



HYPERSOFT

TECHNOLOGIES LIMITED

**TWENTY-SIXTH ANNUAL REPORT
2008-2009**



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HYPERSOFT TECHNOLOGIES LIMITED

BOARD OF DIRECTORS

D.R. Bhote

Chairman

F.R. Bhote

Managing Director

K. D. Bhote

N. Gowri Shankar

C. Sitapati Rao

Cyrus J. Irani

Vinay Vir

REGISTERED OFFICE

28, Goyal Society, Moti Valley

Tirmulgherry

Secunderabad - 500.015. A.P. India.

Phone: 040- 27744413 / 27744754

Email: info@hypersoftindia.net

Website: www.hypersoftindia.net

BRANCH

Mumbai

DEPOSITORY REGISTRARS & SHARE TRANSFER AGENTS

M/s. Sathguru Management

Consultants (P) Limited

Plot No. 15, Hindi Nagar

Punjagutta, Hyderabad – 500 034.

Phone No. 040 – 23356507 / 23350586

Fax No: 040 - 23354042

Email : sta@sathguru.com

AUDITORS

M/s. Ramanatham & Rao

Chartered Accountants

Secunderabad.

BANKERS

HDFC Bank Limited

Sainikpuri Branch

Hyderabad

Oriental Bank of Commerce

Secunderabad

LISTING

The Pune Stock Exchange Ltd

Ahmedabad Stock Exchange Ltd



NOTICE

Notice is hereby given that the Twenty-Sixth Annual General Meeting of the members of *Hypersoft Technologies Limited* will be held on Saturday the 26th September, 2009 at 4.00 p.m. at the Registered Office of the company at 28, Goyal Society, Moti Valley, Tirmulgherry, Secunderabad – 500 015 to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the Profit & Loss Account for the year ended on 31st March 2009 and Balance Sheet as on 31st March 2009 together with Schedules and Annexures thereto and the Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of. Mrs. K.D. Bhote who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of. Mr. N. Gowri Shankar who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Ramanatham & Rao, Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and authorize the Board to fix their remuneration.

Special Business :

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 Mr. D. R. Bhote be and is hereby appointed as Whole- time Director of the Company for a term of 5 years with effect from 1st November, 2009 on the following terms & conditions as approved by the members of the Remuneration Committee:

I) **Salary:** Rs.38,000 per month

II) **Perquisites:**

a) Housing

- i. The expenditure incurred by the company on hiring a furnished accommodation for the Whole-time Director shall be subject to a ceiling of 60% of the salary over and above 10% payable by him.
- ii. In case the accommodation is owned by the company, 10% of the salary shall be deducted by the Company.
- iii. In case of no accommodation is provided by the Company, the Whole-time Director shall be entitled to a House Rent Allowance subject to the ceiling laid down in (i) above.
- iv. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall however be subject to a ceiling of 10% of the salary of the Whole- time Director.

b) Medical reimbursement

Expenses incurred for self and family subject to a ceiling of one month's salary per year or three months' salary in a period of five years.



c) Club Fee

Fees of clubs subject to a maximum of two clubs.

d) Children Education

Children Education fee subject to a maximum of two children as per income tax rules.

III) Leave Encashment

Earned leave with full pay and allowances as per the rules of the Company. Leaves accumulated but not availed during his tenure will be allowed for encashment.

IV) Contribution to Provident Fund etc.

Contribution to provident fund, superannuation fund or annuity fund as per the rules that may be framed by the Company and will not be included in the computation of the ceiling on perquisites to the extent not taxable under Income tax Rules.

V) Gratuity

Gratuity payable shall not exceed half a month last salary for each completed year of service.

VI) Provision of Car and Telephone

The Company shall provide car for official business and telephone at residence for the appointee and these will not be treated as perquisites. However personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.

RESOLVED FURTHER THAT the above mentioned salary shall be paid and allowed as a minimum remuneration during the currency of tenure of his office as the Whole -Time Director, notwithstanding the absence or inadequacy of profits in any accounting year as long as the minimum remuneration is within the prescribed limits under Section II of Part II of Schedule XIII of the Companies Act, 1956".

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

"RESOLVED THAT Mr. Vinay Vir who was appointed by the Board as an Additional Director of the Company with effect from 24th October, 2008 and who holds office upto the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a notice in writing from a member under Section 257 of the act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

For and on behalf of Board of Directors

Place: Secunderabad

Date : 29-07-2009

(D.R.Bhote)

Chairman



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies in order to be effective should be lodged not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from 23rd September, 2009 to 26th September, 2009. (Both days inclusive).
4. Members are requested to intimate immediately any change in their address to the Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants without any delay.
5. Members who hold shares in dematerialized form are requested to write their client ID and DP ID. Those who hold shares in physical form are required to write their Folio Number in the Attendance slip for attending the meeting.
6. In case of joint holders attending the Meeting, only such joint holders who is higher in the order of names will be entitled to vote.
7. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.
8. Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form 2B.
9. Members/Proxies should bring duly filled attendance slips sent herewith for attending the meeting along with the copies of annual reports to the Annual General Meeting.
10. Pursuant to the requirement of Corporate Governance code under the Listing Agreement entered into by the Company, the information about the Director proposed to re-appointed is as follows :

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item # 5:

Mr. D.R. Bhote is the Promoter Director of the Company. Keeping in view the valuable services rendered by him, he has been appointed as Whole Time Director in the Board Meeting held on 29th July, 2009 on a remuneration as provided in the resolution. As required under Schedule XIII of the Companies Act, 1956, the Remuneration Committee has approved his remuneration.

