COSYN LIMITED

(Formerly Known as CSS TECHNERGY LIMITED)

ANNUAL REPORT 2014 - 2015

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Note : Change of name of the Company to COSYN Limited: The Board is pleased to inform the members that the Company had received approval of members of the Company for change of its name to COSYN Limited vide the meeting of the members held to announce the result of postal ballot dated 19-07-2015. The Company had received fresh certificate of incorporation from the Registrar of Companies vide their letter dated 6-08-2015.

Corporate Information

Board of Directors	:	Mr. Ravi Vishnu, Managing Director Mr. A. Bhopal Reddy, Whole-time Director Mr. D. Vikram Reddy , Director Mr. R. Radha Krishna Murthy, Director Mr. T. Venkateswara Prasad, Director Mr. T.Krishna Rao, Director Wg.Cdr. V.L.Nanda Kumar, Director Mr. V. Siva Rama Krishna Murthy, Director Smt. Ravi Kasturi , Director Sri P. Venkata Rao, Director
Company Secretary	:	Mr. Aravind Aitipamula
Registered Office	:	6-1-85/10, Opp. Telephone Bhavan Saifabad, HYDERABAD – 500 004 Tel : +91-40-2323 0305,2323 0306 Fax : +91-40-2323 0313
Auditors	:	M/s. Rambabu & Co., 6-3-1090/1/A, Pancom Chambers, Raj Bhavan Road, HYDERABAD – 500 082, India.
Bankers	:	State Bank of India, Balanagar Branch, HYDERABAD – 500 037, India
Registrar & Share Transfer Agent	:	M/s. XL Softech Systems Limited, 3, Sagar Soceity, Road No.2 Banjara Hills, Hyderabad – 500 034, India. Tel : +91-40-2354 5913, 2354 5914 Fax : +91-40-2355 3214.

NOTICE

Notice is hereby given that the **21st Annual General Meeting** of the members of the Company will be held on **Wednesday, the 30th day of September 2015 at 10.00 am** at Jubilee Hills International Center, Jubilee Hills, **Hyderabad 500 033** to transact the following items of Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt, the audited statement of profit and loss for the financial year ended on 31st March 2015 and the balance sheet as at that date and the reports of the Board of Directors and auditors thereon.
2. To appoint Director in place of Mr. Radha Krishna Murthy (DIN: 02058837) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary resolution.

   "RESOLVED that pursuant to the provisions of section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and pursuant to the resolution passed by the Members at the 20th Annual General Meeting (AGM) held on 30th September, 2014 in respect of appointment of the auditors, M/s. Rambabu & Co., Chartered Accountants (ICAI Reg. No. 002976S) till the conclusion of the AGM to be held in the year 2019, the Company hereby ratifies and confirms the appointment of M/s. Rambabu & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the next AGM of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution

   "RESOLVED THAT pursuant to the provisions of sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and Companies (Appointment and Qualification of Directors) Rules, 2014, provisions of the Listing Agreement, as amended from time to time, Mrs. Ravi Kasturi (DIN 01936068), who was appointed as additional director w.e.f. 01-04-2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company, subject to liable to retire by rotation.

   RESOLVED FURTHER that Board of Directors of the Company be and are hereby authorized to do all the needful to give effect to the above resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mr. P.Venkata Rao, who was appointed as an Additional Director w.e.f. 12-08-2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from 12-08-2015 to 11-08-2020, not liable to retire by rotation.

RESOLVED FURTHER that Board of Directors of the Company be and are hereby authorized to do all the needful to give effect to the above resolution."

6. To consider and, if thought fit, to pass with or without the modifications, the following resolution as Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Schedule V (as amended from time to time) to the said Act, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, consent of the members be and is hereby accorded for the re-appointment of Mr. Ravi Vishnu (DIN: 01144902) as the Managing Director of the Company for a period of five years with effect from 15th January 2015 at a remuneration as detailed below:

I. Basic salary

Basic salary shall be Rs. 1,60,000 (Rupees One Lakhs Sixty Thousand only) per month and the same (along with the allowances and perquisites mentioned below) may be revised on time scale basis by the Board of Directors based on the recommendation of the Remuneration Committee of the Company, considering industry trends.

II. Allowances & Perquisites

In addition to the above salary, he shall be entitled to the following allowances and perquisites. The allowances and perquisites shall be valued as per the actual expenditure incurred by the Company.

- ❖ House Rent Allowance up to 50 % of the basic salary or an amount up to 50 % of the basic salary in lieu of House Rent Allowance or Rent Free Accommodation.
- ❖ Reimbursement of Medical expenses actually incurred for self and his family.
- ❖ Leave travel concession for self and his family once in a year in accordance with the rules of the Company.
- ❖ Reimbursement of club expenditure for a maximum of two Clubs.

The following perquisites shall not be included in the computation of the remuneration:

- ❖ Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- ❖ Gratuity payable at rate not exceeding half a month's salary for each completed year of service.
- ❖ Leave encashment at the end of tenure.

In addition to the above he shall be provided, free of cost, with the following, for official purpose:

- ❖ Use of Company's car.
- ❖ Communication facility at his residence.

III. Overall Remuneration

That the total remuneration (i.e., salary, perquisites, commission and allowances) in any one financial year shall not exceed the limits prescribed from time to time under sections 196, 197 and other applicable provisions of the Act read with Schedule V to the said Act, as may for the time being, be in force and any amendments thereto. In case of any doubt / discrepancy /clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board of Directors on the recommendation of remuneration committee of directors. Further, within the overall remuneration, the individual components may be changed as desired by Mr. Ravi Vishnu and accepted by the remuneration committee.

IV. Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

V. Termination

Six months' notice shall be required, on either side for termination of service.

RESOLVED FURTHER that pursuant to the applicable provisions of the Act, Mr. Ravi Vishnu be also designated as Key Managerial Personnel."

7. To consider and, if thought fit, to pass with or without the modifications, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) of the Companies Act 2013, the Rules made thereunder and its related and applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or reenactment thereof) the Company hereby accords its consent to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company for borrowing any sum or sums of money from time to time whether in Indian rupees or foreign currency (including External Commercial Borrowings in foreign denominated currencies from any foreign source/countries as prescribed by guidelines, if any in this

respect) from any one or more Company's bankers and/or from any one or more persons, firms, bodies corporate, financial institutions, banks or other acceptable source whether by way of advances, deposits, loans, debentures, bonds or other securities, whether shareholder of the Company or not, whether unsecured or secured and on such terms and conditions as the Board may deem fit, any sum or sums of monies which together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided such total amount so borrowed by the Board shall not at any time exceed the limit of Rs.20 crores (Rupees Twenty Crores only).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

8. To consider and, if thought fit, to pass with or without the modifications, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act 2013, the Rules made thereunder and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification on or amendment thereto or reenactment thereof for the time being in force) the Company hereby accords its consent to the Board of Directors (hereinafter called "the Board", which term shall be deemed to include any other Committee of the Board, which the Board may have constituted or hereinafter constitute for time being, to exercise its powers conferred on the Board of Directors by this resolution, or any person(s) authorised by the Board or its Committee for such purpose) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, in such manner as the Board may think fit, in favour of lenders, agents, trustees and other agencies to secure the borrowings of the Company availed / to be availed by way of loan(s) (in foreign currency and/or Indian rupees) and/or working capital facilities and/or Securities issued/to be issued by the Company, from time to time, up to an amount of Rs.20 Crores (Rupees Twenty Crores only) together with interests, compound/additional interest, commitment charges, costs, expenses and all other monies payable by the Company to the concerned lenders.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized and empowered to enter into, sign, seal, execute and deliver such arrangements, assignments, conveyances, covenants, contracts, deeds, writings and

other instruments and to do all such acts, deeds, matters and things in the name and on behalf of the Company as the Board may consider expedient, usual, proper or desirable for creating mortgages/charges/hypothecation on all or any of the immoveable and moveable properties of the Company, both present and future, which may be beneficial to the Company.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved ratified and confirmed in all respects."

For and on behalf of the Board of Directors
-Sd-
Ravi Vishnu
Managing Director
(DIN-01144902)

Place: HYDERABAD
Date : August 12, 2015

Notes :

1. A shareholder entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll on behalf of him and the proxy need not be a member. The proxy form (available elsewhere in the annual report) should be deposited at the Registered Office of the company not less than 48 hours before the commencement of the AGM. A person can act as proxy on behalf of shareholders not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a shareholder holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Registers of Members and Share Transfer Books of the Company will remain closed from 21 September, 2015 to 30 September, 2015 (Both days inclusive).
3. An Explanatory Statement pursuant to provisions of section 102 of the Companies Act, 2013(Act), is annexed hereto for the item Nos.4 to 8.
4. The shareholders desiring any further information as regards the accounts and operations of the Company are requested to write to the Company so as to reach it at least one week prior to the date of the meeting for consideration of the management to deal at the meeting.
5. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or the Company's Registrar and Transfer Agent for assistance in this regard.
6. The shares of the company were earlier listed at Bangalore Stock Exchange Limited (BGSE) and were permitted to be traded at BSE under IndoNext segment. BGSE was derecognized as stock exchange vide SEBI notification dated 26.12.204. The shares of the Company were listed at the Bombay Stock Exchange (BSE) under direct listing route under B Group vide BSE's letter dated 27.01.2015. Members are requested to note the new Security Code of the Company 538922 and Security ID CSSTECH. The Annual listing fee to BSE for FY 2014-15 has been paid within the time.
7. Change of name of the Company to COSYN Limited: The Board is pleased to inform the members that the Company had received approval of members of the Company for change of its name to COSYN Limited vide the meeting of the members held to announce the result of postal ballot dated 19-07-2015. The Company had received fresh certificate of incorporation from the Registrar of Companies vide their letter dated 6-08-2015.
8. The members are requested to bring their copies of Annual report with them at the time of attending the Annual General Meeting.
9. Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement.

Name of the Director	Date of Birth	Date of Appoin-tment	Qualifi-cation	Expertise	Other Directorships	Chairmanship/ Membership of Committees of other Companies	Share-holding in the Company
Mr. R Radha Krishna Murthy	12.12.1937	01.01.1998	B.E. F.I.E.	More than 50 years experience in Power Genration, Power Distribution and Power Sector related Planning	Granada Engineers Limited	NIL	5,41,100
Smt. Ravi Kasturi	26.11.1962	01.04.2015	B.Com	More than 25 years experience in Finance and Accounts	Granada Engineers Limited & RRK Enterprise Private Limited	NIL	2,93,800
Mr. P Venkata Rao	15.02.1945	12.08.2015	B.E. (Electrical)	More than 35 years experience in Power Genration, Power Distribution and Power Transmission	NIL	NIL	NIL
Mr. Ravi Vishnu	15.02.1962	25.04.1994	ME (Comp. Science)	More than 30 years of experience	Granada Engineers Limited & RRK Enterprise Private Limited	NIL	8,50,539

10. In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed by the shareholders. Shareholders are requested to support this green initiative by registering/updating their e-mail addresses for receiving electronic communications.
11. Relevant documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.
12. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company has made arrangement for providing the facility to vote at the AGM by electronic means. Members of the Company can transact all the items of the business through electronic voting system as contained in the Notice of the Meeting.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 24-09-2015 and ends on 26-09-2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19-09-2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ❖ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ❖ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ❖ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for COSYN Limited (Formerly known as CSS Technergy Limited) on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) **Note for Non – Individual Shareholders and Custodians**

- ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- ❖ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- ❖ The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

10 B **Voting through Ballot**

i. A Ballot form is provided (annexed to this annual report) for the benefit of the members who do not have access to e-voting facility to enable them to send their assent or dissent by post.

ii. Ballot form duly filled should reach the Company before the end of business hours on 26th September 2015.

iii. The scrutinizer shall decide validity of the ballot form. The scrutinizer shall collage the votes downloaded from the e-voting and votes received through physical ballot, to declare the final result for each of the resolutions forming part of the AGM notice.

13. The Company has appointed Mr.Devendra Sharma, Practicing Company Secretary as scrutinizer who will scrutinize the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of e-voting period, submit his report of the votes cast in favour or against, to the Chairman of the Company.

14 The Results of the voting shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.cosyn.in within two (2) days of passing of the resolutions at the AGM and communicated to the Stock Exchanges.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item 4

Smt. Ravi Kasturi was appointed as Additional Directors of the Company with effect from 01-04-2015 under section 161 of the Act. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing her candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that her presence on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption. Smt. Ravi Kasturi, her husband Mr. Ravi Vishnu, Managing Director of the Company and her Father-in-Law Mr. Radhakrishna Murthy are interested in this resolution. Except them, none of the other Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution. The Board recommends resolutions under Item No. 4 to be passed as an ordinary resolution.

Item No. 5

Mr. P. Venkata Rao was appointed as Additional Directors of the Company with effect from 12-08-2015 under section 161 of the Act. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other

applicable provisions of the Companies Act, 2013. The Board feels that his presence on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 5 for adoption. None of the Directors except Mr. P Venkata Rao and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution. The Board recommends resolutions under Item No. 5 to be passed as an ordinary resolution.

Item No.6

Mr. Ravi Vishnu was appointed as the Managing Director of the company with effect from 15th January 2015 for a period of five years by the Board of Directors of the company upon the recommendation of the nominations committee of directors and subject to the approval of the shareholders of the company. The said appointment and remuneration are within the stipulations of Sections 196, 197, 203 of the Act and Schedule V thereto. Mr. Ravi Vishnu, his wife Smt. Ravi Kasturi, and his father Mr. Radhakrishna Murthy, are interested in this resolution. Except them, none of the other Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution. The Board recommends resolutions under Item No. 6 to be passed as an ordinary resolution.

Information as per Part II Section II of Schedule V of the Companies Act, 2013 for Item No.7

I. General Information

(1) Nature of Industry:

The Company is engaged in the business of providing IT and IT enabled services.

(2) Date of Commencement of Commercial Production: 25th April 1994

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

(4) Financial Performance based on given indicators: (` In Lakh)

Particulars	31.03.2015	31.03.2014
Total Revenue	1,975.86	1,250.44
Less: Expenditure	1,829.44	1,125.61
Profit before Tax	**146.41**	**124.83**
Less : Provision for Income Tax	(67.81)	42.76
Net Profit	214.23	82.07
Earning Per Share	2.86	1.19

(5) Foreign Investments or Collaborations, if any:

There is no direct foreign investment in the company except to the extent shares held by Foreign Institutional Investors (FII) acquired through secondary market. There is no foreign collaboration in the Company.

