intangible assets	8	3,105,879	5,826,314
- Capital work-in-progress		185,000	185,000
		<u>15,673,942</u>	<u>16,918,190</u>
Non-current investments	9	456,803,600	456,803,600
Deferred tax assets (net)	10	10,173,966	8,056,194
Long-term loans and advances	11	162,102,131	147,502,884
Other non-current assets	12	85,833,448	78,978,496
		<u>714,913,145</u>	<u>691,341,174</u>
<b>CURRENT ASSETS</b>			
Trade receivables	13	252,231,729	227,149,525
Cash and bank balances	14	74,123,995	63,895,974
Short-term loans and advances	15	27,694,056	30,510,446
Other current assets	16	178,427,057	164,983,286
		<u>532,476,837</u>	<u>486,539,231</u>
<b>Total</b>		<b><u>1,263,063,924</u></b>	<b><u>1,194,798,595</u></b>

Significant accounting policies

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Notes to financial statements

3 to 35

Significant accounting Policies &amp; notes attached hereto form an integral part of Financial Statements.

This is the Balance Sheet/ Statement of Profit and Loss referred to in our report of even date.

**As per our attached report of even date.****For Ford, Rhodes, Parks & Co.****For and on behalf of the Board of Directors**

Chartered Accountants

Firm Registration Number: 102860W

**B. S. S. Shetty**

Partner

**Membership No. : 6031****R. Ganapathi**

Chairman and Executive Director

**Dr. P. Raja Mohan Rao**

Director

**Parthasarathy Iyengar**

Company Secretary

Mumbai: May 28, 2013

Mumbai: May 28, 2013

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Figures in ₹)

	Note	Year ended March 31, 2013	Year ended March 31, 2012
<b>REVENUE :</b>			
Revenue from operations	17	392,905,315	300,845,841
Other income	18	28,356,927	48,772,303
<b>TOTAL REVENUE</b>		<b><u>421,262,242</u></b>	<b><u>349,618,144</u></b>
<b>EXPENSES:</b>			
Employee benefits expenses	19	275,110,645	213,847,951
Finance costs	20	3,002,240	3,557,801
Depreciation	8	7,739,899	9,372,121
Other expenses	21	77,142,491	55,908,372
<b>TOTAL EXPENSES</b>		<b><u>362,995,275</u></b>	<b><u>282,686,245</u></b>
<b>PROFIT BEFORE TAX</b>		<b><u>58,266,967</u></b>	<b><u>66,931,899</u></b>
Tax Expenses			
- Current tax		16,781,772	14,339,636
- Deferred tax charge / (credit)		(2,117,772)	(8,056,194)
- Prior year tax adjustments		-	8,494,008
		<b><u>14,664,000</u></b>	<b><u>14,777,450</u></b>
<b>PROFIT FOR THE YEAR</b>		<b><u>43,602,967</u></b>	<b><u>52,154,449</u></b>

Significant accounting policies

2

Notes to financial statements

3 to 35

Significant accounting Policies & notes attached hereto form an integral part of Financial Statements.

Earnings per equity share: [Nominal Value per share: ₹ 10 (Previous year - ₹ 10)]

Basic	27	1.49	1.79
Diluted	27	1.49	1.75

The notes are an integral part of these financial statements.

**As per our attached report of even date.**

**For Ford, Rhodes, Parks & Co.**

Chartered Accountants

Firm Registration Number: 102860W

**B. S. S. Shetty**

Partner

**Membership No. : 6031**

**For and on behalf of the Board of Directors**

**R. Ganapathi**

Chairman and Executive Director

**Dr. P. Raja Mohan Rao**

Director

**Parthasarathy Iyengar**

Company Secretary

Mumbai: May 28, 2013

Mumbai: May 28, 2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013***(Amount in ₹)*

	Year ended March 31, 2013	Year ended March 31, 2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>PROFIT BEFORE TAX</b>	<b>58,266,967</b>	<b>66,931,899</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	7,739,899	9,372,121
Finance costs	3,002,240	3,557,801
Interest income from deposits with banks and others	(7,850,100)	(11,040,331)
Dividend income on long-term investment	(7,500)	(7,500)
Sale of Scrap Assets	(3,253,333)	-
Provision for doubtful advances	1,198,995	866,818
	<u>830,201</u>	<u>2,748,909</u>
<b>Operating profit before working capital changes</b>	<b>59,097,168</b>	<b>69,680,808</b>
<b>Adjustments for:</b>		
(Increase)/ decrease in trade receivables	(25,082,204)	(86,406,875)
(Increase)/ decrease in loans and advances and other current and non-current assets	(20,220,420)	2,543,422
Increase/ (decrease) in trade payables and other current and non-current liabilities and provisions	24,662,362	17,701,011
	<u>(20,640,262)</u>	<u>(66,162,442)</u>
<b>Cash generated from / (used in) operations</b>	<b>38,456,906</b>	<b>3,518,366</b>
Taxes paid (Net of Provisions)	(21,890,059)	(43,859,324)
<b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b><u>16,566,847</u></b>	<b><u>(40,340,958)</u></b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(6,495,653)	(10,330,296)
Sale of Scrap	3,253,333	-
Capital advance given for purchase of property	-	(90,000,000)
Advance given as share application money	(1,000,000)	(2,000,000)
Term deposits with banks as margin money	(6,854,952)	(6,422,171)
Dividend income	7,500	7,500
Interest income	7,753,186	12,174,208
<b>NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b><u>(3,336,586)</u></b>	<b><u>(96,570,759)</u></b>

(Amount in ₹)

	Year ended March 31, 2013	Year ended March 31, 2012
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from fresh issue of equity shares	-	20,385,337
Finance costs	(3,002,240)	(3,557,801)
<b>NET CASH INFLOW FROM FINANCING ACTIVITIES</b>	<b>(3,002,240)</b>	<b>16,827,536</b>
<b>D NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>10,228,021</b>	<b>(120,084,181)</b>
<b>E Cash and cash equivalents - opening balance</b>	<b>63,895,974</b>	<b>183,980,155</b>
<b>F Cash and cash equivalents - closing balance (Refer Note 15)</b>	<b>74,123,995</b>	<b>63,895,974</b>

## Notes:

1. The above Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statements' as specified in Companies (Accounting Standards) Rules, 2006.
2. The figures for the previous year have been regrouped where necessary to conform to current year's classification.

**As per our attached report of even date.**

**For Ford, Rhodes, Parks & Co.**

Chartered Accountants

Firm Registration Number: 102860W

**For and on behalf of the Board of Directors**

**B. S. S. Shetty**

Partner

**Membership No. : 6031**

**R. Ganapathi**

Chairman and Executive Director

**Dr. P. Raja Mohan Rao**

Director

**Parthasarathy Iyengar**

Company Secretary

Mumbai: May 28, 2013

Mumbai: May 28, 2013

**NOTES TO FINANCIAL STATEMENTS****1. GENERAL INFORMATION**

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.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a) Basis of preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the New Schedule VI to the Companies Act, 1956.

**b) Use of estimates**

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, the useful lives and provision for impairment of fixed assets and intangible assets.

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

**c) Tangible assets, intangible assets and capital work-in-progress**

Tangible assets and intangible assets are stated at cost of acquisition, less accumulated depreciation/amortisation and impairments, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

**d) Depreciation and amortisation**

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 lives of fixed assets as estimated by the management are:

<b>Asset</b>	<b>Useful life</b>
Buildings	20 years
Office equipments	3 to 4 years
Computer and peripherals	3 years and 2 months
Computer software	3 years and 2 months
Furniture and fixtures	4 years
Motor vehicles	4 years and 2 months

Assets individually costing ₹ 5,000 or less are depreciated fully in the year of acquisition Leasehold land is amortised over the primary period of the lease

**NOTES TO FINANCIAL STATEMENTS****e) Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

**f) Foreign currency translation**Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

**g) Revenue recognition**

Income from Communications and information technology staffing support 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.

**h) Employee benefits**

Contributions to the employees' provident fund, which is a defined contribution scheme, are charged to the statement of Profit and Loss 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.

**i) Current and deferred tax**

Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.

**NOTES TO FINANCIAL STATEMENTS**

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and the Company intends to settle the asset and liability on a net basis.

**j) Provisions and contingent liabilities**

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

**k) 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.

**l) Cash and cash equivalents**

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**m) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**n) 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 reflected as 'Employee Stock Options Outstanding' under the head 'Reserves and Surplus'.



## NOTES TO FINANCIAL STATEMENTS

(Figures in ₹)

	As at March 31, 2013	As at March 31, 2012
<b>3. SHARE CAPITAL</b>		
(a) <b>Authorised</b>		
35,000,000 (35,000,000) equity shares of ₹ 10/- each	350,000,000	350,000,000
5,000,000 (5,000,000) preference shares of ₹ 10/- each	<u>50,000,000</u>	<u>50,000,000</u>
	400,000,000	400,000,000
(b) <b>Issued, subscribed and fully paid-up</b>		
29,348,736 (29,348,736) equity shares of ₹ 10/- each fully paid-up	<u>293,487,360</u>	<u>293,487,360</u>
<b>Total</b>	<b><u>293,487,360</u></b>	<b><u>293,487,360</u></b>

	As at March 31, 2013		As at March 31, 2012	
	Number of Shares	Amount ₹	Number of Shares	Amount ₹
(c) Reconciliation of number of shares				
Balance as at the beginning of the year	29,348,736	293,487,360	27,903,736	279,037,360
On conversion of equity warrants	-	-	1,445,000	14,450,000
On exercise of Employee stock options (Refer Note 31)	-	-	-	-
<b>Balance as at the end of the year</b>	<b><u>29,348,736</u></b>	<b><u>293,487,360</u></b>	<b><u>29,348,736</u></b>	<b><u>293,487,360</u></b>

(d) Rights, preferences and restrictions attached to shares -  
 Equity shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference Shares: The Company's authorised capital is divided in equity share capital & preference share capital. However the company has not yet issued any preference share.

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2013		As at March 31, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
United Telecoms Limited	14,159,020	48.24%	14,159,020	48.24%

(f) Shares reserved for issue under options:

Refer Note 31 for details of shares to be issued under the Employee Stock Option Plan

## NOTES TO FINANCIAL STATEMENTS

## 4. RESERVES AND SURPLUS

	<i>(Figures in ₹)</i>	
	<b>As at</b>	<b>As at</b>
	<b>March 31, 2013</b>	<b>March 31, 2012</b>
<b>Securities premium reserve</b>		
Balance as at the beginning of the year	6,610,227,115	6,597,496,665
Add : Receipt on conversion of equity warrants	-	12,730,450
Balance as at the end of the year	<u>6,610,227,115</u>	<u>6,610,227,115</u>
<b>Employee stock options outstanding account</b> (Refer Note 31)		
Balance as at the beginning of the year	2,665,740	2,665,740
Less : Forfeited / lapsed	-	-
Balance as at the end of the year	<u>2,665,740</u>	<u>2,665,740</u>
<b>Capital Reserve</b>	8,100,000	8,100,000
<b>Surplus / (Deficit) in the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(5,887,197,011)	(5,939,351,460)
Profit for the year	43,602,967	52,154,449
Balance as at the end of the year	<u>(5,843,594,044)</u>	<u>(5,887,197,011)</u>
<b>Total</b>	<b><u>777,398,811</u></b>	<b><u>733,795,844</u></b>

## 5. TRADE PAYABLES

Trade payables	12,569,163	8,445,853
<b>Total</b>	<b><u>12,569,163</u></b>	<b><u>8,445,853</u></b>

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2013. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company. This has been relied upon by the auditors.