II. Information about the Appointee:

(1) Mr.Ravi Vishnu has been contributing significantly to the growth of the business of the Company. He oversees Corporate Affairs of the Company.

(2) The proposed remuneration is at par with the prevailing remuneration in the industry of similar size for similarly placed persons.

(3) He is a shareholder in the Company and Mr. Ravi Vishnu, Smt. Ravi Kasturi and Mr. R Radha Krishna Murthy are related to each other.

(4) All other details as prescribed by Part II of Schedule V concerning the appointee can be found in the AGM notice, Explanatory Statement and Report of Corporate Governance.

III. Other Information:

(1) Reasons of loss or inadequate profits:

- General economic slowdown in the country at large.
- Excessive competition which causes shrinkage of profit margin.

(2) Steps taken or proposed to be taken for improvement:

- Exploring of new business segments.
- Strategic business alliances

(3) Expected increase in productivity and profits in measurable terms:

The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario of the economy to predict profits in measurable terms.

IV. Disclosures:

The remuneration package of all the managerial persons is given in the respective resolutions. Other relevant information is also provided under Report on Corporate Governance.

Item No. 7 &8

As per section 180(1)(c) of the Companies Act, 2013 , the Board of Directors of the Company cannot, except with the consent of the Company in General Meeting by way of special resolution, borrow monies, apart from temporary loans obtained from the Company's Bankers in ordinary course of business, in excess of the aggregate of paid up share capital and free reserves. In view of the potential business operations, the Company may have to borrow amounts exceeding the said limits. The consent of the members is therefore sought under the provisions of Section 180(1)(c) of the Companies Act, 2013 to enable the Board of Directors for borrowing to the extent of Rs. 20 crores. In connection with the borrowings, the Company may need to mortgage and/or hypothecate its properties to the banks and financial institutions. Section 180(1)(a) of the Companies Act, 2013 provides that the Board of Directors of a Company cannot, without the consent of the Company in General Meeting by way of special resolution, sell, lease, mortgage, create a charge or otherwise dispose off the whole or substantially the whole of the undertaking of the Company. Since the assets of the Company are charged or to be charged in connection with the borrowings, the resolution as stated in the notice is placed for your approval. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions.

For and on behalf of the Board

-Sd-

Ravi Vishnu

Managing Director

(DIN-01144902)

Place: HYDERABAD

Date : August 12, 2015

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the 21st Annual Report together with the Audited Accounts for the Financial Year ended 31st March 2015.

Financial Results
Your Company has been able to generate a total revenue of Rs. 1,975.86 Lakhs during the financial year under review as against Rs. 1,250.44 Lakhs during the previous financial year despite the fact that the industry has been struggling due to over all economic slowdown. Brief financials are as follows:

Rs. In Lakhs

Particulars	31.03.2015	31.03.2014
Total Revenue	1,975.86	1,250.44
Less: Expenditure	1,829.44	1,125.61
Profit before Tax	**146.41**	**124.83**
Less : Provision for Income Tax	(67.81)	42.76
Net Profit	214.23	82.07
Earning Per Share	2.86	1.19

Dividend
Due to inadequacy of profits and in order to conserve resources, your Directors have not recommended any dividend for the year under review.

Transfer of Unclaimed Dividend To Investor Eduction And Protection Fund
The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

Review of business operations and future prospects:
The Company has achieved a turnover of Rs. 1,968.12 Lakhs and Net Profit of Rs. 214.22 Lakhs as against Rs. 1,246.76 Lakhs and Rs. 82.07 Lakhs in the previous year respectively.

Details of Policy Developed and Implemented by the Company on its Corporate Social Responsibility initiatives
The said provisions are not applicable for your Company. However, your Company is actively involved in taking up Programs to financially support the educational requirements of the needy children.

Future Outlook
Your Board of Directors has taken various initiatives to overcome the competition by adopting various strategies that helped your Company to bag various orders. This will pave a way for better visibility and higher revenues and profitability for the Company in coming financial years. Further, The Company is also taking measures to keep the operating costs low wherever possible.

Capital Expenditure
During the year under review the company has made Capital Expenditure of Rs. 46,62,231/-.

Deposits
The Company has not accepted any deposits and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet for the year ended on 31st March 2015.

ISO 9001-2008 Certification
Your Company continues to hold ISO 9001-2008 Certification by complying with all the requirements of Certification from time to time.

ISO 27001-2013 Certification
This year your Company obtained ISO 27001-2013 Certification for Software Development, IT BPO Services, Data Management Services and Infrastructure Management by complying with all the requirements of Certification.

ISO 20000-1: 2011 Certification
This year your Company obtained ISO 20000-1:2011 for Software Development, IT BPO Services, Data Management Services and Infrastructure Management Certification by complying with all the requirements of Certification.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL
None of the directors of the company are disqualified under the provisions of the Act or under the Listing Agreement with the Stock Exchanges.

APPOINTMENTS
Mr. Ravi Vishnu was re-appointed as the Managing Director w.e.f 15-01-2015 for a period of 5 years subject to the approval of members. His appointment as the Managing Director by the members is proposed at the ensuing AGM.

Smt. Ravi Kasturi and Mr.P. Venkata Rao were appointed as the Additional Directors w.e.f 1-04-2015 and 12-08-2015 respectively. Their appointment as Directors by the members is proposed at the ensuing AGM.

Pursuant to the articles of association of the company and the provisions of Section 152 of the Companies Act, 2013, Mr. Radhakrishna Murthy retires by rotation at the ensuing AGM and offers himself for re-appointment. Pursuant to the provisions of Clause 49 of the Listing Agreement, brief particulars of the directors who are proposed to be appointed/re-appointed are provided as an annexure to the notice convening the AGM. Mr. K. Rahupathi Rao was designated as the Chief Financial Officer (CFO) of the Company during the year.

Except as stated above, there is no change in the key managerial personnel during the year.

Policy on Directors' Appointment and Remuneration and other details
The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act have been disclosed in the corporate governance report, which forms part of the directors' report.

Number of Board meetings during the year
During the year, five meetings of the board were held, the details of which form part of the report on corporate governance.

Board evaluation and assessment

The company believes that formal evaluation of the board and of the individual directors, on an annual basis, is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the company, evaluations provide an ongoing means for directors to assess their individual and collective performance and effectiveness. In addition to greater board accountability, evaluation of board members helps in:

- More effective board processes
- Better collaboration and communication
- Greater clarity with regard to members' roles and responsibilities and
- Improved Board relations

By focusing on the board as a team and on its overall performance, the company ensures that communication and overall level of participation and engagement also improves. In this background, the board undertook a formal board assessment and evaluation process during 2014-15. The Nomination & Remuneration Committee has overall stewardship for the process. The evaluation process covers the following aspects:

- Peer and self-evaluation of Directors
- Evaluation of the performance and effectiveness of the board
- Evaluation of the performance and effectiveness of Board Committees
- Feedback from the Non-Executive Directors to the Chairman, and
- Feedback on management support to the Board

The evaluation process elicits responses from the directors in a judicious manner - ranging from composition and induction of the board to effectiveness and governance. It also seeks feedback on board and committee charters, strategy, risk management and quality of discussion and deliberations at the board. The same is discussed and acted upon accordingly at the board.

AUDITORS

Pursuant to the provisions of section 139 of the Act and the rules framed thereunder, M/s. Rambabu & Co.; Chartered Accoutants, were appointed as statutory auditors of the company from the conclusion of the 20th AGM of the company held on 30th September 2014 till the conclusion of the 25th AGM to be held in the year 2019, subject to ratification of their appointment at every AGM. Their appointment from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting to be ratified at the ensuing annual general meeting. The Company has received confirmation regarding their consent and eligibility that their appointment, if ratified, would be within the prescribed limits under Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that they are not disqualified. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The auditors' report and secretarial auditors' report do not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is annexed to the Directors Report.

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

Information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo forming part of Directors' report.

Conservation of Energy

The operations of your Company are not Energy intensive. The Company makes every effort to conserve energy as far as possible in its facilities. The Company continuously evaluates new technologies and techniques to make infrastructure more energy efficient.

Technology Absorption

Your Company did not invest in any R&D activity during the year under consideration. However, the up gradation of the technology in vogue is being given highest priority to give a better service to the clientele.

Foreign Exchange Earnings and Outgo Particulars:

Particulars	2014-2015 (Rs.)	2013-2014 (Rs.)
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	NIL	NIL

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to the provisions of Clause 49 of the Listing Agreement, a report on Management Discussion & Analysis is enclosed to the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

ii. They have 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 period;

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. They have prepared the annual accounts on a going concern basis;

v. They have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively;

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

RELATED PARTY TRANSACTIONS

The Company had not entered into any arrangement / transaction with related parties which could be considered material in nature and accordingly the disclosure of Related Party Transactions in Form AOC 2 is not applicable,. However, Suitable disclosures have been made in notes to the financial statements, In compliance of Clause 49 of the Listing Agreement the Company has formulated a Related Party Transactions Policy and the same is available on the Company's website www.cosyn.in

EXTRACT OF ANNUAL RETURN (MGT 9)

The extract of the annual return in Form MGT 9 as required under the provisions of section 92 of the Act is annexed to the Directors Report.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Executive Directors	Ratio to Median remuneration
Ravi Vishnu	99.57:0.43
A.Bhopal Reddy	99.57:0.43
Non - Executive Directors *	-

* Non - Executive Directors do not receive any remuneration from the Company except Sitting fees and conveyance for attending the meetings.

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Ravi Vishnu, Managing Director	NIL
A.Bhopal Reddy, Whole Time Director	NIL
Aravind Aitipamula, Company Secretary	NIL
K. Raghupathi Rao, CFO	NIL

c. The percentage due increase in the median remuneration of employees in the financial year: 16.67%

d. The number of permanent employees on the rolls of Company: 78 *
(*Except Project staff who are Co-terminus with project)

e. The explanation on the relationship between average due increase in remuneration and Company performance:

On an average, employees received an annual due increase of 16.29 %. The individual increments varied from 2.86 % to 32.38 %, based on individual performance and market dynamics.

f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY'15	Rs. 64,11,466
Revenue	Rs. 19,75,85,656
Remuneration of KMPs (as % of revenue)	3.25
Profit before Tax (PBT)	Rs. 1,46,41,456
Remuneration of KMP (as % of PBT)	43.79

g. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31 2015	March 31 2014	% Change
Market Capitalization (lakhs)	6,81,00,000	9,49.95,712	-28.31
Price Earnings Ratio	3.17	11.74	-73.00

h. Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	March 31 2015	IPO Date/ first listing date	IPO Price	Adjusted IPO price by considering CA*	% Change
Market Price (BSE	9.08	May 15, 2000	20	N.A	-

i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 11.65%.

The managerial remuneration for the year has decreased by 0.58 %.

j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

	Ravi Vishnu MD	Bhopal Reddy WTD	Aravind Aitipamula, CS	K. Raghupati CFO
Remuneration in FY15	19,20,000	19,20,000	1,32,000	3,84,453
Revenue	19,75,85,656			
Remuneration as % of revenues	0.97	0.97	0.07	0.19
Profit before Tax (PBT)	1,46,41,456			
Remuneration (as % of PBT)	13.11	13.11	0.90	1.25

k. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:

None.

l. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company, Company's remuneration policy can be found at www.cosyn.in

RISK MANAGEMENT

The Board of Directors has formed a risk management committee to identify, evaluate, mitigate and monitor the risk management in the company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee also oversees in the area of financial risks and controls.

A comprehensive enterprise risk management mechanism has been put in place and the same is regularly reviewed. A more detailed analysis of the risk management in the company is published in the management discussion and analysis report published elsewhere in the annual report.

CORPORATE GOVERNANCE

The Company will continue to uphold the true spirit of Corporate Governance and implement the best governance practices. A report on Corporate Governance pursuant to the provisions of Clause 49 of the Listing Agreement forms part of the Annual Report. Full details of the various Board Committees are also provided therein. As required under Clause 49 of the Listing Agreement, the Auditors' Certificate regarding compliance of conditions of corporate governance is annexed to the Directors Report.

DISCLOSURE REQUIREMENTS

Details of the familiarization programme of the independent directors are available on the website of the Company www.cosyn.in.

Policy for determining material subsidiaries of the Company is available on the website of the Company www.cosyn.in.

Policy on dealing with related party transactions is available on the website of the Company www.cosyn.in.

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the section 177(9) of the Act and the revised Clause 49 of the Listing Agreements with stock exchanges.

The company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All associates of the company are covered under this policy. There were no complaints received under the policy during 2014-15.

Managing Director / CEO's DECLARATION

Pursuant to the provisions of clause 49 (II)(E) of the Listing Agreement, a declaration by the Managing Director of the company declaring that all the members of the board and the senior management personnel of the company have affirmed compliance with the Code of Conduct of the company is annexed to the Directors Report. The Managing Director / CFO certification to the board pursuant to clause 49(V) of the listing agreement is annexed to the Directors Report.

ACKNOWLEDGMENTS

Your Directors extend their gratitude to the valuable customers, investors, Bankers, Central and State Government officers, agencies and the confidence, which they have reposed in the Management.

We place on record our appreciation of the contribution made by employees at all levels. Our consistent performance was made possible by their hard work, solidarity co-operation and support.

For and on behalf of the Board of Directors

-Sd-	**-Sd-**
Ravi Vishnu	**A.BHOPAL REDDY**
Managing Director	Whole-Time Director
(DIN-01144902)	(DIN-01119839)

Place: HYDERABAD
Date : August 12, 2015

SECRETARIAL AUDITORS' REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members

COSYN Limited

6-1-85/10, Opp. Telephone Bhavan, Saifabad, Hyderabad-500004.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by COSYN Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(e) The other regulations of the Securities and Exchange Board of India as may be applicable to the Company.

(vi) Other laws applicable to the Company as per the representation given by the Company.

We have also examined compliance with the applicable clauses of the following:

(i) The Listing Agreements entered into by the Company with BSE Limited.

(ii) Secretarial Standards issued by the Institute of Company Secretaries of India to the extent applicable under the Companies Act, 2013.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice was given to all Directors at least seven days to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

The Company was listed at the BSE under the direct listing route vide BSE letter dated 27-1-2015

-Sd-
Devendra Sharma
Practicing Company Secretary
ACS No.19674
C P No: 9033

Place: HYDERABAD
Date : August 12, 2015

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To

The Members

COSYN Limited

6-1-85/10, Opp. Telephone Bhavan, Saifabad, Hyderabad-500004

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

-Sd-
Devendra Sharma
Practicing Company Secretary
ACS No.19674
C P No: 9033

Place: HYDERABAD
Date : August 12, 2015

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2015

THEME OF THE YEAR

COSYN

FOR THE CLOUD ENTERPRISE

This year happens to be yet another historic year for YOUR COMPANY. YOUR COMPANY has morphed itself into a new avatar armed with a new and savvy company name for easy marketability - It has been renamed as COSYN LIMITED. It has also reinvented itself to be able to compete in the global arena with primary focus of serving the SME segment companies across the world. COSYN aims to serve the needs of its clients in the domains of Cloud Solution services for Energy and Utilities, HR Management and GPS Based Vehicle tracking solutions.

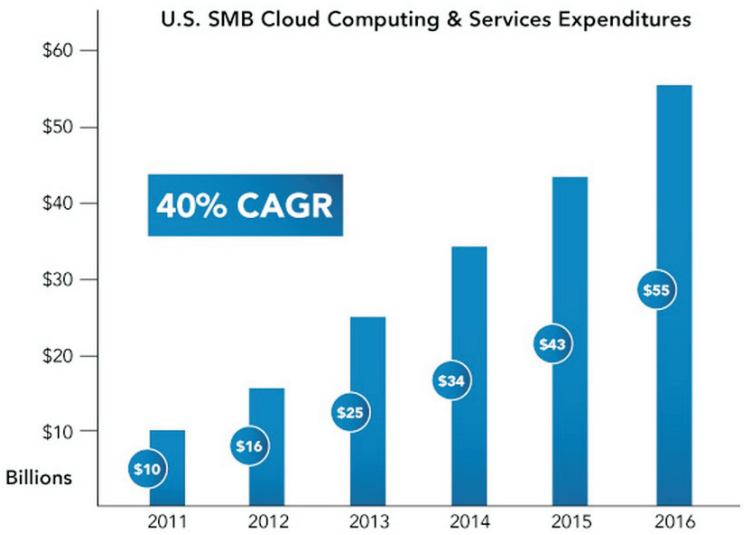
YOUR COMPANY is already certified for ISO 9001. It has recently been certified for the prestigious ISO 20000-1 and ISO 27001 certifications for Software Development, IT BPO Services, Data management services and Infrastructure Management by JAS ANZ.

YOUR COMPANY has been planning the launch of Cloud Services and Products over the last few months and in line with the global forecast predicting high-maturity of Small and Medium Business (SMB) segment companies being more open and positive about adopting Cloud Services or enabling their stand alone applications onto the Cloud. Currently only 1/3rd of the Small and Medium Enterprise (SME) businesses have adopted Cloud Computing in some form for their Business Applications. There is an expected upsurge in Cloud Solution adoption in US, Middle East and European countries over the next 2 years.

Global analyst corporations predict a Compounded Annual Growth Rate (CAGR) for Cloud Services of almost 20% YoY which makes it an inevitable platform for delivering value to our clients and features in the list of 'Game Changers' technologies.

The cloud has changed the fundamental nature of computing and how business gets done and it will continue to do so through 2020. COSYN seeks to ride the business adoption wave and garner a fair share of the Cloud Services market through strategically selected and designed Cloud offerings for the SMB segment. COSYN will also adopt a CLOUD-FIRST and MOBILE-FIRST vision for its existing Cloud Centric products as well as the new ones in the making. Cloud Computing is simply the new way business is done and IT is provisioned.

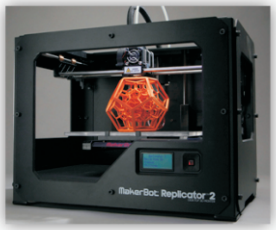
To be competitive in this world of break-neck innovation and fast paced advancements against larger enterprises with unlimited IT budgets, SMBs must be armed with the right information to guide their business appropriately. For many SMBs - Cloud represents the opportunity to exceed goals and change the competitive landscape.

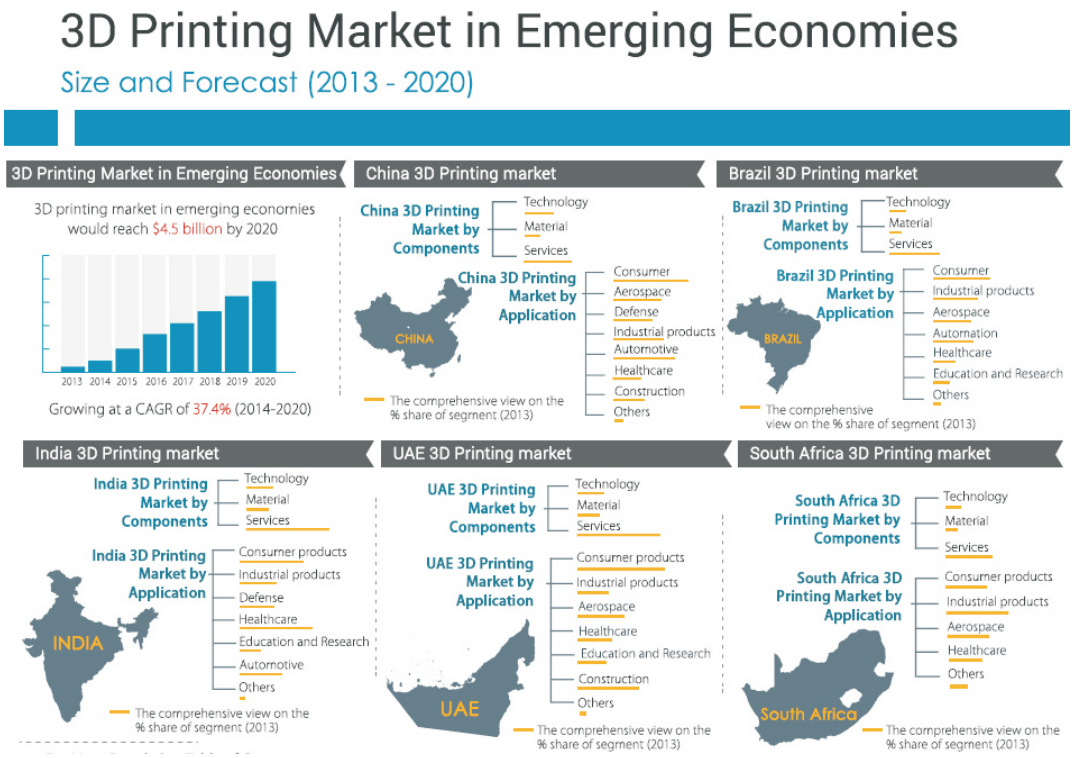


Source: Compass Intelligence

3D PRINTING

COSYN is also evaluating 3D printing for all possible commercial applications and has been studying the domain closely. The term '3D Printing' (also called additive manufacturing) is used to refer to any of various processes used to make a three-dimensional object. In 3D printing, additive processes are used, in which successive layers of material are laid down under computer control. These objects can be of almost any shape or geometry, and are produced from a 3D model or other electronic data source. A 3D printer is a type of industrial robot. 3D Printing in the term's original sense refers to processes that sequentially deposit material onto a powder bed with inkjet printer heads. More recently the meaning of the term has expanded to encompass a wider variety of techniques such as extrusion and sintering based processes. Technical standards generally use the term additive manufacturing for this broader sense. COSYN's internal team is closely evaluating the business potential of this new technology both in India and abroad.





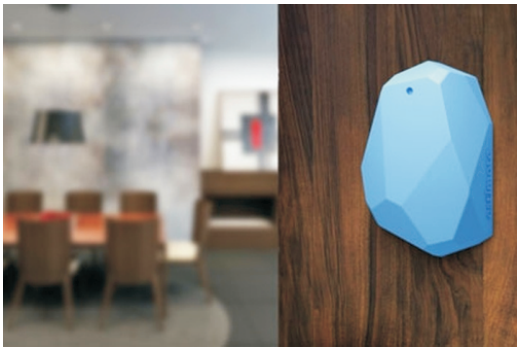
Source: www.alliedmarketresearch.com

Source: www.alliedmarketresearch.com

NEARABLES

Nearables (also called Nearable Technology) is another interesting and upcoming technology that holds much potential for disrupting various business scenarios. Nearables is a term used to describe the idea of smart objects – everyday items with small, wireless computing devices attached to them. Those devices can be equipped with a variety of sensors and work as transmitters to broadcast digital data, usually using Bluetooth Smart protocol. Those objects are able to provide mobile devices in range with information about their location, state and immediate surroundings. The word 'nearables' is a reference to wearable technology - electronic devices worn as part of clothing or jewellery. Nearables are a further development of the Internet of Things (also referred to as Internet of Everything). It's a vision of a wide, global network of interconnected devices, using the existing Internet infrastructure to provide advanced services beyond standard machine-to-machine communications. To create a nearable, one must attach an electronic device, working as both sensor and a transmitter, to an object. Since the only limitation is the size of the device, both items and living beings can act as nearables. The most often cited examples, however, include retail and home automation environment.

COSYN team has procured an early developer kit from ESTIMOTE Inc. and analyzing its code patterns and interaction capabilities. It is also working on its SDK – Software Development Kit for familiarizing itself on its abilities and shortfalls.



Source: cmo.com, Estimote

In addition to the focus on the new technologies, COSYN will continue its existing businesses and seeks to add additional revenue from the new initiatives of the Government of India. A brief summary of the business opportunity and our go to market strategy has been described below:

1. **Energy Efficiency Services Limited (EESL) – Distribution of Energy Efficient devices and Electrical Items across India**
2. **Smart Grid Solutions**
3. **Distribution Franchisees**
4. **Aadhaar Enabled services**
5. **Meter to Cash for Utilities**

EESL (Energy Efficiency Services Limited) – Distribution of Energy Efficient devices and Electrical Items across India

The overall size of energy efficiency market is estimated to be Rs. 74,000 Crores. Till now, only 5% of this market has been tapped through Energy Service Companies (ESCOs) mode mainly in the areas of lighting and some industrial applications and the large-scale implementation of energy efficiency is constrained by a number of important regulatory, institutional and financing barriers. The concept of performance contracting implemented by ESCOs is being increasingly considered as a mechanism to overcome some of the barriers hindering and discouraging the large-scale implementation of energy efficiency projects. However, despite the fact that the potential for application of performance contracting in both the public and private sectors in developing nations is enormous, the growth of the ESCO industry has been particularly slow in the country. In order to develop a viable ESCO industry, Ministry of Power has set up Energy Efficiency Services Limited (EESL), a Joint Venture of NTPC Limited, PFC, REC and POWERGRID to facilitate implementation of energy efficiency projects. EESL will work as ESCO, as Consultancy Organization for CDM, Energy Efficiency, etc.; as a Resource Centre for capacity building of Utilities, Financial Institutions, etc. EESL will also lead the market-related actions of the National Mission for Enhances Energy Efficiency (NMEEE). It is registered under the companies Act, 1956 on 10th December 2009 and the commencement of business certificate is obtained on 11th February 2010. It will be the first such company exclusively for implementation of energy efficiency in South Asia and amongst a very few such instances in the world.

COSYN is targeting the various tenders being called for under hiring of agencies to carry out large-scale Distribution, Storage, and Inventory Management of LED Bulbs & Data Base Preparation etc. as per scope of work for DELP (Domestic Efficient Lighting Program) work. The Domestic Efficient Lighting Program (DELP) is being implemented by EESL at AP to provide energy efficient 9W LED lighting in place of the conventional 60W incandescent lamps (ICLs) for grid connected consumers in 9 districts of AP. Under the program, quality LEDs would be distributed to grid-connected residential households in exchange of an incandescent bulb (ICL) per LED. LEDs shall be adequately stamped OR unique identification number may be given, to forbid them to enter into market for re-sale. Approximately 1,29,72,000 LED Bulbs may be distributed in these 9 districts alone.

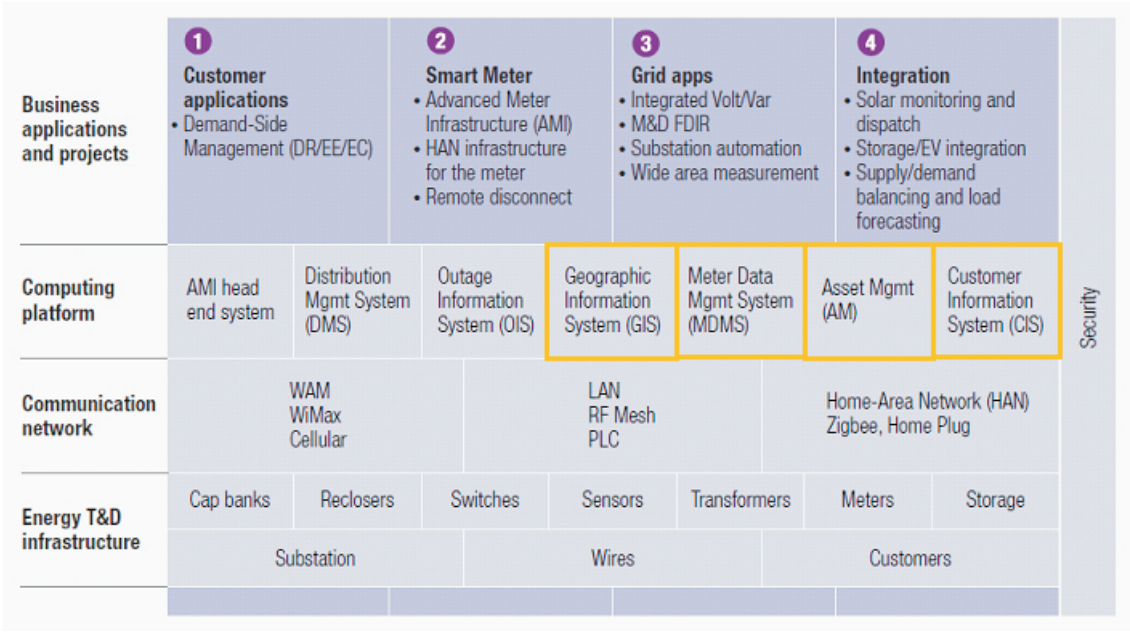
This business opportunity will scale to distribution of LED bulbs across all Indian states and then scale up to include other Energy Efficient devices like Fans, ACs etc. The total target is to distribute 20 Crore LED bulbs across India by 2016.