## 6. OTHER CURRENT LIABILITIES

Creditors for capital goods	1,709,045	1,066,906
Statutory dues including provident fund and tax deducted at source	4,918,049	3,415,936
Employee benefits payable	141,354,876	144,138,058
Security deposits	3,180,275	4,225,445
Others	550,896	88,729
<b>Total</b>	<b><u>151,713,141</u></b>	<b><u>152,935,074</u></b>

Employee benefits payable includes allowances of ₹ 133,292,642 (₹ 135,983,349), payable to employees on onsite mission duties, which are recoverable from the customer, Trigyn Technologies Inc, step down subsidiary. (Refer Note 13)

## 7. SHORT-TERM PROVISIONS

Provision for employee benefits:		
- Gratuity	4,021,492	1,230,943
- Compensated absences	7,092,185	4,903,521
- Provision for tax	16,781,772	-
<b>Total</b>	<b><u>27,895,449</u></b>	<b><u>6,134,464</u></b>

## NOTES TO FINANCIAL STATEMENTS

## 8. Fixed Assets

(Figures in ₹)

	Gross Block				Depreciations / Amortisation				Net Block	
	As at April 1, 2012	Additions	Deductions / Adjustments	As at March 31, 2013	As at April 1, 2012	For the year	Deductions / Adjustments	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
<b>Tangible assets</b>										
Buildings (Refer Note below)	6,467,893	-	-	6,467,893	4,696,509	364,752	-	5,061,261	1,406,632	1,771,384
Computers and peripherals	73,522,962	2,727,763	32,823,985	43,426,740	68,841,593	2,541,528	32,823,985	38,559,137	4,867,604	4,681,369
Office equipment	10,259,656	436,642	4,730,481	5,965,817	9,648,907	326,838	4,730,481	5,245,264	720,553	610,749
Furniture and fixtures	7,067,935	153,428	-	7,221,363	6,631,570	274,526	-	6,906,096	315,267	436,365
Leasehold improvements	80,106,380	2,547,808	71,542,903	11,111,285	76,699,371	881,805	71,542,903	6,038,272	5,073,012	3,407,009
<b>Total - A</b>	<b>177,424,826</b>	<b>5,865,641</b>	<b>109,097,369</b>	<b>74,193,098</b>	<b>166,517,950</b>	<b>4,389,449</b>	<b>109,097,369</b>	<b>61,810,030</b>	<b>12,383,068</b>	<b>10,906,876</b>
Previous Year	170,067,803	7,357,023	-	177,424,826	161,763,435	4,754,515	-	166,517,950	10,906,876	8,304,368
<b>Intangible assets</b>										
Computer softwares/licenses	19,822,723	630,012	-	20,452,735	13,996,409	3,350,451	-	17,346,860	3,105,875	5,826,314
<b>Total - B</b>	<b>19,822,723</b>	<b>630,012</b>	<b>-</b>	<b>20,452,735</b>	<b>13,996,409</b>	<b>3,350,451</b>	<b>-</b>	<b>17,346,860</b>	<b>3,105,875</b>	<b>5,826,314</b>
Previous Year	16,849,450	2,973,273	-	19,822,723	9,378,803	4,617,606	-	13,996,409	5,826,314	7,470,647
<b>Total - A + B</b>	<b>197,247,549</b>	<b>6,495,653</b>	<b>109,097,369</b>	<b>94,645,832</b>	<b>180,514,359</b>	<b>7,739,900</b>	<b>109,097,369</b>	<b>79,156,889</b>	<b>15,488,943</b>	<b>16,733,190</b>
As at March 31, 2012	186,917,253	10,330,296	-	197,247,549	171,142,238	9,372,121	-	180,514,359	16,733,190	15,775,015

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

(Figures in ₹)

**As at  
March 31, 2013**      **As at  
March 31, 2012**

## 9. NON-CURRENT INVESTMENTS

## Long-term

(Valued at cost unless otherwise stated)

## Non-trade investments (unquoted)

100 (100) equity shares of ₹ 36 each fully paid-up in Bombay Mercantile Co-operative Bank Limited

3,600      3,600

5,000 (5,000) equity shares of ₹ 10 each fully paid-up in North Kanara GSB Co-operative Bank Limited

50,000      50,000

---

53,600      53,600

## Trade investments (Unquoted)

## Investment in wholly owned subsidiaries

7,350,000 (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 (15,000) equity shares of US \$ 1 each fully paid-up in Applisoft Inc. USA

421,629,079      421,629,079

500,000 (500,000) equity shares of ₹ 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 25)

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6,034,595,454      6,034,595,454

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456,750,000      456,750,000**Total**

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**456,803,600**      **456,803,600****Aggregate amount of unquoted investments ( At cost )**

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**456,803,600**      **456,803,600**

## NOTES TO FINANCIAL STATEMENTS

## 10. DEFERRED TAX ASSETS (NET)

	As at March 31, 2013	(Figures in ₹) As at March 31, 2012
Deferred Tax assets:		
Lower depreciation/amortisation on fixed assets for tax purposes due to lower tax depreciation rates.	5,598,028	4,813,796
Provision for doubtful debts / advances that are deducted for tax purposes when written off (Refer Note below)	3,605,833	1,327,001
Liabilities / provisions that are deducted for tax purposes when paid	483,431	1,590,947
Others	486,675	324,450
<b>Total</b>	<b>10,173,966</b>	<b>8,056,194</b>

Deferred tax assets on provision for doubtful debts / advances are recognised to the extent there is reasonable certainty of allowances in the future years.

## 11. LONG-TERM LOANS AND ADVANCES

(Unsecured and considered good, unless otherwise stated)

Loans and advances to related parties		
Considered good	6,139,051	5,244,656
Considered doubtful	228,939,443	227,640,448
	<u>235,078,494</u>	<u>232,885,104</u>
Less: Provision for doubtful advances	228,939,443	227,640,448
	<u>6,139,051</u>	<u>5,244,656</u>
Capital advances to:		
- Related party (Refer Note 29)	90,000,000	90,000,000
- Others	640,434	872,500
	<u>90,640,434</u>	<u>90,872,500</u>
Security deposits	551,275	551,275
Advance towards share application	3,000,000	2,000,000
Prepaid expenses	10,074,114	2,424,920
Service tax receivable	3,100,212	2,920,775
Income tax payments (net of provision for income tax)	48,597,045	43,488,758
<b>Total</b>	<b>162,102,131</b>	<b>147,502,884</b>

\* Income tax payments includes ₹4,000,000 (Previous year ₹ 29,500,000) towards disputed tax matters pending before appellate authorities. (Refer note 22)

## 12. OTHER NON-CURRENT ASSETS

(Unsecured and considered good, unless otherwise stated)

Term deposits with banks @	85,619,106	78,764,154
Fringe benefit tax (net of provision of ₹ 1,650,108 (₹ 1,650,108))	214,342	214,342
<b>Total</b>	<b>85,833,448</b>	<b>78,978,496</b>

@ Term deposits with banks are held as lien by banks against guarantees issued on behalf of the Company.

## NOTES TO FINANCIAL STATEMENTS

## 13. TRADE RECEIVABLES

	As at March 31, 2013	(Figures in ₹) As at March 31, 2012
Unsecured, considered good :		
Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
Others	252,231,729	227,149,525
	<u>252,231,729</u>	<u>227,149,525</u>
Unsecured, considered doubtful :		
Outstanding for a period exceeding 6 months from the date they are due for payment	179,026,567	179,026,567
Others	-	-
	<u>179,026,567</u>	<u>179,026,567</u>
Less : Provision for doubtful debts	(179,026,567)	(179,026,567)
<b>Total</b>	<b><u>252,231,729</u></b>	<b><u>227,149,525</u></b>

## 14. CASH AND BANK BALANCES

Cash and cash equivalents:		
Cash on hand	36,765	20,146
Bank balances:		
In current accounts	70,787,230	62,463,627
Demand deposits (less than 3 months maturity)	3,300,000	1,412,201
<b>Total</b>	<b><u>74,123,995</u></b>	<b><u>63,895,974</u></b>

## 15. SHORT-TERM LOANS AND ADVANCES

(Unsecured and considered good, unless otherwise stated)

Loans and advances to related parties		
- United Telecoms Limited	1,378,750	2,371,110
- Promuk Hoffmann International Ltd	5,000,000	-
- Tender deposits	6,085,750	13,628,100
- Excess Remuneration recoverable (Director)	392,881	-
Loans and advances to related parties (Refer Note 29)	<u>12,857,381</u>	<u>15,999,210</u>
Loans and advances to others:		
- Considered good	2,405,462	1,965,696
- Considered doubtful	3,990,000	4,090,000
	<u>6,395,462</u>	<u>6,055,696</u>
Less: Provision for doubtful loans and advances	(3,990,000)	(4,090,000)
	<u>2,405,462</u>	<u>1,965,696</u>
Loans and advances to employees	9,737,043	4,138,665
Advances to suppliers	133,123	333,200
Service tax receivable	2,046,694	1,517,865
Prepaid expenses	514,353	6,555,810
<b>Total</b>	<b><u>27,694,056</u></b>	<b><u>30,510,446</u></b>

## NOTES TO FINANCIAL STATEMENTS

	<i>(Figures in ₹)</i>	
	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
<b>16. OTHER CURRENT ASSETS</b>		
(Unsecured and considered good, unless otherwise stated)		
Unbilled receivables:		
Unsecured, considered good	-	-
Unsecured, considered doubtful	1,319,189	1,319,189
	<u>1,319,189</u>	<u>1,319,189</u>
Less: Provision for doubtful advances	(1,319,189)	(1,319,189)
	-	-
Contractual receivable from a related party	176,311,390	162,964,533
Interest receivable	2,115,667	2,018,753
<b>Total</b>	<b><u>178,427,057</u></b>	<b><u>164,983,286</u></b>
		<i>(Figures in ₹)</i>
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2013</b>	<b>March 31, 2012</b>
<b>17. REVENUE</b>		
Revenue from operations:		
Income from Communications and information technology staffing support services	389,251,124	291,926,203
Other operating income	3,654,191	8,919,638
<b>Total</b>	<b><u>392,905,315</u></b>	<b><u>300,845,841</u></b>
<b>18. OTHER INCOME</b>		
Interest income from deposits with banks and others	7,850,100	11,040,331
Dividend income on long-term investment	7,500	7,500
Net gain on foreign currency transactions and translations	13,894,655	35,782,325
Lease rental income	1,920,672	1,942,147
Liabilities written back to the extent no longer required	-	-
Other non operating income	4,684,000	-
<b>Total</b>	<b><u>28,356,927</u></b>	<b><u>48,772,303</u></b>
<b>19. EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, wages and bonus	252,129,017	195,717,899
Contribution to provident and other funds	13,871,174	10,278,317
Gratuity and leave encashment	6,858,095	6,390,866
Staff welfare expenses	2,252,359	1,460,869
<b>Total</b>	<b><u>275,110,645</u></b>	<b><u>213,847,951</u></b>