SMART CITIES AND SMART GRID SOLUTIONS in INDIA

Although the idea of smart cities is an evolving concept of recent years, Government of India has embarked on an ambitious program of developing 100 Smart Cities on fast track. While cities in the developed nations with reliable physical infrastructure (electricity, water, transport etc) and minimal population growth in urban areas have the main focus of smart cities development in asset optimization, operations monitoring, data communications and analytics with the main objective of transition to a low carbon economy, developing countries where cities have inadequate physical infrastructure need to focus on building modern physical infrastructure that are scalable, intelligent and interoperable to build smarter cities.

COSYN specializes in the Geographical Information Systems (GIS), Meter Data Management System (MDMS), Asset Management (AM) and Consumer Information Systems (CIS) elements in the Smart Grid structure and is strategically placed to partner Smart Grid implementation programs in India and abroad.

SMART GRID BUSINESS APPLICATIONS AND ELEMENTS



COSYN has expertise in multiple computing platforms shown in the table above.

India with a federal democratic structure need the cooperation and coordination of federal government, state governments and urban local bodies to build smart cities. Ministry of Urban Development (MoUD) has been made the nodal agency for driving the smart cities program by Government of India.

Smart Grid facilitates efficient and reliable end-to-end intelligent two-way delivery system from source to sink through integration of renewable energy sources, smart transmission and distribution. In this way Smart Grid technology shall bring efficiency and sustainability in meeting the growing electricity demand with reliability and best of the quality.

McKinsey estimates that the Smart Grid business opportunity across the world will be around USD 15 to 31 Billion between 2014 -15. Smart Grid also enables real time monitoring and control of power system as well as helps in reduction of AT&C losses, demand response and demand side management, power quality management, outage management, smart home energy system etc. Smart Grid will act as a backbone infrastructure to enable new business models like smart city, electric vehicles, smart communities apart from more resilient and efficient energy system and tariff structures.

The electric power utility industry in India has been undergoing significant transformation of its operating landscape, driven primarily by rising energy demands of a fast growing economy, market operations and regulatory mandates.

ELECTRICITY DISTRIBUTION FRANCHISEES

Distribution Franchisee (or Distribution Power Franchisee or Power Distribution Franchisee or Power Franchisee or DF) is an emerging Public Private Partnereship (PPP) model in Indian Distribution power sector. While it is not complete privatization, it is a step to leverage best corporate practices, cut down high utility losses (National Average ATC of 35+%), realize

predictable cash flows directly from end-consumers and hence offers an attractive big market.

With modernization of Utility infrastructure (IT automation, Measurements and Monitoring) under Government of India's R-APDRP program, the scale-up of Distribution Franchisee business stands at market inflection point. Further integration of the existing Distribution Franchisee model with Distributed Generation (DGBDF – Distributed Generation Based Distribution Franchisee) and consumer demand management would be advent of India into Smart Distribution or smart grid.

Power Distribution Franchisee – evolving PPP model has picked traction since 2009 after successful demonstration by Torrent Power Ltd. at Bhiwandi, Maharashtra, which got operational in 2007.

The licensee (state utility) appoints a private company on the basis of rationale bidding for distribution of electricity in a specified area for specified years of contract. This Distribution Franchisee model stands midway between licensee and full PPP model and is considered as one of the major energy reforms in power distribution sector that has the potential to turnaround the sector and take electricity to rural areas as well.

Out of the variants available, 'Input based Distribution Franchisee' model has recently seen an increase, currently with five cities across India, out of which distribution in three cities was handed over to private companies in 2011. Three new cities in MP have recently been franchised and undergoing handover, further boosting up the DF model. Input based Distribution Franchisee, by far, has been mostly used operating model in urban areas.

Investments in this space are driven by the emerging nature of the 'Input based Distribution Franchisee' model which promises high returns, has low entry barriers, maintains proximity to end-consumers, involves high Capex with predictable cash flows and easy financial leverage when operating efficiently.

COSYN with its long standing domain expertise in the Electricity Domain is a leading contender for partnerships in bidding for the upcoming Electricity Distribution Franchisees across India. The Central government which was satisfied with the performance of power distribution franchisees (DFs) and private licensees in states of Gujarat, Maharashtra, Uttar Pradesh, Odisha and Delhi, is planning to direct state-run discoms to go in for this model. It has drawn up a list of 200 cities where the franchisee model is to be implemented. COSYN also seeks to deploy its Combined Billing Expertise (Water, Electricity and Sewerage) for the various Discoms in India.

Aadhaar Enabled services: UIDAI

Developing on its vision of “Empowering residents of India with a unique identity and a digital platform to authenticate anytime, anywhere”, the Unique Identification Authority of India (UIDAI) unveiled three new Aadhaar-Enabled Services and announced the establishment of first set of permanent enrolment centres (Aadhaar Kendras). The services that were launched include Authentication services using Iris, Authentication service using One Time Pin and eKYC (Electronic- Know Your Customer) service. UIDAI Registrars may choose to charge a convenience fee not exceeding Rs.10 for printing e-Aadhaar letter and Rs.15 for update requests. Aadhaar Enabled Service Delivery is currently or will soon be linked to various government schemes such as MNREGA wage payments, PDS distribution, payment of social

security benefits such as old-age payments, distribution of LPG subsidy etc. Currently 89.75 Crore residents have enrolled themselves for the UIDAI Aadhaar number.

Micropayments using Aadhaar Authentication

In the last twenty years India has undergone a transformation of its economic and regulatory structures. Policy reforms in this period have led to the increasing maturity of our markets, as well as healthy regulation. The emphasis on de-licensing, entrepreneurship, the use of technology and decentralisation of governance to the state and local level have in particular, shifted India from a restrictive, limited access society to a more empowered, open access economy, where people are able to access resources and services more easily and effectively.

But despite these efforts, access to finance has remained scarce in rural India, and for the poorest residents in the country. Today, the proportion of rural residents who lack access to bank accounts remains at 40%, and this rises to over three-fifths of the population in the east and north-east parts of India. To mitigate the lack of financial access in India, the regulator has focused on improving the reach of financial services in new and innovative ways — through no-frills accounts, the liberalization of banking and ATM policies, and branchless banking with business correspondents (BC's), which enables local intermediaries such as self-help groups and kirana stores to provide banking services. Related efforts have also included the promotion of core-banking solutions in Regional Rural Banks; and the incorporation of the National Payment Corporation of India (NPCI) to provide a national infrastructure for payments and settlements in the country.

Advancements in technology such as core banking, ATMs, and mobile connectivity have also had enormous impact on banking. Mobile phones in particular present an enormous opportunity in spreading financial services across India. These technologies have reduced the need for banks to be physically close to their customers, and banks have been consequently able to experiment with providing services through internet as well as mobile banking. These options, in addition to ATMs, have made banking accessible and affordable for many urban non-poor residents across the country. The Aadhaar and the accompanying authentication mechanism coupled with rudimentary technology application can provide the desired micropayment solution. This can bring low-cost access to financial services to everyone, a short distance from their homes. COSYN with its vast Aadhaar data collection and implementation expertise is well suited to morph itself for the next round of Aadhaar enabled services to be delivered to the residents in India through Micropayments, Authentication services and Aadhaar enabled service delivery in Civil Supplies/Ration Card and Election card integration projects**.**

Meter to Cash for Utilities (Power, Water and Gas)

In the existing Metering billing system, the Energy bill of the consumer is calculated and printed on the spot using a handheld computer or mobile phone - immediately after the meter reading is taken. In Meter Reading and Bill Distribution (MBRD) System, there is gap of around 3-5 days from the date of meter reading to bill delivery. This gap is eliminated in using Spot Billing. Using advanced state of the art GPS and GPRS/Edge/3G/4G technologies data is also immediately sent to the server which enables immediate access to billing progress and revenue billed. One visit to consumer premises is all that is required as compared to two visits. This improves the consumer satisfaction and also improves the revenue realization cycle. Most of the current

Utility DISCOMs (Distribution Companies) are expected to migrate to the Spot Billing system using GPS and GPRS to overcome the shortcomings of the other Metering billing processes and also improve reliability and accuracy of metering.

COSYN has been the pioneer in implementation of Spot Billing services in the country and has been at the forefront in introduction of new technologies. Its in-house developed Android based GPS+GPRS/3G Spot billing and collection software and app is well suited for offering reliable and diverse field based metering requirements for Electricity, Water, Sewerage consumers. It is also the first company in India to develop the Android application for combined billing of Water, Electricity and Sewerage consumers in a single bill. COSYN estimates the Spot billing market to grow to INR 500 Crores per annum over the next two years and is gearing up to garner a substantial share of this market. It is also developing its own Web-Enabled Total Revenue Management (TRM) software which is used by Discoms for Revenue accounting, reconciliation and computation purposes on a monthly basis. The Web based TRM software can be deployed in the cloud or on the DISCOMs servers as per the requirement.

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31 March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration)

Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	**CIN**	**U72200TG1994PLC017415**
ii.	Registration Date	25.04.1994
iii.	Name of the Company	COSYN LIMITED
iv	Category/Sub-Category of the Company	Company Limited by shares/Indian Non-Government Company
v	Address of the Registered office and contact details	# 6-1-85/10, Opp. Telephone Bhavan, Saifabad, Hyderabad – 500 004
vi	Whether Listed Company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. XL Softech Systems Limited, 3, Sagar Soceity, Road No.2 Banjara Hills, Hyderabad – 500 034, India. Tel : +91-40-23545913, 23545914 Fax : +91-40-23553214.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of Main Products/ Services	NIC Code of the Product/ Service	% to total turnover of the Company (Rs. In Lakhs)
1	IT ENABLED SERVICES	8920	1975.86

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -- NIL

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	-	-	-	-	-
2	-	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1. Indian									
a) Individual/ HUF	3950974	0	3950974	53.24	3950742	0	3950742	52.68	-0.56
b) CentralGovt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	390000	0	390000	5.25	468460	0	468460	6.24	1.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) State Govt(s)	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	4340974	0	4340974	58.49	4419202	0	4419202	58.92	0.43
2. Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
I)Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
B. Public Shareholding	-	-	-	-	-	-	-	-	-
I) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Ventur Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	0	0	0	0	0	0	0	0	0
2.Non Institutions									
a) Bodies Corp									
(i) Indian	133861	6700	140561	1.89	83028	6700	89728	1.20	-0.69
(ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	916829	137640	1054469	14.21	924842	137240	1062082	14.16	-0.05
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1622306	99000	1721306	23.19	1665245	99000	1764245	23.52	0.33
c) Others(Specify)									
Clearing Members	3715	0	3715	0.05	7745	0	7745	0.1	0.5
NRIs'	18975	141540	160515	2.16	20458	136540	156998	2.09	-0.07
Sub-total(B)(2)	2695686	384880	3080566	41.51	2701318	379480	3080798	41.08	-0.43

TotalPublic Shareholding (B)=(B)(1)+ (B)(2)	2695686	384880	3080566	41.51	2701318	379480	3080798	41.08	-0.43
C.Shares heldby Custodianfor GDRs&ADRs	0	0	0	0	0	0	0	0	0
GrandTotal (A+B+C)	7036660	384880	7421540	100	7120520	379480	7500000	100	

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to Total Shares	% Change in Share Holding
1	Ravi Vishnu	850539	11.46	0	850539	11.34	0	-0.12
2	R Radha Krishna Murthy	541100	7.29	0	541100	7.21	0	-0.08
3	D Vikram Reddy	740500	9.98	0	740500	9.87	0	-0.11
4	Ravi Vishnu	270850	3.65	0	270850	3.61	0	-0.04
5	R Seetha	258731	3.49	0	258731	3.45	0	-0.04
6	Bhopal Reddy A	481400	6.48	0	481400	6.42	0	-0.06
7	R Radha Krishna Murthy	158400	2.13	0	158400	2.11	0	-0.02
8	Granada Engineers Limited	145000	1.95	0	145000	1.93	0	-0.02
9	Ravi Kasturi	293800	3.96	0	293800	3.92	0	-0.04
10	RRK Enterprise Private Limited	245000	3.30	0	323460	4.31	0	1.01
11	N Bhardwaj	23989	0.32	0	23757	0.32	0	0
12	A Srinivasa Rao	17215	0.23	0	17215	0.23	0	0
13	K Chaitanya Reddy	13000	0.18	0	13000	0.17	0	-0.01
14	Ravi Anand Kumar	83750	1.13	0	83750	1.12	0	-0.01

15	U Rajani Kumari	7700	0.10	0	7700	0.10	0	0
16	Ravi Aiswarya	75000	1.01	0	75000	1.00	0	-0.01
17	B Triveni	135000	1.82	0	135000	1.80	0	-0.02
	Total	**4340974**	**58.49**	**0**	**4419202**	**58.92**	**0**	**0.43**

*** Change in % of Share holding at the end of the year is due to increase in share capital upon preferential allotment.**

iii.Change in Promoters' Shareholding (please specify, if there is no change

		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company *
Sl.No.	Name				
1	Ravi Vishnu	850539	11.46		
	Change during the year Increase / (Decrease)	NIL	NIL	850539	11.34
2	R Radha Krishna Murthy	541100	7.29		
	Change during the year Increase / (Decrease)	NIL	NIL	541100	7.21
3	D Vikram Reddy	740500	9.98		
	Change during the year Increase / (Decrease)	NIL	NIL	740500	9.87
4	Ravi Vishnu	270850	3.65		
	Change during the year Increase / (Decrease)	NIL	NIL	270850	3.61
5	R Seetha	258731	3.49		
	Change during the year Increase / (Decrease)	NIL	NIL	258731	3.45
6	Bhopal Reddy A	481400	6.48		
	Change during the year Increase / (Decrease)	NIL	NIL	481400	6.42
7	R Radha Krishna Murthy	158400	2.13		
	Change during the year Increase / (Decrease)	NIL	NIL	158400	2.11
8	Granada Engineers Limited	145000	1.95		
	Change during the year Increase / (Decrease)	NIL	NIL	145000	1.93
9	Ravi Kasturi	293800	3.96		
	Change during the year Increase / (Decrease)	NIL	NIL	293800	3.92
10	RRK Enterprise Private Limited	245000	3.30		
	Change during the year Increase / (Decrease)	78,460		323460	4.31