## NOTES TO FINANCIAL STATEMENTS

		<i>(Figures in ₹)</i>	
		Year ended	Year ended
		March 31, 2013	March 31, 2012
<b>20. FINANCE COSTS</b>			
Bank charges and commission		3,001,799	2,566,651
Other interest		441	991,150
	<b>Total</b>	<b><u>3,002,240</u></b>	<b><u>3,557,801</u></b>
<b>21. OTHER EXPENSES</b>			
Payments to consultants		11,006,232	7,491,164
Power and fuel		5,122,090	4,544,360
Rent		1,009,500	1,009,500
Repairs to:			
-Plant and machinery		11,162	50,602
-Others		669,153	238,954
		<u>680,315</u>	<u>289,556</u>
Insurance		2,256,740	1,563,545
Travelling, conveyance and vehicle expenses		12,255,230	13,368,282
Auditors' remuneration			
- Statutory audit fees		2,097,760	2,350,000
- Tax audit fees		200,000	200,000
- Other services		100,000	100,000
- Out of pocket expenses		-	62,416
		<u>2,397,760</u>	<u>2,712,416</u>
Legal and professional charges		8,747,421	10,314,985
Advertisement and sales promotion		1,461,918	978,622
Communication expenses		2,490,670	2,557,171
Recruitment expense		5,005,263	461,681
Provision for doubtful advances		1,198,995	866,818
Bad debts		8,324,317	-
Miscellaneous expenses		15,186,040	9,750,272
	<b>Total</b>	<b><u>77,142,491</u></b>	<b><u>55,908,372</u></b>
<b>22. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS</b>			
(A) Claims against the Company not acknowledged as debts			
- Income tax matters		234,848,245	196,846,518
- Services tax matters		1,176,441	1,176,441
- Guarantees issued by banks on behalf of the Company		91,531,368	87,305,030
		<u>327,556,054</u>	<u>285,327,989</u>
(B) Capital commitments		122,280,000	122,280,000
	<b>Total</b>	<b><u>449,836,054</u></b>	<b><u>407,607,989</u></b>



## NOTES TO FINANCIAL STATEMENTS

	As at March 31, 2013	(Figures in ₹) As at March 31, 2012
<b>23. EXPENDITURE IN FOREIGN CURRENCY</b>		
Travelling, conveyance and vehicle expenses	10,951,554	9,205,287
Advertisement and sales promotion	268,587	103,890
Overseas payroll cost	54,111,671	45,423,732
Payments to consultants	6,520,200	5,766,400
Insurance	2,256,740	1,563,545
Other expenses	463,425	1,340,729
<b>Total</b>	<b><u>74,572,177</u></b>	<b><u>63,403,583</u></b>
<b>24. EARNINGS IN FOREIGN CURRENCY</b>		
Income from Communications and information technology staffing support services	387,247,386	285,473,559
<b>Total</b>	<b><u>387,247,386</u></b>	<b><u>285,473,559</u></b>

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

The Company has made provisions for decline in the value of investments in eCapital Solutions (Bermuda) Limited, Leading Edge Infotech Limited and Applisoft Inc. aggregating ₹ 6,034,595,454 upto the year end March 31, 2013 (includes part provision of Rs 5,607,966,375 against carrying value of investment of Rs 6,064,716,375 in eCapital Solutions (Bermuda) Limited). Carrying value of investment in eCapital Solutions (Bermuda) Limited as on March 31, 2013 is ₹ 456,750,000.

The management had carried out the business valuation as of 31<sup>st</sup> Mar 2012 of its step down subsidiary viz Trigyn Technologies Inc, a subsidiary of the Company's subsidiary, eCapital Solutions Bermuda Limited (under voluntary liquidation), from an Independent valuer. The Management has not carried out such valuation as of 31<sup>st</sup> March 2013 however the management has reviewed the valuation under present conditions as of 31<sup>st</sup> March 2013. Based on the valuation report and review, the Board of Directors believes that the diminution in value, other-than-temporary, in the carrying value of its investment in eCapital Solutions Bermuda Limited has been adequately provided for, as above.

26. The Company has not entered into any Derivative transactions during the year. Net foreign currency exposures not hedged as at the year-end are as under:

	Currency	March 31, 2013		March 31, 2012	
		Amount in Foreign Currency	Equivalent Amount in ₹ at the year end	Amount in Foreign Currency	Equivalent Amount in ₹ at the year end
Trade receivables	USD	4,585,661	249,276,547	4,322,056	224,098,604
Other current liabilities	USD	2,496,566	135,713,347	2,671,896	138,537,782
Cash and bank balances	USD	1,235,778	67,176,878	526,040	27,275,174
Other current assets	USD	3,243,403	176,311,390	3,143,000	162,964,533

**NOTES TO FINANCIAL STATEMENTS**

## 27. Earnings per share:

	March 31, 2013	March 31, 2012
<b>Profit after tax</b>	<b>43,603,124</b>	<b>52,154,449</b>
Equity shares outstanding as at the year end	29,348,736	29,348,736
Weighted average number of equity shares used as denominator for calculating basic earnings per share	29,348,736	29,107,243
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	29,348,736	29,348,736
Nominal value per equity share	₹ 10	₹ 10
<b>Basic earnings per equity share</b>	<b>₹ 1.49</b>	<b>₹ 1.79</b>
<b>*Diluted earnings per equity share</b>	<b>₹ 1.49</b>	<b>₹ 1.75</b>

\*Diluted EPS has been calculated after taking into account options granted to certain eligible employees as referred in note 3(d).

## Reconciliation of Basic and Diluted Shares used in computing earnings per share

	March 31, 2013	March 31, 2012
Number of shares considered as basic weighted average shares outstanding	29,348,736	29,107,243
Add: Effect of dilutive stock options*	NIL	671,949
Number of shares considered as weighted average shares and potential shares outstanding	29,348,736	29,779,192

\* In computing the diluted EPS, potential equity shares that either increase earning per share or decrease loss per equity share, being anti-dilutive are ignored.

## 28. Segment Information

The Company has only one reportable segment- "Communications and information technology staffing support services" - in terms of Accounting Standard 17 "Segment Reporting" mandated by Rule 3 of the Companies ("Accounting Standards") Rules, 2006. Based on the location of the customer, the Company has only one reportable geographical segment, i.e. United States of America.

## 29. Related Party disclosures :

- a) Name of related parties and nature of relationship:
  - i) Subsidiary companies
    - Leading Edge Infotech Limited
    - eCapital Solutions (Bermuda) Limited (under voluntary liquidation)
    - Applisoft Inc. (till May 18, 2010 as company was voluntarily liquidated)
  - ii) Step down subsidiary companies
    - Trigyn Technologies (India) Private Limited
    - Trigyn Technologies Europe GmbH (under voluntary liquidation)
    - Trigyn Technologies Inc.
    - eVector (India) Private Limited (Under Liquidation)
    - Trigyn Technologies Limited UK (Liquidated in 2004)
    - eVector Inc. USA (Liquidated)
  - iii) Entity which has a substantial interest in the Company
    - United Telecoms Limited
  - iv) Key management personnel (KMP)
    - R. Ganapathi
    - Bhavana Rao

## NOTES TO FINANCIAL STATEMENTS

- v) Others – Entities in which United Telecoms Limited has significant influence, with whom transactions has been entered into.

Andhra Networks Limited

Promuk Hoffmann International Limited

- b) Particulars of related party transactions during the year ended March 31, 2013:

Nature of transactions	Transactions	
	March 31, 2013	March 31, 2012
<b>Transactions during the year</b>		
<b>a. Subsidiary Company</b>		
<u>Loans given</u>		
Leading Edge Infotech Limited	1,101,329	2,517,759
eCapital Solutions (Bermuda) Limited**	1,298,995	866,818
<u>Provision for loans given</u>		
eCapital Solutions (Bermuda) Limited**	1,298,995	866,818
<b>Balances as at year end</b>		
<u>Loans given</u>		
Leading Edge Infotech Limited	15,253,086	14,451,757
Applisoft Inc*	1,252,081	1,252,081
eCapital Solutions (Bermuda) Limited**	58,08,685	4,509,691
<u>Provision for loans given</u>		
Leading Edge Infotech Limited	12,289,489	12,289,489
Applisoft Inc*	1,252,081	1,252,081
eCapital Solutions (Bermuda) Limited**	5,808,686	4,509,691
<b>Transactions during the year</b>		
<b>b. Step down Subsidiary Company</b>		
<u>Loans given</u>		
Trigyn Technologies (India) Private Limited	-	29,667
<u>Expenses Incurred on behalf of the Company</u>		
Trigyn Technologies Inc.	27,321,566	22,643,363
<u>Expenses incurred by the Company</u>		
Trigyn Technologies Inc.	-	1,046,620,723
Trigyn Technologies (India) Private Limited	93,066	-
<u>Services rendered</u>		
Trigyn Technologies Inc.	387,247,387	285,165,273

## NOTES TO FINANCIAL STATEMENTS

Nature of transactions	Transactions	
	March 31, 2013	March 31, 2012
<b>Balances as at year end</b>		
<u>Loans given</u>		
Trigyn Technologies (India) Private Limited	210,443,662	210,350,596
eVector (India) Private Limited*	9,505	9,505
Trigyn Technologies Limited UK*	2,075,814	2,075,814
eVector Inc. USA*	26,713	26,713
eCapital Solutions (Mauritius) Limited*	208,946	208,946
<u>Provision for loans given</u>		
Trigyn Technologies (India) Private Limited	207,268,208	207,268,208
eVector (India) Private Limited*	9,505	9,505
Trigyn Technologies Limited UK*	2,075,814	2,075,814
eVector Inc. USA*	26,713	26,713
eCapital Solutions (Mauritius) Limited*	208,946	208,946
<u>Advances receivable</u>		
Trigyn Technologies Inc.	176,311,389	162,964,532
<u>Trade receivables</u>		
Trigyn Technologies Inc.	249,276,545	224,098,610
Trigyn Technologies Limited – UK*	6,009,496	6,009,496
<u>Provisions for doubtful receivables</u>		
Trigyn Technologies Limited – UK*	6,009,496	6,009,496
<b>Transactions during the year</b>		
<b>c. Entity having a substantial interest in the Co</b>		
<u>Expenses Incurred by the Company</u>		
United Telecoms Limited	-	992,360
<u>Expenses Incurred on behalf of the Company</u>		
United Telecoms Limited	860,000	-
<u>Issue of equity shares on conversion of equity warrants</u>		
United Telecoms Limited	-	14,450,000
<b>Balances as at year end</b>		
United Telecoms Limited	1,378,750	2,371,110
United Telecoms Limited - Equity share warrants	-	-
<b>Transactions during the year</b>		
<b>d. Entities in which United Telecoms Limited has significant influence</b>		
<u>Tender Deposit / Software Purchase</u>		
Promuk Hoffmann International Limited	5,000,000	28,653,100
<u>Advance given for purchase of property</u>		
Andhra Networks Limited	-	90,000,000

## NOTES TO FINANCIAL STATEMENTS

Nature of transactions	Transactions
	March 31, 2013
<b>Balances as at year end</b>	
Promuk Hoffmann International Limited	11,628,100
Andhra Networks Limited – Capital advances	-
<b>e. Key management personnel (KMP)</b>	
<b>Transactions during the year</b>	
<b>Remuneration Paid</b>	
Mr. R. Ganapathi	Refer Note 30
Ms. Bhavana Rao	Refer Note 30
<b>Balances as at year end – Excess remuneration receivable from Director</b>	392,881

\* Liquidated

\*\* Under Liquidation

d) For ESOP issued to Mr. R. Ganapathi refer Note 31

## 30. Managerial Remuneration:

Nature of transactions:	March 31, 2013 ₹	March 31, 2012 ₹
Payments and provisions on account of remuneration to Chairman & Executive Director and an Executive Director included in the Statement of Profit and Loss		
Salary	5,807,123	3,000,000
<b>Contribution to provident and other funds</b>	744,000	360,000
	<b>65,51,123</b>	<b>3,360,000</b>
Remuneration to non-whole time directors (including Sitting fees)	300,000	240,000

(a) The above remuneration to Chairman & Executive Director and an Executive Director does not include contribution to gratuity fund and provision for Leave encashment, as these are lump sum amounts for all relevant employees based on actuarial valuation.

(b) The above remuneration is subject to shareholders approval in the ensuing Annual General Meeting.

## 31. Employee Stock Option Plans

(a) The 1998 Employee Stock Option Plan

The 1998 Employees Stock Option Plan ('the Plan') provided 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 year ended 31 March 2013:

Number of options granted, exercised and foreited during	Year ended March 31, 2013	Year ended March 31, 2012
Options Outstanding, beginning of period	500	500
Less:- Exercised	--	--
Forfeited	--	--
<b>Options outstanding, end of period</b>	<b>500</b>	<b>500</b>

**NOTES TO FINANCIAL STATEMENTS**

During the year ended March 31, 2001, the Company issued 156,060 options including 34,250 options to employee of its subsidiary, 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.

**(b) 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. 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.

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 step down 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 ₹10/- per equity share. 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 period for exercise of the option has been extended to May 6, 2020

During the previous year, in terms board resolution passed in board meeting and remuneration committee meeting held on May 7, 2010 the Company granted 100,000 stock options convertible into equivalent amount of equity shares at an exercise price of ₹ 22.40 per equity share under ESOP 2000 Scheme to Mr. R. Ganapathi (Chairman and Executive Director) The vesting period for same is within one year from the date of the grant.

Presented below is a summary of the Company's 2000 stock option plan activity during the years ended 31 March 2013:

Number of options granted, exercised and foreited during	Year ended	Year ended
	March 31, 2013	March 31, 2012
Options Outstanding, beginning of period	559,950	559,950
Granted during the year	--	--
Less:- Exercised	--	--
Forfeited	--	--
<b>Options outstanding, end of period</b>	<b>559,950</b>	<b>559,950</b>

34. The Following table sets forth the funded status of the plan and the amounts relating to gratuity and leave encashment recognized in the Company's financials:

**A. Defined Benefit plan (Gratuity):**

	March 31, 2013	March 31, 2012
<b>I. Actuarial assumptions for Gratuity benefits and Compensated absence for employees:</b>		
Discount rate	8.00%	8.50%
Rate of return on Plan assets*	8.00%	7.50%
Future salary rise**	7.00%	7.00%
Mortality	Published notes under the IC (1994-96) Mortality tables	

\*The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

\*\*The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.

## NOTES TO FINANCIAL STATEMENTS

	March 31, 2013 ₹	March 31, 2012 ₹
<b>II. Changes in benefit obligations:</b>		
Liability at the beginning of the year	9,173,362	6,235,229
Interest cost	920,887	625,943
Current service cost	2,409,336	1,740,213
Past service cost	--	--
Benefits paid	--	(1,379,984)
Actuarial (gain)/loss on obligations	107,633	1,951,961
Liability at the end of the year	12,611,218	9,173,362

	March 31, 2013 ₹	March 31, 2012 ₹
<b>III. Fair value of plan assets :</b>		
Fair value of plan assets at the beginning of the year	7,887,369	5,709,949
Expected return on plan assets	572,897	450,764
Contributions	--	3,067,037
Benefits paid	--	(1,379,984)
Actuarial gain/(loss) on plan assets	129,460	39,603
Fair value of plan assets at the end of the year	8,589,726	7,887,369

	March 31, 2013 ₹	March 31, 2012 ₹
<b>IV. Actual return on plan assets :</b>		
Expected return on plan assets	572,897	450,764
Actuarial gain/(loss) on plan assets	129,460	39,603
Actual return on plan assets	702,357	490,367

	March 31,				
	2013	2012	2011	2010	2009
<b>V. Amount recognised in the Balance Sheet :</b>					
Liability at the end of the year	12,611,218	9,173,362	6,235,229	4,301,106	3,143,269
Fair value of plan assets at the end of the year	(8,589,726)	(7,887,369)	(5,709,949)	(5,671,003)	(3,660,746)
Difference	3,965,075	1,173,158	356,027	(1,369,897)	(517,477)
Unrecognized past service Cost	56,417	112,835	169,254	--	--
<b>(Assets) / Liability recognised in the Balance Sheet</b>	<b>4,021,492</b>	<b>1,285,993</b>	<b>525,281</b>	<b>(1,369,897)</b>	<b>(517,477)</b>

<b>I. Percentage of each category of plan assets to total fair value of plan assets.</b>	March 31, 2013	March 31, 2012
Insurer managed funds	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

## NOTES TO FINANCIAL STATEMENTS

<b>VII. Expenses recognised in the Statement Profit and Loss :</b>	<b>March 31, 2013</b>	<b>March 31, 2012</b>
	₹	₹
Current service cost	2,409,336	1,740,213
Interest cost	920,887	625,943
Expected return on plan assets	(572,897)	(450,764)
Net actuarial (gain)/loss to be recognized	(21,827)	1,912,358
Past service cost	56,418	56,418
<b>(Income) / Expense recognised in the Statement of Profit and Loss</b>	<b>2,791,917</b>	<b>3,884,168</b>

	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>	<b>As at March 31, 2009</b>
<b>VIII. Experience adjustments:</b>					
On plan liability (gains) / losses	485,096	2,377,519	(362,641)	234,012	152,638
On plan assets (losses) / gains	129,460	39,603	86,428	22,328	29,068

As per actuarial valuation report, expected employer's contribution in next year is ₹ 4,000,000 (₹ 1,000,000).

B. Privileged leave (Compensated absence for employees):

Amount recognized in the Balance Sheet and movements in net liability:

<b>Particulars</b>	<b>March 31, 2013</b>	<b>March 31, 2012</b>
	₹	₹
Opening balance of compensated absences (a)	4,903,521	3,185,670
Present value of compensated absences(As per actuary valuation) as at the year end (b)	7,092,185	4,903,521
(Excess)/ Unfunded liability of Compensated Absences recognized in the Statement of Profit and Loss for the year (b-a)	<b>2,188,664</b>	<b>1,717,851</b>

The privileged leave liability is not funded.

C. Defined contribution plan :

The Company has recognized ₹9,698,708 (₹8,841,379) towards contribution to provident fund and ₹ 49,220 (₹ 77,277) towards employee state insurance plan in the Statement of Profit and Loss.

33. Following balances in the accounts relating to subsidiary companies or step down subsidiary which were wound up / liquidated / under liquidation in the earlier years are fully provided for: -

<b>Particulars</b>	<b>March 31, 2013</b>	<b>March 31, 2012</b>
<b>Investments</b>		
Applisoft Inc	421,629,079	421,629,079
<b>Debtors</b>		
Trigyn Technologies Limited, UK*	6,009,496	6,009,496
<b>Loans and Advances</b>		
Applisoft Inc*	1,252,081	1,252,081
Trigyn Technologies Limited, UK*	2,075,814	2,075,814
eVector Inc USA*	26,713	26,713
eCapital Solutions (Mauritius) Limited*	208,946	208,946
eCapital Solutions (Mauritius) Limited*	58,08,685	45,09,691
eVector India Private Limited*	9,505	9,505

\* Liquidated

\*\* Under Liquidation



**NOTES TO FINANCIAL STATEMENTS**

These balances are carried forward in the financial statements and would be written off upon compliance with formalities with Reserve Bank of India.

The Company had, in earlier years, applied to Reserve Bank of India for condonations/ permissions in respect of certain non-compliances relating to non-realisation of export debtors. These applications are pending disposal. Most of these non-compliances were a result of the persistent down trend in the past in the software industry, particularly in the United States, which was the largest customer market for the Company. These unrealised balances included in sundry debtors have been fully provided in earlier years.

34. The Company derives significant part of its revenue from its step down subsidiary, Trigyn Technologies Inc, which has contracts with United Nations. One of its significant contracts with United Nations is due to expire on October 31, 2013. The management is hopeful for the long term renewal of the contract.
- 35.. Previous year figures
- a) The previous year figures have been reclassified to conform to this year's classification wherever required.
  - b) The figures in brackets represent those of the previous year.

**As per our attached report of even date.**

**For Ford, Rhodes, Parks & Co.**

Chartered Accountants

Firm Registration Number: 102860W

**For and on behalf of the Board of Directors**

**B. S. S. Shetty**

Partner

**Membership No. : 6031**

**R. Ganapathi**

Chairman and Executive Director

**Dr. P. Raja Mohan Rao**

Director

**Parthasarathy Iyengar**

Company Secretary

Mumbai: May 28, 2013

Mumbai: May 28, 2013

## INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF TRIGYN TECHNOLOGIES LIMITED

We have audited the accompanying consolidated financial statements of **TRIGYN TECHNOLOGIES LIMITED** (the "Company") and its subsidiaries (the Company and its subsidiaries constitute the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements / financial information of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements 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, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, 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.

### Emphasis of Matter

*We draw attention to Note 30 to the Financial Statements regarding the approval of managerial remuneration by the shareholders.*

Our opinion is not qualified in respect of this matter.

### Other Matter

*We have relied on the unaudited financial statements of 2 (Two) subsidiaries, included in the consolidated year to date financial results, whose consolidated unaudited financial statements reflect total assets of Rs 575.98 lacs as at March 31, 2013, as well as the total revenue of Rs 10.48 lacs for the year April 1, 2012 to March 31, 2013. These unaudited financial statements and other financial information as approved by the Board of Directors, have been furnished to us by the Management, and our opinion on the Year to date financial results, to the extent they have been derived from such unaudited financial statements is based solely on such approved unaudited financial statements.*

Our opinion is not qualified in respect of this matter.