11	N Bhardwaj	23989	0.32		
	Change during the year Increase / (Decrease)	(232)		23757	0.32
12	A Srinivasa Rao	17215	0.23		
	Change during the year Increase / (Decrease)	NIL	NIL	17215	0.23
13	K Chaitanya Reddy	13000	0.18		
	Change during the year Increase / (Decrease)	NIL	NIL	13000	0.17
14	Ravi Anand Kumar	83750	1.13		
	Change during the year Increase / (Decrease)	NIL	NIL	83750	1.12

*** Change in % of Share holding at the end of the year is due to increase in share capital upon preferential allotment.**

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	R Prathistha	194497	2.62	194497	2.59
2.	M Sarvotham Reddy	153373	2.07	153373	2.04
3.	Anurupa Chunduri	110716	1.49	110706	1.48
4.	Sasidhar Purushottaman	107100	1.44	107100	1.43
5.	Gunapati Keerthi Reddy	99354	1.34	99354	1.32
6.	Sharad Kanyalal Shah	88586	1.19	88586	1.18
7.	Vasantha Rao Chenumolu	75555	1.02	75555	1.01
8.	Jayesh Purushothambhai Patel	75200	1.01	75200	1.00
9.	Varsha Sharad Shah	72216	0.97	72216	0.96
10	Ravi Patel	50000	0.67	50000	0.67

*** Change in % of Share holding at the end of the year is due to increase in share capital upon preferential allotment.**

v. Shareholding of Directors and Key Managerial Personnel

Sr. No	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Ravi Vishnu	850539	11.46	850539	11.34
2.	A.Bhopal Reddy	481400	6.48	481400	6.42
3.	Aravind Aitipamula	NIL		NIL	
4.	K. Raghupathi Rao	100		100	

*** Change in % of Share holding at the end of the year is due to increase in share capital upon preferential allotment.**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount (CC)	195.07	-	-	195.07
ii) Interest due but not paid	-			
iii) Interest accrued but not	-			
Total(i+ii+iii)	**195.07**	**-**	**-**	**195.07**
Change in Indebtedness during the financial year				
- Addition	2.46	18.50	-	20.96
- Reduction				
Net Change	**2.46**	**18.50**	**-**	**20.96**

Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but notpaid iii) Interest accrued but not due	197.53 - -	18.50	-	216.03
Total(i+ii+iii)	**197.53**	**18.50**	**-**	**216.03**

VI. I.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Whole-Time Director

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ravi Vishnu	A.Bhopal Reddy	(Rs.)
1	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits inlieu of salary undersection 17(3)Income- taxAct,1961	28,80,000.00 10,620.00 -	28,80,000.00 10,620.00 -	57,60,000.00 21,240.00 -
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify…	- - -	- - -	- - -
5	Others, please specify Medical Expenses, Perquisites & other allowances	94,954.00	29,413.00	1,24,367.00
6	Total(A)	29,85,574.00	29,20,033.00	59,05,607.00
	Ceiling as per the Act	84,00,000.00	84,00,000.00	1,68,00,000.00

B. Remuneration to other Directors:

Sl. No.	Name and category of Directors	Fee for attending board/committee meetings	Commission	Others please specify Conveyance	Total
1	Independent Directors				
i	Mr. T Venkateswara Prasad	5,000.00	-	5,000	10,000
ii	Mr. T Krishna Rao	2,000.00	-	2,000	4,000
iii	Wg. Cdr. V L Nanda Kumar	4,000.00	-	4,000	8,000
iv	Mr. V Sivarama Krishna Murthy	4,000.00	-	4,000	8,000
	Total (1)		-	**15,000**	
2	**Other Non-Executive Directors**				
	Total (2)	**-**	-	**-**	
	Total (B) =(1+2)	**15,000.00**			**30,000**
	Total Managerial Remuneration	**-**	-	**-**	**59,35,607**
	Overall Ceiling as per the Act	**1,68,00,000.00**			

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particularsof Remuneration	Key Managerial Personnel		
		Aravind Aitipamula	**K. Raghupathi Rao**	**Total**
1	Gross salary			
	(a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961	1,32,000.00	3,84,453	5,05,859
	(b)Value of perquisites u/s 17(2) Income-tax Act,1961	-	-	-
	(c)Profits in lieu of salary under section 17(3)Income-tax Act,1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as %of profit -others, specify…	-	-	-
5	Others, please specify	-	-	-
6	Total	1,32,000.00	3,73,859.00	5,05,859.00

VII. PENALTIES /PUNISHMENT /COMPOUNDING OF OFFENCES: **- NIL**

Managing Director and CFOs' Certification

We have reviewed the financial statements, read with the cash flow statement of COSYN Limited (Formerly known as CSS Technergy Limited) for the year ended March 31st, 2015 and that to the best of our knowledge and belief, we state that;

a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading

(ii) These statements present true and fair view of the company's affairs and are in compliance with current Accounting Standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the auditors and audit committee deficiencies in the design or operation of internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.

d) We have indicated to the auditors and audit committee that :

(i) There are no significant changes in internal control over financial reporting during the Year ;

(ii) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements;

And

(iii) There are no instances of fraud involving the management or an employee

-Sd-	-Sd-
K. Raghupathi Rao	**RAVI VISHNU**
CFO	Managing Director

Place: Hyderabad
Date : 12-08-2015

Report on Corporate Governance

(As required under Clause 49 of the Listing Agreement)

The Company's shares were primarily listed on Bangalore Stock Exchange Limited, which was de-recognised vide its letter dated 30th December, 2014 intimating their de-recognition as Stock Exchange in accordance with the SEBIs' "Exit Order" No.WTM/RKA/MRD/163/2014 issued on December 26, 2014. In the mean time, your Company applied for Direct Listing with the Bombay Stock Exchange Limited and got the Direct Listing approval with effect from 29th January, 2015. The Corporate Governance Report has been prepared in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges.

1. CORPORATE GOVERNANCE PHILOSOPHY

The Company believes that good corporate governance ensures that we engage in open and democratic process and are held accountable for our business decisions. This is vital to gain and retain investor trust. We also believe that corporate governance norms and processes ensure effective engagement with changing business environment. The Company considers it is our inherent responsibility to disclose timely and accurate information regarding our financials and performance as well as governance of the Company.

The Company has complied with the requirements of the Corporate Governance code in terms of Clause 49 of the Listing Agreement with the Stock Exchanges as disclosed herein below.

2. BOARD OF DIRECTORS

The Board of Directors along with its committees provide focus and guidance to the Company's Management as well as directs and monitors the performance of the Company.

The Board presently comprises of Ten (10) Directors, having rich and vast experience with specialized skills in their respective fields, out of which Five (5) are Non-Executive Independent Directors. The Board comprises 50% of Independent Directors out of the total Directors.

All the Directors on the Board of the Company have made necessary declarations/ disclosures regarding their other Directorships along with Committee positions held by them in other Companies.

During the year under review five Board Meetings were held on 30.05.2014, 25.06.2014, 07.08.2014, 14.11.2014 and 12.02.2015. The maximum gap between two consecutive meetings did not exceed four months. The details of directors and the meetings held are as follows:

Sl. No.	Name of the Director	Category	No. of Board Meetings attended	Atten-dance at the last AGM	Other Boards #	No of Outside Committee positions held	
						Chairman	Member
1	Ravi Vishnu	Managing Director	5	Yes	1	-	-
2.	A. Bhopal Reddy	Whole Time Director	5	Yes	NIL	-	-
3.	D. Vikram Reddy	Non Executive Director	1	No	NIL	-	-
4.	R. Radha Krishna Murthy	Chairman, Non Executive Director	4	Yes	NIL	-	-
5.	T. Venkateswara Prasad	Independent Director	5	Yes	1	-	-
6.	T. Krishna Rao	Independent Director	2	No	NIL	-	-
7.	Wg.Cdr. V.L.Nanda Kumar	Independent Director	4	Yes	NIL	-	-
8.	V. Sivarama Krishna Murthy	Independent Director	4	Yes	NIL	-	-
9.	R. Kasturi *	Non Executive Director	NIL	No	1	-	-
10.	P. Venkata Rao**	Independent Director	NIL	Nos	NIL	-	-

Excluding Directorship in Foreign and Private Limited Companies.

* Appointed as Additional Director with effect from 01.04.2015

** Appointed as Additional Director with effect from 12.08.2015

1. COMMITTEES OF DIRECTORS

A. Audit Committee

The Company constituted a Qualified and Independent Audit Committee comprising of three Non-Executive Independent Directors in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange and the provisions of the Companies Act, 2013.

The Committee is empowered with the powers as prescribed under Clause 49 of Listing Agreement and provisions of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

Brief Terms of reference of audit committee are:

- Oversight of the company's financial reporting process and the disclosure of its financial information;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;

The composition of the Audit Committee and the attendance of each Member of the Committee at the meetings were as follows:

Sl. No.	Name of the Director	Category	No. of meetings held during the tenure of member	No. of meetings attended
1	T. Venkateswara Prasad	Chairman	4	4
2	T. Krishna Rao	Member	4	2
3	Wg. Cdr. V.L.Nanda Kumar	Member	4	4

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

The Managing Director, Head of the Finance Department and Statutory Auditors are also invited to the meetings, as required, to brief the Committee Meetings. The Company Secretary acts as the Secretary of the Committee.
The Audit Committee meetings were held during the year under review on the following date's 30.05.2014, 7.08.2014, 14.11.2014 and 12.02.2015. The gap between two audit Committee meetings was not more than four months.

B. NOMINATION & REMUNERATION COMMITTEE

The Remuneration Committee comprises of Three (3) Non-Executive Independent Directors. The composition of the Remuneration Committee is as follows:

Sl. No.	Name of the Director	Category	No. of meetings held during the tenure of member	No. of meetings attended
1	T. Venkateswara Prasad	Chairman	4	4
2	T. Krishna Rao	Member	4	2
3	Wg. Cdr. V.L.Nanda Kumar	Member	4	4

The Remuneration Committee reviews the remuneration package payable to Executive Director(s) and Other Senior Executives in the top level management of the Company and other elements of their appointment and gives its recommendations to the Board and acts in terms of reference of the Board from time to time.

The details of remuneration and commission paid during the year to the Managing Director and Whole-time Director are as follows:

(Amount in Rupees)

Description of Amount	Mr.Ravi Vishnu Managing Director	A.Bhopal Reddy Whole-time Director
Basic Salary	19,20,000	19,20,000
House Rent Allowances	9,60,000	9,60,000
Medical Expenses	92.454	26.913
Other Allowances	2,500	2,500
Perquisites	10,620	10,620
Total	**29,85,574**	**29,20,033**

Apart from the above, they are also eligible for the Leave encashment, Leave Travel Concession, Gratuity and other benefits in terms of their appointment and rules of the Company.

Compensation paid to Non-Executive Directors and their shareholding is as follows:

Name of the Director	Sitting fees paid (Rs.)	No. of shares held on 31.03.2015
T. Venkateswara Prasad	5,000	Nil
T. Krishna Rao	2,000	Nil
Wg Cdr V.L.Nanda Kumar	4,000	Nil
Ravi Radha Krishna Murthy	NIL	5,41,100
D. Vikram Reddy	NIL	7,40,500
V. Sivarama KrishnaMurthy	4,000	Nil
R Kasturi *	NIL	2,93,800
P Venkata Rao **	NIL	NIL

* Appointed as Additional Director with effect from 01.04.2015

** Appointed as Additional Director with effect from 12.08.2015

Other than the sitting fees to Non-Executive Directors, there was no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its Directors/Employees.

C. SHARE TRANSFER / STAKEHOLDERS' RELATIONSHIP COMMITTEE

The present composition of the Shareholders'/ Investors' Grievances Committee is as under:

Name of the Director	Nature of Directorship	Membership	No. ofmeetings attended
R. Radha Krishna Murthy	Non-Executive	Chairman	4
Ravi Vishnu	Executive	Member	4

This Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of Annual Reports, dividend payments, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, the Board has authorized the Compliance Officer to approve the share transfers/transmissions and comply with other formalities in relation thereto. All investors' complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement. Mr. Aravind Aitipamula is the Compliance officer of the Company.

There were no pending share transfers and un-resolved shareholders' grievances pertaining to the Financial Year ended 31st March, 2015.

D. GENERAL BODY MEETINGS

I) The Details of the last three Annual General Meetings are given below:

Financial year ended	Date	Venue	Time	Special Resolutions passed
March 31st, 2014	30th September, 2014	Film Nagar Cultural Center Dr. D. Ramanaidu Building, Road No. 6, Film Nagar, Jubilee Hills, Hyderabad.	10:00 AM	1.Borrowing in excess of paid up share capital and free reserves subject to ceiling of Rs. 15 Crores. 2. Hypothecation, mortgaging, charge etc., of properties for loans upto Rs. 15 Crores.
March 31st, 2013	30th September, 2013	Film Nagar Cultural Center Dr. D. Ramanaidu Building, Road No. 6, Film Nagar, Jubilee Hills, Hyderabad.	10:00 AM	NIL
March 31st, 2012	28th September, 2012	Jubilee Hills International Centre, Jubilee Hills, Hyderabad-500 033	10:00 AM	Preferential issue of upto 1023460 equity shares / warrants to promoter group.

I) During the last three years the following Extra-Ordinary General Meetings were held at the registered office.

Year	Date	Time	Special Resolutions Passed
2012-2013	22.12.2012	10:30A.M.	Preferential issue of upto 10,23,460 equity shares / warrants to promoter group.