For **FORD, RHODES, PARKS & CO.**  
Chartered Accountants  
Firm Registration No. 102860W

**B. S. S. SHETTY**  
Partner  
Membership No. 6031

Mumbai  
May 28, 2013

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013**

		<i>(Figures in ₹)</i>	
	Note No	As at March 31, 2013	As at March 31, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	4	293,487,360	293,487,360
Reserves and surplus	5	687,899,096	519,381,501
		<u>981,386,456</u>	<u>812,868,861</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	6	5,164,200	4,925,750
Other Long-term liabilities	7	790,757	754,245
		<u>5,954,957</u>	<u>5,679,995</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	8	157,091,153	129,125,020
Other current liabilities	9	193,492,486	189,369,481
Short-term provisions	10	63,248,633	20,307,947
		<u>413,832,272</u>	<u>338,802,448</u>
<b>Total</b>		<u><b>1,401,173,685</b></u>	<u><b>1,157,351,304</b></u>
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Fixed assets			
- Tangible assets	11	13,564,383	11,438,911
- Intangible assets	11	3,105,879	5,826,313
- Capital work-in-progress		185,000	185,000
		<u>16,855,262</u>	<u>17,450,224</u>
Non-current investments	12	103,600	103,600
Deferred tax assets (net)	13	10,173,966	8,056,194
Long-term loans and advances	14	161,567,565	147,788,745
Other non-current assets	15	85,837,691	78,982,739
		<u>257,682,822</u>	<u>234,931,278</u>
<b>CURRENT ASSETS</b>			
Trade receivables	16	957,244,070	725,377,266
Cash and bank balances	17	122,290,894	131,295,241
Short-term loans and advances	18	35,101,385	36,606,288
Other current assets	19	11,999,252	11,691,007
		<u>1,126,635,601</u>	<u>904,969,802</u>
<b>Total</b>		<u><b>1,401,173,685</b></u>	<u><b>1,157,351,304</b></u>

**Significant accounting Policies**

3

**Notes to Financial Statement**

4 to 35

Significant accounting Policies &amp; notes attached hereto form an integral part of Financial Statements.

This is the Balance Sheet referred to in our report of even date.

As per our attached report of even date.

For **FORD, RHODES, PARKS & CO.**

For and on behalf of the Board

Chartered Accountants

Firm Registration Number: 102860W

**B. S. S. SHETTY**

Membership No. : 6031

**R. GANAPATHI**Chairman and  
Executive Director**Dr. P. RAJA MOHAN RAO**

Director

**PARTHASARATHY IYENGAR**

Company Secretary

Mumbai: May 28, 2013

Mumbai: May 28, 2013

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013**

		<i>(Figures in ₹)</i>	
	Note	Year ended March 31, 2013	Year ended March 31, 2012
<b>REVENUE :</b>			
Revenue from operations	20	3,483,196,046	2,739,355,909
Other income	21	29,898,279	52,237,855
<b>TOTAL REVENUE</b>		<b>3,513,094,325</b>	<b>2,791,593,764</b>
<b>EXPENSES:</b>			
Employee benefits expenses	22	1,198,998,123	934,456,661
Finance costs	23	4,956,286	4,290,241
Depreciation and amortisation expenses	11	8,180,036	10,000,093
Other expenses	14	2,062,099,296	1,646,706,906
<b>TOTAL EXPENSES</b>		<b>3,274,233,741</b>	<b>2,595,453,901</b>
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>238,860,584</b>	<b>196,139,863</b>
Exceptional items - expenses / (income)	25	-	40,486,330
<b>PROFIT BEFORE TAX</b>		<b>238,860,584</b>	<b>155,653,533</b>
Tax Expenses			
- Current tax		84,442,705	47,838,104
- Deferred tax charge / (credit)		(2,117,772)	(8,056,194)
- Prior year tax adjustments		-	8,494,008
		<b>82,324,933</b>	<b>48,275,918</b>
<b>PROFIT FOR THE YEAR</b>		<b>156,535,651</b>	<b>107,377,615</b>
Earnings per equity share: [Nominal Value per share: ₹10 (Previous year - ₹10)]			
Before exceptional items			
Basic		5.33	5.08
Diluted		5.33	4.97
After exceptional items			
Basic		5.33	3.69
Diluted		5.33	3.61

**Significant accounting Policies**

3

**Notes to Financial Statement**

4 to 35

Significant accounting Policies &amp; notes attached hereto form an integral part of Financial Statements.

This is the Statement of Profit and Loss referred to in our report of even date.

As per our attached report of even date.

For **FORD, RHODES, PARKS & CO.****For and on behalf of the Board**

Chartered Accountants

Firm Registration Number: 102860W

**B. S. S. SHETTY**

Membership No. : 6031

**R. GANAPATHI**Chairman and  
Executive Director**Dr. P. RAJA MOHAN RAO**

Director

**PARTHASARATHY IYENGAR**

Company Secretary

Mumbai: May 28, 2013

Mumbai: May 28, 2013

**Consolidated Cash Flow Statement for the year ended March 31, 2013***(Figures in ₹)*

	Year ended March 31, 2013	Year ended March 31, 2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>	<b>238,860,584</b>	<b>196,139,863</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	8,180,036	10,000,093
Finance costs	4,956,286	4,290,241
Interest income from deposits with banks and others	(8,320,523)	(11,453,838)
Dividend income on long-term investment	(15,000)	(15,000)
Sale of Scrap Assets	(3,253,333)	-
One time settlement charges (Note 27 (b))	-	(30,351,988)
Provision for doubtful advances - net (Refer Note 27 (c))	-	(10,134,342)
Bad debts and sundry advances written off	8,303,929	-
Provision for doubtful advances	(100,000)	586,439
	<u>9,751,395</u>	<u>(37,078,395)</u>
<b>Operating profit before working capital changes</b>	<b>248,611,979</b>	<b>159,061,468</b>
<b>Adjustments for:</b>		
(Increase)/ decrease in trade receivables	(240,170,733)	(160,560,940)
(Increase)/ decrease in loans and advances and other current and non-current assets	(5,637,801)	(13,914,682)
Increase/ (decrease) in trade payables and other current and non-current liabilities and provisions	37,277,548	70,721,249
	<u>(208,530,986)</u>	<u>(103,754,373)</u>
<b>Cash generated from / (used in) operations</b>	<b>40,080,993</b>	<b>55,307,095</b>
Taxes paid	(52,145,657)	(96,453,728)
<b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b><u>(12,064,664)</u></b>	<b><u>(41,146,633)</u></b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(7,585,074)	(10,619,577)
Sale of Scrap	3,253,333	-
Capital advance given for purchase of property	-	(90,000,000)
Advance given as share application money	(1,000,000)	(2,000,000)
Term deposits with banks as margin money	(6,854,952)	(6,422,171)
Dividend income	15,000	15,000
Interest income	7,931,390	12,569,121
<b>NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b><u>(4,240,303)</u></b>	<b><u>(96,457,627)</u></b>

**Consolidated Cash Flow Statement for the year ended March 31, 2013 (Contd.)****C CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from fresh issue of equity shares	-	20,385,337
Loans taken / (repayment of loans)	274,962	718,627
Finance costs	(4,956,286)	(4,290,241)
<b>NET CASH INFLOW FROM FINANCING ACTIVITIES</b>	<b>(4,681,324)</b>	<b>16,813,723</b>

**D NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)**

<b>(20,986,291)</b>	<b>(120,790,537)</b>
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**E Adjustment on account of currency translation reserve**

<b>11,981,944</b>	<b>24,987,348</b>
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**F Cash and cash equivalents - opening balance**

<b>127,183,818</b>	<b>222,987,007</b>
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**G Cash and cash equivalents - closing balance (Refer Note 18)**

<b>118,179,471</b>	<b>127,183,818</b>
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## Notes:

- The above Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statements' as specified in Companies (Accounting Standards) Rules, 2006.
- The figures for the previous year have been regrouped where necessary to conform to current year's classification.

As per our attached report of even date.

For **FORD, RHODES, PARKS & CO.**

Chartered Accountants

Firm Registration Number: 102860W

For and on behalf of the Board

**B. S. S. SHETTY**

Membership No. : 6031

**R. GANAPATHI**Chairman and  
Executive Director**Dr. P. RAJA MOHAN RAO**

Director

**PARTHASARATHY IYENGAR**Company Secretary  
Mumbai: May 28, 2013

Mumbai: May 28, 2013

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13****1. GENERAL INFORMATION**

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 has its software development center in Mumbai, India ('the Head Office') and the Company mainly operates in US through its step down subsidiary Trigyn Technologies Inc.

**2. Subsidiaries considered in Consolidated Financial Statements:**

<b>Subsidiaries</b>	<b>Country of incorporation and other particulars</b>	<b>Percentage of holding (%)</b>
eCapital Solutions (Bermuda) Limited, ('EB') *	A subsidiary of TTL organised under the laws of Bermuda.	100 (100)
Leading Edge Infotech Limited, ('LEIL')	A subsidiary of TTL incorporated under the laws of India.	100 (100)
Trigyn Technologies Inc., ('TTI')	A subsidiary of EB organised under the laws of Delaware, USA.	100 (100)
Trigyn Technologies (India) Private Limited, ('TTIPL')	A subsidiary of EB incorporated under the laws of India.	100 (100)
Trigyn Technologies Europe GmbH, Pforzheim, Germany ('TTE') *	A subsidiary of EB organised under the laws of Germany.	100 (100)

\* The Company is in the process of initiating voluntary liquidation proceedings of eCapital Solutions (Bermuda) Limited and Trigyn Technologies Europe GmbH, Pforzheim, Germany.

The accounts of eCapital Solutions (Bermuda) Limited and Trigyn Technologies Europe GmbH used for consolidation are approved by the management of respective companies and the same are not audited.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of preparation**

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on an accrual basis, except for certain financial instruments which are measured at fair values and are in conformity with mandatory accounting standards, as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

**(b) Basis of Preparation of Consolidated Financial Statements**

The Consolidated Financial Statements relate to the Company and its subsidiaries and have been prepared on the following basis:

- (i) In respect of Subsidiary companies, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits / losses on intra-group transactions as per Accounting Standard (AS 21) "Consolidated Financial Statements". The results of subsidiaries are included from the date of acquisition of a controlling interest.
- (ii) In case of foreign subsidiaries, being Non-Integral Foreign Operations, revenue items are consolidated at the average rate prevailing during the year. All asset and liabilities are converted at the rate prevailing at the end of the year. The resultant translation gains and losses are shown separately as 'Foreign Currency Translation Reserve' under 'Reserves and Surplus'.
- (iii) The excess of cost to the Group of its investments in subsidiary companies over its share of equity and reserves of its subsidiary companies at the dates on which investments are made, is recognized in the financial statements as Goodwill, which is tested for impairment at every balance sheet date. The excess of Group's share of equity and reserves of its subsidiary companies over the cost of acquisition is treated as Capital Reserve.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)**

- (iv) Minority interests in the net assets of consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments.
- (v) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements, except for, In case of certain subsidiaries referred in Note 3(i) below, leave encashment and gratuity is provided on arithmetical basis instead of actuarial basis. These liabilities represent 20% of the total consolidated gratuity and leave encashment liability of the Group as at the year end.

**(c) Use of estimates**

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, the useful lives and provision for impairment of fixed assets and intangible assets.

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

**(d) Tangible assets, intangible assets and capital work-in-progress**

Tangible assets and intangible assets are stated at cost of acquisition, less accumulated depreciation/amortisation and impairments, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

**(e) Depreciation and amortization**

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.

Depreciation on additions and disposals is provided pro-rata for the period of use.