Note : Change of name of the Company to COSYN Limited: The Board is pleased to inform the members that the Company had received approval of members of the Company for change of its name to COSYN Limited vide the meeting of the members held to announce the result of postal ballot dated 19-07-2015. The Company had received fresh certificate of incorporation from the Registrar of Companies vide their letter dated 6-08-2015.

4. DISCLOSURES

A. Disclosures on Materially Significant Related Party Transactions

There were no materially significant related party transactions compared to the business volume of the Company during the year conflicting with the interest of the Company.

B. Details of Non-Compliance and Penalties

There was no non-compliance during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by the Stock exchanges, SEBI and any statutory Authority relating to Capital markets.

C. As per the Internal Code of Conduct the employees have been given access to the Audit Committee.

D. CEO/ CFO Certification

The Managing Director and CFO (who is heading the finance functions) have certified to the Board in accordance with Clause 49 (v) of the Listing Agreement pertaining to CEO certification for the financial year ended 31st March, 2015.

E. Compliance Certificate

Compliance certificate for Corporate Governance of the Company is annexed hereto and forms part of this report.

F. Code of Conduct

The Company has framed the Code of Conduct for Directors and Senior Management. The Code of Conduct is applicable to all Directors and Senior Management of the Company. All the members of the Board and Senior Management of the Company have affirmed compliance with their respective Codes of Conducts for the financial year ended 31st March, 2015. A declaration to this effect, duly signed by the Managing Director is annexed hereto and forms part of this Report.

G. Details of Compliances with Mandatory Requirements and Adoption of the non-Mandatory Requirements

The Company has complied with the mandatory requirements of Clause 49 and is in the process of implementation of Non-Mandatory requirements

H. Relationship inter-se among Directors

In accordance with the provisions of the Companies Act, 2013, Mr. Ravi Vishnu, Managing Director, Smt. Ravi Kasturi, Director and Mr. R.Radha Krishna Murthy, Director, belong to the promoter group and are related to each other.

5. MEANS OF COMMUNICATION

A. Quarterly and half-yearly reports are published in two Newspapers- One in English and one in Telugu.

B. The financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and simultaneously displayed on the Company's website www.cosyn.in. The Secretarial Department serves to inform the investors by providing key and timely information like details of Directors, Financial results, Shareholding pattern, etc.

C. The Company is also displaying official news announcements on its website www.cosyn.in

D. Management Discussion and Analysis forms part of this Annual Report.

6. GENERAL SHAREHOLDER'S INFORMATION

A. Annual General Meeting

Date and Time	Wednesday, 30th September 2015 – 10.00 A.M.
Venue	Jubilee Hills International Center, Jubilee Hills, Hyderabad
Last Date of Proxy forms submission	10.00 AM on 28.09.2015.

B.Financial Year: April 1st to March 31st

C.Book Closure: 21st Sep., 2015 to 30th Sep., 2015 (Both days inclusive)

D.Listing on StockExchanges:

1. Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	The Company got direct listing apprroval with Bombay Stock Exchange Limited with effect from 29th January, 2015.
2. Bangalore Stock Exchange Limited, No.51, "Stock Exchange Towers", 1st Cross, J.C.Road, Bangalore - 560 027	The Company's shares were primarily listed on Bangalore Stock Exchange Limited, which was de-recognised vide its letter dated 30th December, 2014 intimating their de-recognition as Stock Exchange in accordance with the SEBIs' "Exit Order" No.WTM/RKA/MRD/163/2014 issued on December 26, 2014

E.Stock Code

Name of the Stock Exchange	Security Code	Security ID
BSE LIMITED	538922	CSSTECH
Demat ISIN No. for NSDL & CDSL	INE029B01019	

F. Market Price Data & Share Performance of the Company

The monthly High, Low prices and trading volumes of the Company Equity Shares during the last financial year 2014-2015 at The Bombay Stock Exchange Limited are given below:

S. No.	Month	BSE		
		High (Rs)	Low (Rs)	No. of Shares traded
1	April 2014	14.23	8.59	32,840
2	May 2014	13.02	8.18	20,859
3	June 2014	12.45	10.06	40,365
4	July 2014	15.37	9.80	32,031
5	August 2014	15.28	12.39	158
6	September 2014	14.47	10.61	5,525
7	October 2014	13.89	10.76	14,138
8	November 2014	13.90	10.66	17,288
9	December 2014	13.86	9.30	10,927
10	January 2015	11.17	9.07	5,199
11	January 2015	11.59	10.98	674
12	February 2015	12.50	9.44	15,381
13	March 2015	13.43	8.56	39,595

Note : From Sl.No. 1 to 10 is the trading period under Indonext Segment and from 11 to 13 is the direct listing period in the Bombay Stock Exchange.

All Services relating to share transfer/transmissions and information may be addressed to:

G. Registrar and Share Transfer Agent

XL Softech Systems Limited
3, Sagar Society, Road No.2, Banjara Hills
Hyderabad – 500 034, INDIA
Tel: +91-40 – 23545913, 23545914
Fax: +91-40 – 23553214
E-mail : xlfield@rediffmail.com
Website: www.xlsofttech.com

The Company periodically audits the operations of share transfer agent.

H. Share Transfer System

Share Transfers in physical form shall be lodged with the Registrar at the said address. The share transfers are generally processed by our Registrars within 15 days from the date of receipt provided the documents are complete in all respects.

Pursuant to Clause 47 (c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been given by a Practicing Company Secretary for due compliance of shares transfer formalities

I. Shareholding Pattern as on 31st March, 2015

Category	No. of Shares held	% of Capital
Indian Promoters	44,19,202	58.92
Banks, Financial institutions, Insurance Companies (Central/State Govt Institutions/ Non-Govt. institution)	NIL	-
Indian Public	28,26,327	37.68
Private Corporate Bodies	89,728	1.20
NRI's/OCB's/FCB's, others	1,56,998	2.10
Mutual Funds	Nil	-
HUF's	Nil	-
Clearing Members	7745	0.10
Total	**75,00,000**	**100**

J. Dematerialization of Shares and Liquidity

The Company has made necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization facility. As on 31st March, 2015, 94.94% of the Company's Equity shares are in dematerialized form. The ISIN NO. / Code for the Company's Equity Shares is INE029B01019. Shareholders can open an account with any of the depository participants registered with any of these depositories.

K. Address for Correspondence

COSYN LIMITED
6-1-85/10, Opp. Telephone Bhavan,
Saifabad, Hyderabad,
Tel: +91-40- 23230305, 23230306
Fax: +91-40- 23230313

for and on behalf of the Board

-Sd-
RAVI VISHNU
Managing Director

Place : Hyderabad
Date : 12.08.2015

INDEPENDENT AUDITORS' REPORT

To

The Members of

CSS TECHNERGY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of CSS TECHNERGY LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, 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

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under, to the extent applicable.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements of 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 misstatements.

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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management and Company's directors 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31st, 2015, and its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

2. **As required by section 143(3) of the Act, we report that:**

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations as at 31st March 2015 on its financial position in its financial statements as referred to in note 27 to the financial statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

      iii There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2015.

FOR RAMBABU & Co.,
Chartered Accountants
FRN: 002976S.

-Sd-
C SATYA PRAKASH, Partner
M.No.027183

Place : Hyderabad
Date : 27-05-2015

The Annexure referred to in the Independent Auditors' Report of even date on the Financial Statements to the Members of CSS Technergy Limited for the year ended 31 March 2015. We report that:

i. In respect of its fixed assets

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

   b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

ii. In respect of Inventories

   a) As explained to us, the inventories except goods in transit and stocks lying with third parties have been physically verified during the year by the management at reasonable intervals.

   b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories, followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.

   c) In our opinion and according to the information and explanations given to us The Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence we have not reported on the related matters of this clause and sub-clauses.

iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets with regard to sale of goods / Services. We have not observed any major weakness in the internal control system during the course of the audit.

iv. According to the information and explanations given to us, the Company has not accepted any deposits from the public.

v. Maintenance of Cost Records under Section 148(1) of the Act is not required for the activity carried out by the Company.

vi. According to the information and explanations given to us in respect of statutory dues:

   a) The Company is not regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and any other material statutory dues applicable to it.

   b) There were no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues in arrears as at 31st March 2015 for a period of more than six months from the date they became payable except Service tax

Rs.43,72,706/- Tax Deducted at Source Rs.12,41,508/- Central Sales Tax Rs.1,48,957/- Employee State Insurance Rs.18,76,935/- and Provident Fund Rs. 6,04,216/-.

vii. In our opinion, there are no amounts required to be transferred to the investor education and protection fund by the Company.

viii. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses during the financial year covered by audit and in the immediately preceding financial year.

ix. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions and banks. The Company has not given any guarantee for loans taken by others from bank or financial institutions. The Company has not issued any debentures.

x. In our opinion and according to the information and explanations given to us, term loans obtained by the Company during the year were applied for the same purpose for which they were obtained.

xi. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

FOR RAMBABU & Co.,
Chartered Accountants
FRN: 002976S.

-Sd-
C SATYA PRAKASH, Partner
M.No.027183

Place : Hyderabad
Date : 27-05-2015

Balance Sheet as at 31st March, 2015

(Amount in Rupees)

	Particulars	Note No.	As at 31 March, 2015	As at 31 March, 2014
A	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	3	7,50,00,000	7,42,15,400
	(b) Reserves and surplus	4	4,43,38,308	3,80,30,095
	(c) Money received against share warrants	5	-	5,35,475
			11,93,38,308	11,27,80,970
2	**Non-current liabilities**			
	(a) Long-term borrowings	6	20,15,658	6,68,244
	(b) Deferred tax liabilities (net)	7	51,35,293	1,19,16,499
			71,50,951	1,25,84,743
3	**Current liabilities**			
	(a) Short Term Borrowings	8	2,16,03,270	1,95,06,677
	(b) Trade payables	9	4,56,63,163	2,44,91,936
	(c) Other current liabilities	10	4,49,56,498	5,91,13,776
			11,22,22,931	10,31,12,389
	TOTAL		**23,87,12,189**	**22,84,78,102**
B	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	11	2,28,86,559	4,55,27,329
	(ii) Intangible assets		49,25,624	33,72,396
			2,78,12,183	4,88,99,725
	(b) Long-term loans and advances	12	3,56,91,908	2,73,10,493
	(c) Other non-current assets	13	64,45,066	96,67,602
2	**Current assets**			
	(a) Inventories	14	6,86,28,763	6,55,20,981
	(b) Trade receivables	15	7,15,68,282	3,99,98,677
	(c) Cash and Bank Balances	16	87,30,847	66,68,654
	(d) Short-term loans and advances	17	1,98,35,141	3,04,11,971
			16,87,63,032	14,26,00,283
	TOTAL		**23,87,12,189**	**22,84,78,102**

See accompanying notes forming part of the financial statements

In terms of our report attached.

For RAMBABU & Co.,
Chartered Accountants
Firm Reg No: 002976S

-Sd-
C. Satya Prakash
Partner
Membership.No:027183

Place: Hyderabad
Date : 27.05.2015

For and on behalf of the Board

-Sd-
Ravi Vishnu
Managing Director

-Sd-
A.Bhopal Reddy
Whole Time Director

-Sd-
K. Raghupathi Rao
CFO

-Sd-
A. Aravind
Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2015

(Amount in Rupees)

	Particulars	Note No.	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	CONTINUING OPERATIONS			
1	**Revenue from operations**	18	19,68,91,253	12,46,76,694
2	Other income	19	6,94,403	3,67,040
	Total revenue		**19,75,85,656**	**12,50,43,734**
3	**Expenses**			
	(a) Cost of materials consumed	20	76,66,542	64,40,694
	(b) Operating Expenses	21	4,81,83,566	3,03,31,705
	(c) Changes in inventories of work-in-progress	22	(29,90,113)	(17,25,729)
	(d) Employee benefits expense	23	9,86,57,462	4,78,40,405
	(e) Finance costs	24	34,21,990	36,70,718
	(f) Depreciation and amortisation expense	11	97,33,030	79,67,805
	(g) Other expenses	25	1,82,71,724	1,80,35,522
	Total expenses		**18,29,44,201**	**11,25,61,120**
4	**Profit before Tax**		**1,46,41,456**	**1,24,82,614**
5	**Tax expense:**			
	(a) Current tax expense for current year		-	-
	(b) Deferred tax (Asset) / Liability		(67,81,206)	42,75,742
6	**Profit after Tax (4-5)**		**2,14,22,662**	**82,06,872**
7	**Earnings Per Share (equity share of Rs.10/-each)**	26		
	Basic		**2.86**	**1.19**
	Diluted		**2.86**	**1.09**

See accompanying notes forming part of the financial statements

In terms of our report attached.