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

Asset	Useful life
Buildings	20 years
Office equipment	3 to 4 years
Computer & peripherals	3 years and 2 months
Computer software	3 years and 2 months
Furniture and fixtures	4 years
Motor vehicles	4 years and 2 months

Assets individually costing ₹ 5,000 or less are depreciated fully in the year of acquisition Leasehold land is amortised over the primary period of the lease

**(f) Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

**(g) Foreign currency translation****Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)****Subsequent recognition**

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting Period and the resultant exchange differences on restatement are recognised in the Statement of Profit and Loss.

**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 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 Statement of Profit and Loss.

**(h) Revenue recognition**

Income from information technology staffing support and consultancy 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. 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.

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.

**(i) Employee benefits****Gratuity:**

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method, except for Leading Edge Infotech Limited and Trigyn Technologies Europe GmbH, where such liabilities are determined on arithmetical basis instead of actuarial valuation. Actuarial gains and losses arising from changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

**Leave encashment / Compensated absences:**

The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation, except in case of Leading Edge Infotech Limited, where such liabilities are determined on arithmetical basis instead of actuarial valuation.

**(j) Current and deferred tax**

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)**

Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax after the tax holiday period. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and the Group intends to settle the asset and liability on a net basis.

**(k) Provisions and contingent liabilities**

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

**(l) 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.

**(m) Cash and cash equivalents**

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**(n) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(o) 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 reflected as 'Employee Stock Options Outstanding' under the head 'Reserves and Surplus'.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)**

## (p) Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".

	<i>(Figures in ₹)</i>	
	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
<b>4. SHARE CAPITAL</b>		
(a) <b>Authorised</b>		
35,000,000 (35,000,000) equity shares of ₹ 10/- each	350,000,000	350,000,000
5,000,000 (5,000,000) preference shares of ₹ 10/- each	50,000,000	50,000,000
	<u>400,000,000</u>	<u>400,000,000</u>
(b) <b>Issued, subscribed and fully paid-up</b>		
29,348,736 (29,348,736) equity shares of ₹ 10/- each fully paid-up	293,487,360	293,487,360
<b>Total</b>	<u><b>293,487,360</b></u>	<u><b>293,487,360</b></u>

(c) Reconciliation of number of shares	<b>As at March 31, 2013</b>		<b>As at March 31, 2012</b>	
	<b>Number of Shares</b>	<b>Amount ₹</b>	<b>Number of Shares</b>	<b>Amount ₹</b>
Balance as at the beginning of the year	29,348,736	293,487,360	27,903,736	279,037,360
On conversion of equity warrants	-	-	1,445,000	14,450,000
On exercise of Employee stock options (Refer Note 32)	-	-	-	-
<b>Balance as at the end of the year</b>	<u><b>29,348,736</b></u>	<u><b>293,487,360</b></u>	<u><b>29,348,736</b></u>	<u><b>293,487,360</b></u>

During the previous year, the promoter exercised the option to convert 1,445,000 preference warrants into equity shares. Accordingly 1,445,000 equity shares of ₹ 10 each were issued at premium of ₹ 8.81 resulting in increase in share capital by ₹ 14,450,000 and share premium by ₹ 12,730,450. As at the year end Nil warrants are outstanding, which are pending to be converted into equity shares at the option of promoters.

## (d) Rights, preferences and restrictions attached to shares -

Equity shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## (e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

<b>Name of Shareholder</b>	<b>As at March 31, 2013</b>		<b>As at March 31, 2012</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
United Telecoms Limited	14,159,020	48.24%	14,159,020	48.24%

## (f) Shares reserved for issue under options:

Refer Note 32 for details of shares to be issued under the Employee Stock Option Plan

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)

	As at March 31,2013	(Figures in ₹) As at March 31, 2012
<b>5. RESERVES AND SURPLUS</b>		
<b>Securities premium reserve</b>		
Balance as at the beginning of the year	6,610,227,115	6,597,496,665
Add : Receipt on conversion of equity warrants (Refer Note 5)	-	12,730,450
Balance as at the end of the year	<u>6,610,227,115</u>	<u>6,610,227,115</u>
<b>Employee stock options outstanding account</b> (Refer Note 32)		
Balance as at the beginning of the year	2,665,740	2,665,740
Less : Forfeited / lapsed	-	-
Balance as at the end of the year	<u>2,665,740</u>	<u>2,665,740</u>
<b>Capital Reserve</b>	8,100,000	8,100,000
<b>Foreign currency translation reserve</b>		
Balance as at the beginning of the year	23,437,557	(1,549,791)
Exchange gain/(loss) on translation during the year	11,981,944	24,987,348
Balance as at the end of the year	<u>35,419,501</u>	<u>23,437,557</u>
<b>Surplus / (Deficit) in the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(6,125,048,911)	(6,232,426,526)
Profit for the year	156,535,651	107,377,615
Balance as at the end of the year	<u>(5,968,513,260)</u>	<u>(6,125,048,911)</u>
<b>Total</b>	<u><b>687,899,096</b></u>	<u><b>519,381,501</b></u>
<b>6. LONG TERM BORROWINGS</b>		
Unsecured:		
Loan from others - Interest free	5,164,200	4,925,750
<b>Total</b>	<u><b>5,164,200</b></u>	<u><b>4,925,750</b></u>
<b>7. OTHER LONG TERM LIABILITIES</b>		
Other liabilities	790,757	754,245
<b>Total</b>	<u><b>790,757</b></u>	<u><b>754,245</b></u>
<b>8. TRADE PAYABLES</b>		
Trade payables	157,091,153	129,125,020
<b>Total</b>	<u><b>157,091,153</b></u>	<u><b>129,125,020</b></u>
There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2013. This information as required under the Micro, Small and Medium Enterprises Development Act,2006 has been determined on the basis of information available with the Company. This has been relied upon by the Auditors		
<b>9. OTHER CURRENT LIABILITIES</b>		
Creditors for capital goods	1,709,045	1,066,906
Statutory dues including provident fund and tax deducted at source	19,168,884	13,157,714
Employee benefits payable	168,034,039	170,682,956
Security deposits	3,190,275	4,235,445
Advance From Customers	319,812	-
Others	1,070,431	226,460
<b>Total</b>	<u><b>193,492,486</b></u>	<u><b>189,369,481</b></u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)

(Figures in ₹)

**10. SHORT-TERM PROVISIONS**

Provision for employee benefits:

	As at March 31, 2013	As at March 31, 2012
- Gratuity	7,507,224	4,796,878
- Compensated absences	16,327,652	13,849,588
	<u>23,834,876</u>	<u>18,646,466</u>
Provision for federal income tax (net of payments)	39,413,757	1,661,481
<b>Total</b>	<b><u>63,248,633</u></b>	<b><u>20,307,947</u></b>

**11. Fixed Assets**

(Figures in ₹)

	Gross Block				Depreciations / Amortisation				Net Block	
	As at April 1, 2012	Additions	Deductions / Adjustments (Note 2)	As at March 31, 2013	As at April 1, 2012	For the year	Deductions / Adjustments (Note 2)	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
<b>Tangible assets</b>										
Buildings (Note 1)	6,467,893	-	-	6,467,893	4,696,509	364,752	-	5,061,261	1,406,632	1,771,384
Computers and peripherals	77,068,913	3,785,228	32,677,867	48,176,274	71,725,372	2,972,160	32,709,528	41,988,005	6,188,270	5,343,541
Office equipment	10,341,435	436,642	4,730,481	6,047,596	9,881,539	337,527	4,730,481	5,488,584	559,012	459,896
Furniture and fixtures	9,939,782	153,428	(31,593)	10,124,803	9,473,170	284,031	(30,137)	9,787,339	337,464	466,612
Leasehold improvements	119,226,441	2,547,808	71,542,903	50,231,346	115,819,432	881,805	71,542,903	45,158,333	5,073,012	3,407,009
<b>Total - A</b>	<b>223,044,464</b>	<b>6,923,106</b>	<b>108,919,658</b>	<b>121,047,912</b>	<b>211,596,022</b>	<b>4,840,275</b>	<b>108,952,775</b>	<b>107,483,522</b>	<b>13,564,390</b>	<b>11,448,442</b>
<b>Previous Year</b>	<b>215,039,966</b>	<b>7,551,514</b>	<b>(452,984)</b>	<b>223,044,464</b>	<b>205,864,872</b>	<b>5,382,487</b>	<b>(358,194)</b>	<b>211,605,553</b>	<b>11,438,911</b>	<b>9,175,094</b>
<b>Intangible assets</b>										
Computer softwares	19,822,723	630,012	-	20,452,735	13,996,410	3,350,451	-	17,346,861	3,105,874	5,826,313
<b>Total - B</b>	<b>19,822,723</b>	<b>630,012</b>	<b>-</b>	<b>20,452,735</b>	<b>13,996,410</b>	<b>3,350,451</b>	<b>-</b>	<b>17,346,861</b>	<b>3,105,874</b>	<b>5,826,313</b>
<b>Previous Year</b>	<b>16,849,450</b>	<b>2,973,273</b>	<b>-</b>	<b>19,822,723</b>	<b>9,378,804</b>	<b>4,617,606</b>	<b>-</b>	<b>13,996,410</b>	<b>5,826,313</b>	<b>7,470,646</b>
<b>Total - A + B</b>	<b>242,867,187</b>	<b>7,553,118</b>	<b>108,919,658</b>	<b>141,500,646</b>	<b>225,592,432</b>	<b>8,190,726</b>	<b>108,952,775</b>	<b>124,830,383</b>	<b>16,670,264</b>	<b>17,274,755</b>
<b>As at March 31, 2012</b>	<b>231,889,416</b>	<b>10,524,787</b>	<b>(452,984)</b>	<b>242,867,187</b>	<b>215,243,676</b>	<b>10,000,093</b>	<b>(358,194)</b>	<b>225,601,963</b>	<b>17,265,224</b>	

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

Note 2 - Deductions / adjustment of Gross block and depreciation also includes translation difference on account of foreign currency translation

(Figures in ₹)

**12. NON-CURRENT INVESTMENTS****Long-term****(Valued at cost unless otherwise stated)****Non-trade investments (unquoted)**

100 (100) equity shares of ₹ 36 each fully paid-up in Bombay Mercantile Co-operative Bank Limited

3,600 3,600

10,000 (10,000) equity shares of ₹ 10 each fully paid-up in North Kanara GSB Co operative Bank Limited

100,000 100,000  
103,600 103,600**Others:**

100,000 (100,000) shares of \$0.01 each of Empowertel systems, fully paid up

485,600 485,600  
485,600 485,600

Less: Provision for diminution (other than temporary) in the value of investment

(485,600) (485,600)

**Total****103,600 103,600**

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)