For RAMBABU & Co.,
Chartered Accountants
Firm Reg No: 002976S
-Sd-
C. Satya Prakash
Partner
Membership.No:027183

Place: Hyderabad
Date : 27.05.2015

For and on behalf of the Board

-Sd-
Ravi Vishnu
Managing Director

-Sd-
A.Bhopal Reddy
Whole Time Director

-Sd-
K. Raghupathi Rao
CFO

-Sd-
A. Aravind
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in Rupees)

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
A	**Cash Flows from operating activities :**		
	Net Profit Before Tax	**1,46,41,456**	**1,24,82,613**
	Add: Loss from sale of assets/Assets written off	-	-
	Add : Deprectiation	97,33,030	79,67,805
	Add : Interest	34,21,990	36,70,718
	Less: Interest & other income received	(6,94,403)	(3,67,040)
	Operating Profit before working capital changes	**2,71,02,072**	**2,37,54,096**
	Adjustment for:		
	Trade receivables	(3,15,69,602)	(1,23,74,521)
	Inventories	(31,07,782)	(16,43,430)
	Loans and Advances & other assets	54,17,952	(3,40,85,402)
	Trade payables and Other Payables	82,55,984	1,99,89,476
	Cash Generated From Operations	**(2,10,03,448)**	**(2,81,13,877)**
	Less : Income Tax Paid	60,98,624	(43,59,781)
	Net cash from operating activities " A "	**60,98,624**	**(43,59,781)**
B	**Cash Flows from Investing activities :**		
	Purchase of fixed assets	(59,04,266)	(54,42,589)
	Interest & other income received	6,94,403	3,67,040
	Margin Money Deposits / (Realisation)	(16,97,826)	(2,11,830)
	Restricted Deposits with Scheduled Banks realized/(Made)	-	30,000
	Net cash used in investing activities " B "	**(69,07,689)**	**(52,57,379)**
C	**Cash Flows from Financing activities :**		
	Proceeds from long term borrowings - (Net of payments)	13,47,414	6,68,244
	Proceeds from Short term borrowings - (Net of payments)	20,96,593	34,65,743
	Share capital	2,49,125	31,66,250
	Share Premium	9,02,290	75,90,000
	Interest	(34,21,990)	(36,70,718)
	Net Cash used in financing activities " C "	**11,73,432**	**1,12,19,519**
	Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)	**3,64,367**	**16,02,359**
	Cash and Cash Equivalents at the beginning	**28,71,960**	**12,69,601**
	Cash and Cash Equivalents at the end	**32,36,327**	**28,71,960**

As per our report of even date

For RAMBABU & Co.,
Chartered Accountants
Firm Reg No: 002976S

-Sd-
C. Satya Prakash
Partner
Membership.No:027183

Place : Hyderabad
Date : 27.05.2015

For and on behalf of the Board

-Sd-
Ravi Vishnu
Managing Director

-Sd-
A.Bhopal Reddy
Whole Time Director

-Sd-
K. Raghupathi Rao
CFO

-Sd-
A. Aravind
Company Secretary

CSS TECHNERGY LIMITED

Notes forming part of the Financial Statements

1. Corporate information

CSS TECHNERGY LIMITED was incorporated in April, 1994 for carrying out the activities of offering a full range of software outsourcing services from end to end development of new software and web solutions, Enterprise Application Services, re-engineering and enhancement of legacy applications, application integration and maintenance, BPO / ITES services for Utilities, E-Governance, BFSI, Retail and DMS. The Company is carrying its activities from its registered office situated at # 6-1-85/10, Opp Telephone Bhavan, Saifabad, Hyderabad – 500 004.

2.Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the applicable accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Cash and Cash Equivalents

Cash comprises cash on hand and fixed deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

2.4 Cash Flow Statement

Cash Flows are reported using the indirect method, where by profit /(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Tangible Fixed Assets and Depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided using Straight Line Method at the rates estimated by the Management which coincides with the rates prescribed under Schedule XIV of the Companies Act, 1956.

2.6 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to see if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

2.7 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.8 Investments

Investments, which are readily realizable and 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 in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

2.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Revenue from Sale of Goods

Sales are recognized net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

(ii) Revenue from Sale of Services

Revenue from software related services are accounted for on the basis of services rendered as per terms of contract.

Revenue from BPO services are based on the performance of specific criteria at contracted rates.

(iii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

(iv) Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

2.10 Inventory Valuation

a) Stocks of consumables are valued at cost.

b) Project work in progress is valued with reference to the actual cost incurred for the work performed up to the reporting date bear estimated total project cost of each project.

2.11 Foreign Currency Translation

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. 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; and 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.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise

2.12 Retirement and Other Employee Benefits

(i) Defined Contribution Plans:

Contributions in respect of Employees Provident Fund and Family Pension Fund are charged to the Profit and Loss account as incurred.

(ii) Defined Benefit Plans:

The Company also provides for other employee benefits in the form of gratuity. The Company's Contributions to Gratuity scheme is provided based on Valuations, as at the balance sheet date made by independent actuaries. The gratuity fund is managed by the Life Insurance Corporation of India (LIC).

(iii) Long-Term Employee Benefits

The Company has a policy to encash all unavailed leaves over and above 60 days after every calendar year compulsorily. Also, the employee is entitled to encash leaves as and when required by them.

(iv) Short-term Employee Benefits

The undiscounted amount of short-term employee benefits i.e. performance incentive expected to be paid in exchange for the services rendered by employee are recognized during the year when employees render the service.

2.13 Income Tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.14 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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 are adjusted for the effects of all dilutive potential equity shares.

2.15 Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Notes Forming Part of the Financial Statements

3. Share Capital

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Rs	Number of shares	Rs
(a) Authorised				
Equity Shares of Rs 10/- each with voting rights	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
(b) Issued, Subscribed and Fully Paid-up:				
Equity Shares of Rs 10/- each with voting rights	75,00,000	7,50,00,000	74,21,540	7,42,15,400
TOTAL		**7,50,00,000**		**7,42,15,400**

(i) Reconciliation of Shares

Particulars	Opening Balance	Conversion of Share Warrants	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2015			
- Number of shares	74,21,540	78,460	75,00,000
- Amount (Rs.)	7,42,15,400	7,84,600	7,50,00,000
Year ended 31 March, 2014			
- Number of shares	67,61,540	6,60,000	74,21,540
- Amount (Rs.)	6,76,15,400	66,00,000	7,42,15,400

(ii) All Equity Shares issued by the company carry equal voting and participatory rights

(iii) The details of share holders holding more than 5% shares :

Name of the share holder	As at 31.03.2015		As at 31.03.2014	
	Number of shares	% held	Number of shares	% held
Sri. Ravi Vishnu	8,50,539	11.34	8,50,539	11.46
Sri. D. Vikram Reddy	7,40,500	9.87	7,40,500	9.98
Sri. R. Radha Krishna Murthy	5,41,100	7.21	5,41,100	7.29
Sri. A. Bhopal Reddy	4,81,400	6.42	4,81,800	6.49

4. Reserves and Surplus

Particulars	As at 31.03.2015 Rs.		As at 31.03.2014 Rs.	
(a) Share Premium				
Opening balance	7,25,61,800		6,49,71,800	
Add: Additions during the year	9,02,290		75,90,000	
Closing balance		7,34,64,090		7,25,61,800
(b) Capital Reserve		19,25,000		19,25,000
(c) Surplus / (Deficit) in Statement of Profit and Loss				
Balance at the beginning of the year	(3,64,56,705)		(4,46,63,576)	
Adjustment of Depreciation (Ref No. 4.1)	(1,60,16,739)		-	
Add: Profit for the year	2,14,22,662		82,06,871	
Closing balance		(3,10,50,782)		(3,64,56,705)
TOTAL		**4,43,38,308**		**3,80,30,095**

4.1 Adjustment of Depreciation

Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible Fixed Assets with NIL remaining useful life.

5.Share Warrants Money

During the financial year 2012-13, 10,23,460 Share Warrants were allotted on preferential basis to promoters of the company, vide resolution dated 22.12.2012. Each holder of the said share warrant is entitled to subscribe equivalent number of equity share of Rs 10/-each at a premium of Rs 11.50 each. Out of above Share Warrants of 9,45,000 Share Warrants of Rs 10/- each were converted in to equal no.of equity shares of Rs 10/- each during the earlier years. During the current year balance 78,460 Share Warrants were converted in to equal no.of equity share of Rs 10/-each.

6. Long Term Borrowings **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
From banks - Secured Term Loan -State Bank of India (Ref Note 6.1)	20,15,658	6,68,244
TOTAL	**20,15,658**	**6,68,244**

6.1 - Long Term Borrowings

During the financial year 2013-14, State Bank of India, Balanagar branch has sanctioned Term Loan for Rs 80 Lakhs. Out of the Sanctioned loan of Rs 80 Lakhs, Company utilised an amount of Rs. 44.67 Lakhs during the year.

During the year, Company utilised Term Loan from State Bank of India, Balanagar Branch, Hyderabad. The said loan is repayable in 20 monthly equal installment of Rs 1,87,790/-.

The said loan is secured by equitable mortgage of land belongs to the Directors and Others situated at Krithika Layout at Madhapur, Hyderabad.

The said loans are further secured by Personal guarantee of Ravi Vishnu and A.Bhopal Reddy, Directors of the company.

Current maturies of long term borrowings have been disclosed under the head other current liabilities.

7. Deferred Tax Liability **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Opening Balance	1,19,16,499	76,40,757
Add: On account of Deferred Revenue Expenditure	(10,95,338)	(32,86,018)
Add: On account of Difference of Depreciation	(56,85,868)	75,61,760
Net Deferred Tax Liability	**51,35,293**	**1,19,16,499**

8. Short Term Borrowings **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Secured: From Banks		
Cash Credit - State Bank of India (Refer Note 8.1)	1,97,53,270	1,95,06,677
Un Secured: From Others		
From Related Parties (Refer Note 8.2)	18,50,000	-
Total	**2,16,03,270**	**1,95,06,677**

8. 1 Cash Credit from State Bank of India

The Company has availed working capital loan from SBI for an amount of Rs. 2,00,00,000/-. Out of the working capital loan availed, the company utilised an amount of Rs. 1,97,53,270/- as at 31st March, 2015. The said loan is secured by equitable mortgage of land belongs to the Directors & others situated at Krithika Layout at Madhapur, Hyderabad

The said loans are further secured by Personal guarantee of Ravi Vishnu and A.Bhopal Reddy, Directors of the company.

8. 2 Un Secured Loan from Others

During the year Company has taken unsecured loan Rs 18,50,000/- from RRK Enterprise Private Limited, an associate company. The said loan is repayable on demand.

9. Trade Payables **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Creditors for Services	4,27,49,198	2,31,25,926
Creditors for Consumables	26,96,589	11,58,120
Creditors for Expenses	2,17,376	2,07,890
TOTAL	**4,56,63,163**	**2,44,91,936**

10. Other Current Liabilites **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Current Maturities of Long-Term Debt - Secured		
i) Term Loan - State Bank of India	18,77,900	26,64,000
(b) Other Payables		
(i) Statutory Remittances		
Service Tax Payable	1,90,03,215	84,99,452
TDS Payable	30,07,981	34,36,043
Sales Tax Payable	1,98,957	1,98,957
ESI Payable	40,42,489	21,77,342
PF Payable	68,84,640	12,45,576
Professional Tax Payable	8,400	9,050
(ii) Payables on Purchase of Fixed Assets	5,64,674	18,06,709
(iii)Advance from Customers	75,39,169	3,73,70,519
(iv) Other Liabilities	18,29,073	17,06,128
Total	**4,49,56,498**	**5,91,13,776**

12. Long Term Loans And Advances **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(Unsecured, considered good, recoverable in cash or in kind for value to be received)		
(a) Capital Advances		
Advance for Capital Goods	-	5,100
(b) Deposits		
Deposits - APCPDCL	42,426	42,426
Deposits - Electricity	489,455	479,455
Retension Money	36,09,714	962,147
Deposits - Others	6,50,432	250,432
Deposits - Rent	11,06,697	10,36,497
(c) Advance Income Tax (Net of Provision of Rs 2,37,25,455/-. As at 31 st March, 2014 Rs 2,37,25,455/-)	2,97,93,184	2,45,34,436
Total	**3,56,91,908**	**2,73,10,493**

11. FIXED ASSETS

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	Balance As At 01.04.2014	Additions	Disposals	Balance As At 31.03.2015	Balance As At 01.04.2014	Disposals	For the Year	Balance As At 31.03.2015	Balance As At 31.03.2015	Balance As At 31.03.2014
(i) TANGIBLE ASSETS										
Land	13,31,295	-	-	**13,31,295**	-	-	-	-	13,31,295	13,31,295
Computer / Hardware	9,81,45,758	16,97,538	-	**9,98,43,296**	8,47,33,517	-	60,26,056	9,07,59,573	90,83,723	2,71,48,932
Furniture and Fixtures	1,56,78,413	10,100	-	**1,56,88,513**	1,23,09,361	-	6,32,427	1,29,41,788	27,46,725	47,69,326
Electrical Fittings	1,88,40,518	-	-	**1,88,40,518**	94,59,219	-	19,23,193	1,13,82,412	74,58,106	99,08,394
Vehicles	29,09,973	68,377	-	**29,78,350**	21,63,195	-	1,98,054	23,61,249	6,17,101	9,07,129
Office Equipment	84,27,006	7,89,950	-	**92,16,956**	71,96,457	-	3,70,889	75,67,346	16,49,610	14,22,880
Library Books	8,65,901	-	-	**8,65,901**	8,26,528	-	39,373	8,65,901	-	39,373
Total	**14,61,98,863**	**25,65,965**	**-**	**14,87,64,828**	**11,66,88,277**	**-**	**91,89,992**	**12,58,78,269**	**2,28,86,559**	**4,55,27,329**
Previous Year	**13,97,95,923**	**64,02,941**	**-**	**14,61,98,864**	**9,27,07,263**	**-**	**79,64,272**	**10,06,71,535**	**4,55,27,329**	**-**
(ii) INTANGIBLE ASSETS										
Computer Software	**6,71,37,104**	**20,96,266**	**-**	**6,92,33,370**	**6,37,64,708**	**-**	**5,43,038**	**6,43,07,746**	**49,25,624**	**33,72,396**
Previous Year	**6,71,37,104**	**-**	**-**	**6,71,37,104**	**6,37,61,175**	**-**	**3,533**	**6,37,64,708**	**33,72,396**	**-**
Total	**21,33,35,967**	**46,62,231**	**-**	**21,79,98,198**	**18,04,52,985**	**-**	**97,33,030**	**19,01,86,015**	**2,78,12,183**	**4,88,99,725**
Previous Year Total	**20,69,33,027**	**64,02,941**	**-**	**21,33,35,968**	**15,64,68,438**	**-**	**79,67,805**	**16,44,36,243**	**4,88,99,725**	**-**

The Company reassessed the useful lives of Fixed Assets as per Part C of Schedule II of the Companies Act, 2013. Consequantly, the useful life of asset class has been revised and amounts aggregating Rs 97,33,030/- has been debited to the Statement of Profit and Loss for the year ended. The depreciation on carrying value of the assets whose useful lives expired as at April, 1st 2014 aggregating Rs 1,60,16,742/- have been adjusted against the opening balance of Profit & Loss.

13. Other Non-Current Assets **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Deferred Revenue Expenditure (Ref. Note 13.1)	96,67,602	1,28,90,136
Less: Written off during the year	32,22,536	32,22,534
Total	**64,45,066**	**96,67,602**

13.1 Deferred Revenue Expenditure

During the Financial Year 2013-14, Company incurred an amount of Rs.1,28,90,136/- for development of a software in order to facilitate and execute Online Billing to the consumers of Punjab State Power Corporation Limited(PSPCL).

The said project with PSPCL is spread over a period of 4 years and the software developed can be used for a period of 4 years. The expenditure of Rs.1,28,90,136/- incurred for development of software is deferred and will be written off over a period of 4 years from the Financial year 2013-14.

Accordingly this being the Second year, Company has written off an amount of Rs.32,22,534/- being 1/4th of the total deferred revenue expenditure incurred.

14. Inventories **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(As valued and certified by management)		
(a) Consumables	2,27,413	1,09,744
(b) Work-in-progress	6,84,01,350	6,54,11,237
Total	**6,86,28,763**	**6,55,20,981**

15. Trade Receivables **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	73,65,048	1,07,24,957
Doubtful	43,209	10,78,175
	74,08,257	1,18,03,132
Less: Bad debts written off	43,209	10,78,175
	73,65,048	107,24,957
Other Trade Receivables		
Unsecured, considered good	6,42,03,234	2,92,73,720
TOTAL	**7,15,68,282**	**3,99,98,677**

16. Cash and Bank Balances

(Amount in Rupees)

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Cash and Cash Equivalents		
(i) Cash on hand	6,924	3,252
(ii) Balances with banks		
(a) Current accounts	32,29,403	26,71,672
(b) EEFC accounts	-	1,97,036
Total	**32,36,327**	**28,71,960**
(b) Other Bank Balances		
(I) Margin Money on Bank Guarantees	54,94,520	37,96,694
Total	**54,94,520**	**37,96,694**
TOTAL	**87,30,847**	**66,68,654**

16.1 (a) Cash and Cash Equivalents

Out of the above Cash and Bank balances, Cash and Cash Equivalents that meet the definition of cash flow statement is Rs 32,36,327/- (Previous year Rs 28,71,960/-).

17. Short-Term Loans and Advances

(Amount in Rupees)

Particulars	As at 31 March, 2015	As at 31 March, 2014
(Unsecured, Considered Good)		
(a) Loans and Advances	9,11,781	9,73,614
(b) Prepaid Expenses	8,85,387	4,85,916
(c) Advance for Services and Other Expenses	63,11,278	1,75,38,246
(d) Deposits - EMD	1,17,26,695	1,14,14,195
TOTAL	**1,98,35,141**	**3,04,11,971**

18 Revenue from Operations

(Amount in Rupees)

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Sale of Products	-	32,78,306
Less: Sales Tax	-	1,56,110
	-	**31,22,196**
Sale of Services		
- Domestic	22,07,79,337	13,61,33,785
	22,07,79,337	**13,61,33,785**
(b) Less: Service Tax	2,37,28,084	1,43,16,927
Sales Tax	1,60,000	2,62,360
	19,68,91,253	**12,15,54,498**
TOTAL	**19,68,91,253**	**12,46,76,694**

19. Other Income **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Interest Income	6,59,412	3,27,472
(b) Foreign Exchange Fluctuation Gain	34,991	2,508
(c) Sale of Scrap	-	37,060
TOTAL	**6,94,403**	**3,67,040**

20. Cost of Materials Consumed

(Amount in Rupees)

Particulars	As at 31 March, 2015	As at 31 March, 2014
Opening Stock	1,09,744	1,92,043
Add: Purchases	77,84,211	63,58,395
Total	**78,93,955**	**65,50,438**
Less: Closing Stock	2,27,413	1,09,744
TOTAL	**76,66,542**	**64,40,694**

21. Operating Expenses **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Sub Contracting Expenses	4,61,63,903	2,80,42,074
Repairs to Plant & Machinery	9,03,615	10,77,306
Power & Fuel	8,11,682	9,41,043
Frieght	3,04,366	2,71,282
TOTAL	**4,81,83,566**	**3,03,31,705**

22. Changes In Inventories Of Work-In-Progress **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Inventories at the end of the year:		
Work-in-progress	6,84,01,350	6,54,11,237
	6,84,01,350	**6,54,11,237**
Inventories at the beginning of the year:		
Work-in-progress	6,54,11,237	6,36,85,508
	6,54,11,237	**6,36,85,508**
Net (increase) / decrease	**(29,90,113)**	**(17,25,729)**

23. Employee Benefits Expense **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Salaries and Wages	8,93,08,101	4,25,90,699
Contributions to Provident Fund and other Funds	86,09,889	43,28,636
Staff Welfare Expenses	7,39,472	9,21,070
TOTAL	**9,86,57,462**	**4,78,40,405**

24. Finance Cost **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Interest Expense on:		
Interest on Vehicle Loans	-	9,412
Interest on Working Capital Loans	34,21,990	26,69,725
Interest on TDS	-	9,91,581
TOTAL	**34,21,990**	**36,70,718**

25. Other Expenses **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Rent	34,82,500	31,42,766
Repairs and Maintenance	8,96,164	8,73,216
Insurance	2,05,309	1,68,263
Rates and Taxes	7,50,635	3,47,182
Communication	15,77,029	12,88,573
Travelling and Conveyance	22,26,498	32,55,895
Business Promotion	3,83,712	2,47,794
Legal and Professional	35,15,314	28,66,168
Payment to Auditors (Refer Note: 25.1)	4,00,000	4,00,000
Bad Debts Written off	43,209	10,78,175
Deferred Revenue Expenditure Written off (Refer Note.13.1)	32,22,536	32,22,534
Sales Tax earlier years	-	45,609
Miscellaneous Expenses	7,71,132	5,58,033
Bank Charges	7,97,687	5,41,314
TOTAL	**1,82,71,724**	**1,80,35,522**

25.1. Payment to Auditors Comprises of **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Statutory Audit fee	2,50,000	2,50,000
Taxation Audit Fee	1,50,000	1,50,000
TOTAL	**4,00,000**	**4,00,000**

26. Earnings Per Share **(Amount in Rupees)**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Basic		
Total Operations		
Net profit for the year attributable to the equity shareholders	2,14,22,662	82,06,871
Weighted Average Number of Equity Shares	74,81,728	68,96,773
Par Value per Share	10.00	10.00
Earnings per Share - Basic	**2.86**	**1.19**
Diluted		
The diluted earnings per share has been computed by dividing the Net Profit after Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible Bonds for the respective periods. Since, the effect of the conversion of Preference Shares was anti-dilutive, it has been ignored.		
Total Operations		
Net profit for the year attributable to the equity shareholders	2,14,22,662	82,06,871
Weighted average number of equity shares for Basic EPS	74,81,728	68,96,773
Weighted average number of equity shares, For diluted EPS	75,00,000	75,00,000
Par value per share	**10.00**	**10.00**
Earnings per share - Diluted	**2.86**	**1.09**

NOTES TO THE FINANCIAL STATEMENTS

27. Contingent Liabilities not acknowledged as Debt:

		2014-15	2013-14
		Rs	Rs
a)	Bank Guarantees	2,46,55,404	1,35,72,629

28. Related Party Transactions :

A. Related Parties and their Relationship
(As identified and certified by the Management)

I. Associate Company : RRK ENTERPRISE PRIVATE LIMITED

II. Key Managerial Personnel (KMP) :

Ravi Vishnu : Chairman & Managing Director

III. Relatives of KMP : R. Sri Hari

Summary of the Transactions with the above Related Parties are as follows: (Amount in Rupees)

Nature of Transactions	Associate Companies		KMP and Relatives of KMP	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Remuneration & Perquisites	-	-	29,85,574	31,00,957
Loans and Advance given	-	1,00,000/-	-	-
Loans and Advances taken	18,50,000/-	-	-	10,00,000
Balance outstanding	-	1,00,000/-	-	-
Receivable/(Payable) as on Balance Sheet date	(18,50,000/-)		-	(10,00,000)

29. Segment Details
The Company is engaged in providing Information Technology Services which in the context of Accounting Standard – 17 issued by ICAI are considered to constitute one single segment

30. Dues to Micro, Small and Medium Enterprises:
The Company is seeking confirmation from its suppliers whether they fall under the category of micro, small and medium enterprises as mentioned under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Based on confirmations received till date, the company believes that it does not have any outstanding dues towards Micro Small and Medium Enterprises. Further the company has not paid/accrued any interest under this MSMED Act.

31. Confirmations are not received in respect of the amounts relating to trade receivable, trade payables, loan & advances..

32. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Figures rounded off to the nearest rupee.

33. Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be NIL as on April,1 2014 and has adjusted an amount of Rs 1,60,16,739/- against the opening surplus balance in the statement of Profit and Loss under Reserves and Surplus.

The depreciation expenses in the statement of profit and loss for the year higher by Rs 57,10,627/- consequent to the change in the useful life of the Asset.

Note 1 to 33 form part of the Balance Sheet and have been authenticated.

For and on behalf of the Board

	-Sd- **Ravi Vishnu** Managing Director	**-Sd-** **A.Bhopal Reddy** Whole Time Director
Place : Hyderabad Date : 27.05.2015	**-Sd-** **K. Raghupathi Rao** CFO	**-Sd-** **A. Aravind** Company Secretary

COSYN LIMITED

CIN : U72200TG1994PLC017415

Regd. off: #6-1-85/10, Opp. Telephone Bhavan, Saifabad, Hyderabad – 500 004.
Ph: +91-40-23230305, Website: www.cosyn.in, Email: comsec@cosyn.in

(Please present this at the entrance of the meeting venue)

ATTENDANCE SLIP

I hereby state that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on 30-09-2015 at Jubilee Hills International Centre, Jubilee Hills, Hyderabad - 500 033, India, or/any adjournment thereof.

Name of the attending Shareholder:_____

(in block letters)

Name of the Proxy:_____

(To be filled in, if proxy attends)

Signature of Shareholder:_____

Signature of Proxy:_____

Regd. Folio Number: or DP/Client ID No._____

Number of shares held:_____

Note:

1. Shareholders/proxy holders are requested to bring the Attendance Slips with them, duly completed when they come to the meeting and hand them over at the gate, affixing their signature on them.

2. Members are informed that no duplicate attendance slips will be issued.

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PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name and Address of the Shareholder(s) .....

E-mail id : ..... Folio No./ Dpid & Client id : .....

I/We being the member(s) of .....Shares of COSYN Limited, hereby appoint

1. Name : ..... Email id : .....

Address :.....

Signature : .....

Or failing him

2. Name : ..... Email id : .....

Address :.....

Signature : .....

Or failing him

3. Name : ..... Email id : .....

Address :.....

Signature : .....

AFFIX Re. 1.00 REVENUE STAMP

Ordinary Business:

1. To receive, consider and adopt, the audited statement of profit and loss for the financial year ended on 31 March 2015 and the balance sheet as at that date and the reports of the Board of Directors and auditors thereon.
2. To appoint Director in place of Mr. R Radha Krishna Murthy, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary resolution.

Special Business:

4. To appoint Mrs. Ravi Kasturi as a Director.
5. To appoint Mr. P Venkata Rao as a Director.
6. To appoint Mr.Ravi Vishnu as the Whole Time Director of the Company and fix remuneration.
7. Borrowing in excess of paid up share capital and free reserves subject to ceiling of Rs.20 crores.
8. Hypothecation, mortgaging, charge etc of properties for loans upto Rs.20 crores.

Signed this ..... day of ..... 2015.

Signature of Shareholder ..... Signature of Proxyholder(s) .....

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BALLOT FORM

(Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1) (C) of the Companies (Management and Administration) Rules, 2014

Serial No. :.....

1. Name (s) Shareholder(s) including Joint Holders, if any (in Block Letters) :
2. Registered Address of the Sole / First name Shareholder / Beneficial Owner :
3. Registered Folio No./DPID No./Client ID No.:
4. Class of Shares :
5. I/We hereby exercise my/our vote in respect of the following Resolutions to be passed in 21st Annual General Meeting of the Company, to be held on Wednesday, 30th September 2015 at Jubilee Hills International centre, Jubilee Hills, Hyderabad - 500 033, India for the business stated in the Notice of the Company dated 12-8-2015 by sending my / our assent or dissent to the said Ordinary Resolution by placing tick (✔) (×) mark at the appropriate box below :

Resolution No.	Resolution Item	No of Shares held	I/We assent to the Resolution	I/We dissent to the Resolution
Ordinary Business				
ITEM - 1	Adoption of the audited balance sheet, statement of profit and loss, accounts for FY 2014-15, etc.			
ITEM - 2	Appointment of Mr. R Radha Krishna Murthy as a Director			
ITEM - 3	Appointment of M/s Rambabu & Co as Statutory Auditors of the Company.			
Special Business				
ITEM - 4	Ordinary Resolution : Appointment of Mrs. Ravi Kasturi as an Independent Director			
ITEM - 5	Ordinary Resolution : Appointment of Mr. P.Venkata Rao as an Independent Director			
ITEM - 6	Special Resolution : Appointment of Mr. Ravi Vishnu as the Managing Director			
ITEM - 7	Special Resolution :Borrowing in excess of paid up share capital and free reserves subject to ceiling of Rs.20 crores			
ITEM - 8	Special Resolution : Hypothecation, mortgaging, charge etc of properties for loans upto Rs.20 crores			

Place :

Date :

Signature of the Shareholder

Note :Last date for receipt of Postal Ballot forms by the Scrutinizer : 27th September 2015

COSYN LIMITED
(Formerly known as CSS TECHNERGY Limited)
CIN : U72200TG1994PLC017415
Regd. Off : # 6-1-85/10, Opp. Telephone Bhavan,
Saifabad, Hyderabad - 500 004.
Ph : +91-40-2323 0305/6, Fax : +91-40-2323 0313
E-mail : comsec@cosyn.in
www.cosyn.in

COSYN

(Formerly Known As CSS TECHNERGY LIMITED)

CIN No: U72200TG1994PLC017415

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company	COSYN LIMITED
2.	Annual Financial statements for the year ended	31st March 2015
3.	Type of Audit observation	NIL
4.	Frequency of observation	Not Applicable
5.	To be signed by • Managing Director	(RAVI VISHNU)
	• CFO	(K RAGHUPATHI RAO)
	• Auditor of the Company	(C SATYA PRAKASH)
	• Audit committee Chairman	(T VENKATESWARA PRASAD)