	<i>(Figures in ₹)</i>	
	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
<b>13. DEFERRED TAX ASSETS (NET)</b>		
Deferred Tax assets:		
Lower depreciation/amortisation on fixed assets for tax purposes due to lower tax depreciation rates.	5,598,028	4,813,796
Provision for doubtful debts / advances that are deducted for tax purposes when written off (Refer Note below)	3,605,832	1,327,001
Liabilities / provisions that are deducted for tax purposes when paid	483,431	1,590,947
Others	486,675	324,450
<b>Total</b>	<b><u>10,173,966</u></b>	<b><u>8,056,194</u></b>
Deferred tax assets on provision for doubtful debts / advances are recognised to the extent there is reasonable certainty of allowances in the future years.		
<b>14. LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good, unless otherwise stated)		
Capital advances to:		
- Related party (Refer Note 31)	90,000,000	90,000,000
- Others	640,434	872,500
	<u>90,640,434</u>	<u>90,872,500</u>
Security deposits	1,946,699	1,855,347
Advance towards share application money	3,000,000	2,000,000
Prepaid expenses	10,706,864	3,421,995
Service tax receivable	3,100,212	2,920,775
Income tax payments (net of provision for income tax)	52,173,356	46,718,128
<b>Total</b>	<b><u>161,567,565</u></b>	<b><u>147,788,745</u></b>
<b>15. OTHER NON-CURRENT ASSETS</b>		
(Unsecured and considered good, unless otherwise stated)		
Term deposits with banks @	85,619,106	78,764,154
Fringe benefit tax (net of provision)	218,585	218,585
<b>Total</b>	<b><u>85,837,691</u></b>	<b><u>78,982,739</u></b>
@ Term deposits with banks are held as lien by banks against guarantees issued on behalf of the Company.		
<b>16. TRADE RECEIVABLES</b>		
Unsecured, considered good :		
Outstanding for a period exceeding 6 months from the date they are due for payment	81,780,901	20,190,442
Others	875,463,169	705,186,824
	<u>957,244,070</u>	<u>725,377,266</u>
Unsecured, considered doubtful :		
Outstanding for a period exceeding 6 months from the date they are due for payment	229,090,059	229,661,315
	<u>229,090,059</u>	<u>229,661,315</u>
Less : Provision for doubtful debts	(229,090,059)	(229,661,315)
<b>Total</b>	<b><u>957,244,070</u></b>	<b><u>725,377,266</u></b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)

	(Figures in ₹)	
	As at March 31, 2013	As at March 31, 2012
<b>17. CASH AND BANK BALANCES</b>		
Cash and cash equivalents:		
Cash on hand	38,334	21,705
Bank balances:		
In current accounts	100,525,918	86,446,569
Demand deposits (less than 3 months maturity)	17,615,219	40,715,544
	<u>118,179,471</u>	<u>127,183,818</u>
Other bank balances :		
Fixed deposits with maturity more than three months but less than twelve months	4,111,423	4,111,423
	<u>4,111,423</u>	<u>4,111,423</u>
<b>Total</b>	<b><u>122,290,894</u></b>	<b><u>131,295,241</u></b>
<b>18. SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good, unless otherwise stated)		
Loans and advances to related parties (Refer Note 31)	12,464,500	15,999,210
Excess Remuneration recoverable from Directors	392,881	-
Loans and advances to others:		
- Considered good	3,451,611	4,108,677
- Considered doubtful	19,226,332	19,225,148
	<u>22,677,943</u>	<u>23,333,825</u>
Less: Provision for doubtful loans and advances	(19,226,332)	(19,225,148)
	<u>3,451,611</u>	<u>4,108,677</u>
Loans and advances to employees	13,550,084	4,693,475
Service tax receivable	2,046,694	1,517,865
Prepaid expenses	3,195,616	10,287,061
	<u>35,101,385</u>	<u>36,606,288</u>
<b>Total</b>	<b><u>35,101,385</u></b>	<b><u>36,606,288</u></b>
<b>19. OTHER CURRENT ASSETS</b>		
(Unsecured and considered good, unless otherwise stated)		
Unbilled receivables:		
Unsecured, considered good	8,413,711	8,541,356
Unsecured, considered doubtful	1,319,189	1,319,189
	<u>9,732,900</u>	<u>9,860,545</u>
Less: Provision for doubtful advances	1,319,189	1,319,189
	<u>8,413,711</u>	<u>8,541,356</u>
Interest receivable	2,492,749	2,103,616
Gratuity fund receivable	783,946	725,876
Others	308,846	320,159
	<u>308,846</u>	<u>320,159</u>
<b>Total</b>	<b><u>11,999,252</u></b>	<b><u>11,691,007</u></b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)

	<i>(Figures in ₹)</i>	
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2013</b>	<b>March 31, 2012</b>
<b>20. REVENUE</b>		
Revenue from operations:		
Income from information technology staffing support and consultancy services	3,479,541,855	2,730,436,271
Other operating income	3,654,191	8,919,638
<b>Total</b>	<b><u>3,483,196,046</u></b>	<b><u>2,739,355,909</u></b>
<b>21. OTHER INCOME</b>		
Interest income from deposits with banks and others	8,320,523	11,453,838
Dividend income on long-term investments	15,000	15,000
Net gain on foreign currency transactions and translations	13,894,655	37,612,585
Lease rental income	1,920,672	1,942,147
Other non operating income	5,747,429	1,214,285
<b>Total</b>	<b><u>29,898,279</u></b>	<b><u>52,237,855</u></b>
<b>22. EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, wages and bonus	1,077,639,276	835,511,566
Contribution to provident and other funds	20,307,396	15,441,566
Gratuity and leave encashment	6,634,425	8,895,461
Staff welfare expenses	94,417,026	74,608,068
<b>Total</b>	<b><u>1,198,998,123</u></b>	<b><u>934,456,661</u></b>
<b>23. FINANCE COSTS</b>		
Bank charges and commission	4,955,582	3,298,277
Other interest	704	991,964
<b>Total</b>	<b><u>4,956,286</u></b>	<b><u>4,290,241</u></b>
<b>24. OTHER EXPENSES</b>		
Payments to consultants	1,938,640,637	1,552,651,776
Power and fuel	5,122,090	4,544,360
Rent	4,509,907	5,670,165
Repairs to:		
- Plant and machinery	11,162	50,602
- Others	669,153	290,224
	<u>680,315</u>	<u>340,826</u>
Insurance	5,512,199	4,410,160
Travelling, conveyance and vehicle expenses	15,206,112	17,116,447
Auditors' remuneration		
- Statutory audit fees	2,797,897	3,000,043
- Tax audit fees	312,360	312,360
- Other services	100,000	100,000
- Out of pocket expenses	1,067	68,415
	<u>3,211,324</u>	<u>3,480,818</u>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)

(Figures in ₹)

	As at March 31, 2013	As at March 31, 2012
Legal and professional charges	29,325,249	22,987,955
Advertisement and sales promotion	6,307,886	1,655,566
Communication expenses	3,835,184	4,022,946
Recruitment expense	14,225,725	10,118,078
Discount to customers	6,822,674	4,956,087
Provision for doubtful debts and advances	(100,000)	586,439
Bad debts	69,518	229,552
Sundry advances written off	8,234,411	264,430
Miscellaneous expenses	20,496,065	13,671,301
<b>Total</b>	<b><u>2,062,099,296</u></b>	<b><u>1,646,706,906</u></b>

**25. EXCEPTIONAL ITEMS**

One time settlement charges (Note 27 (b))	-	30,351,988
Provision for doubtful advances - net (Note 27 (c))	-	10,134,342
<b>Total</b>	<b><u>-</u></b>	<b><u>40,486,330</u></b>

**26. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

## (A) Disputed tax demands / claims

- Income tax matters	235,426,316	197,424,589
- Services tax matters	1,176,441	1,176,441
- Guarantees issued by bank on behalf of the Company	91,531,368	87,305,030
- Sales tax matters	1,310,303	1,310,303
- Claims against the Company not acknowledged as debts	6,688,650	6,688,650
	<u>336,133,078</u>	<u>293,905,013</u>

## (B) Capital commitments

	122,800,000	122,800,000
<b>Total</b>	<b><u>458,933,078</u></b>	<b><u>416,705,013</u></b>

## 27. Exceptional items in Statement of Profit and Loss

(a) **Accounting adjustments/assumptions in consolidation**

The Consolidated financial statements for the previous years ended upto March 31, 2010, included financials of the following non operational subsidiaries accounts of which were unaudited and updated upto a particular date and were prepared by the management.

- Name of the Subsidiaries	- Updated upto	- Status
- Trigyn Technologies Limited, UK	- March 31, 2002	- Liquidated in 2004
- eVector (Cayman) Limited and its subsidiaries ('EVCL')	- March 31, 2002	- Under liquidation since 2002
- eCapital Solutions (Mauritius) Limited	- March 31, 2005	- Liquidated in 2009
- Applisoft Inc	- January 2010	- Liquidated in 2010

The effect of the winding up of the aforesaid subsidiaries/step down subsidiaries had not been given due to lack of latest financial statements and adequate details regarding certain inter-company balances across all subsidiaries.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)**

During the year ended March 31, 2011, the management had reconsidered the matter and had decided to exclude the said entities from consolidation as the said entities are not in existence and the management has not received or aware of any claims or pending litigations relating to these entities. The management has also confirmed that there had been no changes in the financial status of these entities from the date on which the last financial statements had been drawn. Having regard to the said facts and significant lapse of time since the liquidation process, the management had decided to give effect to the winding up of the said entities in the consolidated financial statements of previous year. Consequently, following adjustments were carried in the consolidated financial statements for the year ended March 31, 2011:

- I. Minority interest aggregating ₹ 347,106,880 relating to EVCL were written back in the Consolidated Statement of Profit and Loss.
- II. Other adjustment of ₹ 35,196,703 on account of winding up / liquidation of aforesaid entities were charged to the Consolidated Statement of Profit and Loss.  
Net effect of ₹ 311,910,177 (Credit) was reflected as exceptional item in the Consolidated Statement of Profit and Loss.
- (b) One time settlement charges for the previous year 2011-12 represents claims of ₹ 30,351,988, settled out of court by Trigyn Technologies Inc, the Step down subsidiary of the Company.
- (c) During the previous year 2011-12, the management has made provision of ₹ 10,134,342 (net of deposit received), towards long outstanding due from a party, in the books of Trigyn Technologies (India) Private Limited, Step down subsidiary of the Company.

28. The Company has not entered into any Derivative transactions during the year. Net foreign currency exposures not hedged as at the year-end are as under:

	Currency	March 31, 2013		March 31, 2012	
		Amount in Foreign Currency	Equivalent Amount in ₹ at the year end	Amount in Foreign Currency	Equivalent Amount in ₹ at the year end
Other current liabilities	USD	2,496,566	135,713,347	2,671,896	138,537,782
Cash and bank balances	USD	1,235,778	67,176,878	526,040	27,275,174

29. Earnings per share:

	March 31, 2013	March 31, 2012
<b>Profit after tax and exceptional items</b>	<b>156,535,808</b>	<b>107,377,615</b>
<b>Profit after tax and before exceptional items</b>	<b>156,535,808</b>	<b>147,863,945</b>
Equity shares outstanding as at the year end	29,348,736	29,348,736
Weighted average number of equity shares used as denominator for calculating basic earnings per share	29,348,736	29,107,243
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	29,348,736	29,779,192
Nominal value per equity share	₹ 10	₹ 10
<b>Earnings per share after tax and exceptional items</b>		
Basic earnings per equity share	₹ 5.33	₹ 3.69
*Diluted earnings per equity share	₹ 5.33	₹ 3.61
<b>Earnings per share after tax and before exceptional items</b>		
Basic earnings per equity share	₹ 5.33	₹ 5.08
*Diluted earnings per equity share	₹ 5.33	₹ 4.97

\*Diluted EPS has been calculated after taking into account options granted to certain eligible employees as referred in note 3(d).

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)**

Reconciliation of Basic and Diluted Shares used in computing earnings per share

	<b>March 31, 2013</b>	<b>March 31, 2012</b>
Number of shares considered as basic weighted average shares outstanding	29,348,736	29,107,243
Add: Effect of dilutive stock options*	NIL	671,949
Number of shares considered as weighted average shares and potential shares outstanding	29,348,736	29,779,192

\* In computing the diluted EPS, potential equity shares that either increase earning per share or decrease loss per equity share, being anti-dilutive are ignored.

**30. Segment Information**

The Group's financial reporting is organized in two segments viz. Government contracts, mainly United Nations and its agencies, and others. These divisions are the basis on which the Group is reporting its primary segment information. Segments are identified based on the types of customers

i) Primary segment information:

	<b>Government contracts</b>	<b>Others</b>	<b>Total</b>
Segment revenue	3,186,684,289	304,034,259	3,490,718,548
	(2,383,127,404)	(356,228,505)	(2,739,355,909)
Segment results – Profit	301,978,496	55,529,909	357,508,405
	(202,163,725)	(56,300,947)	(258,464,672)
Unallocable expenses			(136,067,155)
			(110,272,422)
Unallocable income			22,375,777
			(40,784,017)
Finance costs			4,956,286
			(4,290,241)
Interest income			8,320,523
			(11,453,838)
<b>Profit before tax and exceptional items</b>			<b>238,860,741</b>
			<b>(196,139,863)</b>
Exceptional items – Income / (expense) – net			NIL
			40,486,330
<b>Profit before tax</b>			<b>238,860,741</b>
			<b>(155,653,533)</b>
Taxation on the above			82,324,933
			(48,275,918)
<b>Profit after tax</b>			<b>156,535,808</b>
			<b>(107,377,615)</b>
<b>Other information</b>			
Segment assets	989,569,232	53,460,263	1,043,029,495
	(750,317,461)	(64,273,403)	(814,590,864)
Unallocable assets			357,751,309
			(342,760,441)
<b>Total assets</b>			<b>1,400,780,804</b>
			<b>(1,157,351,304)</b>
Segment liabilities	280,324,438	26,122,607	306,447,044
	(242,549,269)	(28,830,769)	(271,380,038)
Unallocable liabilities			<b>112,947,147</b>
			(73,102,405)
<b>Total liabilities</b>			<b>419,394,191</b>
			<b>(344,482,443)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)

	Government contracts	Others	Total
Capital expenditure *	--	--	--
	(--)	(--)	(--)
Depreciation and amortisation *	--	--	--
	(--)	(--)	(--)

\* Segment wise allocation is not applicable as Capital expenditure, Depreciation and amortisation is for common unallocable assets.

## ii) Secondary segment information

The Group has identified geographical markets, based on location of customer, as the Secondary segment.

	USA (₹)	Others (₹)	Total (₹)
Revenue	3,447,908,115 (2,719,526,834)	27,963,094 (10,909,437)	3,475,871,209 (2,730,436,271)
Carrying amount of assets	1,018,817,497 (800,122,626)	381,963,315 (357,228,678)	1,400,780,812 (1,157,351,304)
Capital expenditure	139,577 (194,491)	7,413,541 (10,330,296)	7,553,118 (10,524,787)

## 31. Related Party disclosures :

## a) Name of related parties and nature of relationship:

- i) Entity which has a substantial interest in the Company  
United Telecoms Limited
- ii) Key management personnel (KMP)  
R. Ganapathi  
Homiyar Panday  
Bhavana Rao
- iii) Others – Entities in which United Telecoms Limited has significant influence  
Andhra Networks Limited  
Promuk Hoffmann International Limited

## b) Particulars of related party transactions during the year ended March 31, 2013:

Nature of transactions	Transactions	
	March 31, 2013	March 31, 2012
<b>Transactions during the year</b>		
<b>Entity which has a substantial interest in the Company</b>		
<u>Expenses Incurred by the Company</u>		
United Telecom Limited	-	992,360
Issue of equity shares on conversion of equity warrants	-	14,450,000
<u>Expenses Incurred on behalf of the Company</u>		
United Telecoms Limited	860,000	-
<b>Balances as at year end</b>		
United Telecom Limited	1,378,750	2,371,110
Equity share warrants	--	--
<b>Transactions during the year</b>		
<b>Entities in which United Telecoms Limited has significant influence</b>		
<u>Loans and advances given</u>		
Promuk Hoffmann International Limited	5,000,000	28,653,100
<u>Advance given for purchase of property</u>		

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2012-13 (Contd.)

Nature of transactions	Transactions	
	March 31, 2013	March 31, 2012
Andhra Networks Limited	-	90,000,000
<b>Balances as at year end</b>		
Promuk Hoffmann International Limited	5,628,100	13,628,100
Andhra Networks Limited – Capital advances	90,000,000	90,000,000
<b>Key management personnel (KMP)</b>		
<b>Transactions during the year</b>		
<b>Remuneration Paid</b>		
Mr. R. Ganapathi	Refer Note 30	
Ms. Bhavana Rao	Refer Note 30	
<b>Balances as at year end</b>		
Excess Remuneration receivable from Directors	392,881	--

- c) Employee benefits expenses includes managerial remuneration paid to above key managerial personnels as follows:

Nature of transactions:	March 31, 2013 ₹	March 31, 2012 ₹
Payments and provisions on account of remuneration to Chairman and Executive Director included in the Statement of Profit and Loss		
Salary	5,807,123	3,000,000
<b>Contribution to provident and other funds</b>	744,000	360,000
	<b>65,51,123</b>	<b>3,360,000</b>
Remuneration to non-whole time directors (including Sitting fees)	300,000	240,000

- The above remuneration to Chairman & Executive Director and an Executive Director does not include contribution to gratuity fund and provision for Leave encashment, as these are lump sum amounts for all relevant employees based on actuarial valuation.
- The above remuneration is subject to shareholders approval in the ensuring annual general meeting.

- d) For ESOP issued to Mr. R. Ganapathi refer Note 32

### 32. Employee Stock Option Plans

- (a) The 1998 Employee Stock Option Plan

The 1998 Employees Stock Option Plan ("the Plan") provided 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 year ended 31 March 2013:

Number of options granted, exercised and foreited during	Year ended March 31, 2013	Year ended March 31, 2012
Options Outstanding, beginning of period	500	500
Less:- Exercised	--	--
Forfeited	--	--
<b>Options outstanding, end of period</b>	<b>500</b>	<b>500</b>

During the year ended March 31, 2001, the Company issued 156,060 options including 34,250 options to employee of its subsidiary, 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.

- (b) 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. 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.

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 step down 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 ₹10/- per equity share. 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 option.

The period for exercise of the option has been extended to May 6, 2020

During the previous year, in terms board resolution passed in board meeting and remuneration committee meeting held on May 7, 2010 the Company granted 100,000 stock options convertible into equivalent amount of equity shares at an exercise price of ₹ 22.40 per equity share under ESOP 2000 Scheme to Mr. R. Ganapathi (Chairman and Executive Director) The vesting period for same is within one year from the date of the grant.

Presented below is a summary of the Company's 2000 stock option plan activity during the years ended 31 March 2013:

Number of options granted, exercised and foreited during	Year ended March 31, 2013	Year ended March 31, 2012
Options Outstanding, beginning of period	559,950	559,950
Granted during the year	--	--
Less:- Exercised	--	--
Forfeited	--	--
<b>Options outstanding, end of period</b>	<b>559,950</b>	<b>559,950</b>

33. The Company had, in earlier years, applied to Reserve Bank of India for condonations / permissions in respect of certain non-compliances relating to non-realisation of export debtors. These applications are pending disposal. Most of these non-compliances were a result of the persistent down trend in the past in the software industry, particularly in the United States, which was the largest customer market for the Company. These unrealised balances included in sundry debtors have been fully provided in earlier years.
34. The step down subsidiary Trigyn Technologies Inc has entered into operating lease arrangements, for leasing office premises in USA. The office premises have been taken under a non-cancellable lease of 5 years, which is renewable at the option of the Company.

Particulars	As at March 31, 2013	As at March 31, 2012
Lease rental payments for the year	3,454,031	3,968,205
Future minimum lease rental payments payable:		
Not later than one year	3,163,859	2,282,936
Later than one year but not later than five years	5,800,409	--
<b>Total</b>	<b>12,418,299</b>	<b>8,147,981</b>

35. Previous year figures
- The previous year figures have been reclassified to conform to this year's classification.
  - The figures in brackets represent those of the previous year.

As per our attached report of even date.  
For **FORD, RHODES, PARKS & CO.**  
Chartered Accountants  
Firm Registration Number: 102860W

**For and on behalf of the Board**

**B. S. S. SHETTY**  
Membership No. : 6031

**R. GANAPATHI**  
Chairman and  
Executive Director

**Dr. P. RAJA MOHAN RAO**  
Director

**PARTHASARATHY IYENGAR**  
Company Secretary  
Mumbai: May 28, 2013

Mumbai: May 28, 2013

## GREEN INITIATIVE

To be given by shareholder holding shares in Physical Form only. Shareholders holding shares in demat mode are requested to give their E-mail ID to their Depository Participant in the format provided by them.

Date: \_\_\_\_\_

To,

**M/s. Sharepro Services (India) Pvt. Ltd.**  
**Unit: Trigyn Technologies Limited**  
13AB, Samhita Warehousing Complex,  
Second Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri-Kurla Road, Sakinaka, Andheri (E),  
Mumbai - 400 072.

**Sub: Request for E-mail ID Registration**

**Unit: Trigyn Technologies Limited**

Folio Number: \_\_\_\_\_

Name of First Shareholder: \_\_\_\_\_

E-mail ID \_\_\_\_\_

Signature of First Shareholder: \_\_\_\_\_

**Note:**

Members are requested to send this E-mail registration request letter to Company's Registrar & Transfer Agent as registered E-mail ID on regular basis.







## TRIGYN TECHNOLOGIES LIMITED

Regd. Office: 27, SDF I, SEEPZ - SEZ, M.I.D.C., Andheri (East), Mumbai 400 096. INDIA  
PHONE: +91 (22) 6140 0909, FAX: +91 (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 Seventh Annual General Meeting of the Company to be held at HOTEL SUNCITY RESIDENCY 16th Road, MIDC, Marol, Andheri (E), Mumbai 400093 on September 27, 2013 at 3.30 p.m.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2013

Signature \_\_\_\_\_

Please Affix  
1 ₹  
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) 6140 0909, FAX: +91 (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 Seventh Annual General Meeting of the Company to be held at HOTEL SUNCITY RESIDENCY 16th Road, MIDC, Marol, Andheri (E), Mumbai 400093 on September 27, 2013 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:  
M/s Sharepro Services (India) Pvt. Ltd.  
Unit: **Trigyn Technologies Limited**  
13AB, Samhita Warehousing Complex,  
Second Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road, Sakinaka, Andheri (E)  
Mumbai - 400 072.