Board recommends the resolution set out in Item No. 4 of the Notice for your approval by way of an Ordinary Resolution.

None of the Directors except Mr. D. R. Bhote to the extent of his appointment and Mr F.R. Bhote & Mrs. K.D. Bhote - being relatives are concerned or interested in the resolution.



Item # 6:

As per Section 260 of the Companies Act, 1956, the above appointment will be valid up to the forthcoming Annual General Meeting. As per the provisions of the Companies Act, 1956, members at the general meeting are required to pass necessary resolutions to make the said appointments.

Hence, these resolutions are placed before the members for their approval.

None of the Directors of the Company is deemed interested in the above resolutions

Additional Information in terms of Clause 49 of the Listing Agreement in respect of directors being proposed for re-appointment.

Name of the Director	Date of last Appointment on the Board	Qualification	Names of other companies in which the person also holds directorship and membership of committee of the Board	Number of shares held in Hypersoft Technologies Limited
Ms. K.D. Bhote	29-09-2006	Bachelors Degree with Honours	NIL	2,13,900
Mr. N. Gowri Shankar	29-09-2006	Bachelors Degree in Commerce	1. M/s. Gowri Shanker & Co. Stock Broker Private Limited 2. M/s. Zen Forex & Management Private Limited. 3. M/s. Zen Insurance Brokers Private Limited	43,300
Mr. Vinay Vir	24-10-2008	B.Com & B.J. (Journalism)	Nil	Nil

For and on behalf of Board of Directors

Place: Secunderabad
Date : 29-07-2009

(D.R.Bhote)
Chairman



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are happy to present Twenty-Sixth Annual Report and the Financial Results for the year ended on 31st March 2009.

I) Financial Results

(Rs. in lacs)

Particulars	2008-2009	2007-2008
Income from operations	107.40	150.48
Other Income	11.87	12.65
Total Income	119.27	163.13
Total Expenditure before depreciation	112.48	136.31
Profit / (Loss) before depreciation	6.79	26.82
Depreciation	27.41	33.93
Extra-ordinary & Non-recurring items	Nil	Nil
Prior period adjustments	Nil	(0.55)
Net Profit / (Loss) before Taxation	(20.62)	(7.66)
Provision for Taxation	0.67	0.82
Deferred Tax	1.35	2.82
Net Profit / (Loss) after Taxation	(22.64)	(11.30)

II) Management Discussion & Analysis (M D&A)

Industry Structure and developments:

In respect to global slowdown our major customer base has been affected. However the Company has been working on new product lines and has launched two new products in this year namely, software for Insurance Brokers product and Know your Customer on-line digital record management product. These products have shown good acceptance in the market and sales activity are picking up.

Opportunities and threats:

The Company is a major player in back office accounting solution for stock broking and commodities broking operations in India. The markets are growing and our market share is steadily increasing and the flagship product have gained widespread acceptance in the market. Any downturn in the markets would cause some slowdown in sales volumes, but not significantly.

Segment wise or product – wise performance:

The Company now operates in one major segment, which is software products, both our own as well as from our Partners. This year we are expanding into the services segment which will reflect in the next year accounts.



Outlook:

The market for software products is growing and the Company is poised to take advantage of the market developments. In addition to product design and development, the Company also provides services like legacy maintenance, offshore development and implementation services and support services from India.

Risks and concerns:

There is some pressure on profitability due to large legacy losses of the Company which are being slowly depleted.

Internal control systems and their adequacy:

The Company has adequate internal controls commensurate with its activity and size of operations.

Discussion on financial performance with respect to operational performance:

During the year under review, your Company made a Turnover of Rs. 119.27 Lacs as against Rs. 163.13 Lacs and incurred a loss of Rs. 20.62 Lacs as against a loss of Rs. 7.66 Lacs for the previous year.

Material Development in Human Resources/ Industrial relations :

There are no significant developments in human resources and number of people employed. However all our efforts were made to retain the talent and improve the productivity.

III) Fixed Deposits

The Company has not accepted any deposits from the public during the year pursuant to Section 58A of the Companies Act 1956.

IV) Personnel

None of the employees of the Company were in receipt of remunerations as required to be disclosed under Section 217(2A) of the Companies Act, 1956.

V) Directors

Mrs. K.D.Bhote and Mr. N. Gowri Shankar, who are liable to retire by rotation and being eligible, offer themselves for re-appointment.

Mr. Vinay Vir was appointed as additional director with effect from 24th October, 2008 and pursuant to section 260 of the Companies Act, 1956 he holds office up to the commencement of ensuing 26th Annual General Meeting. It is proposed to re- appoint him in the 26th Annual General Meeting

VI) Auditors

The auditors, M/s. Ramanatham & Rao, Chartered Accountants of the Company who retire at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if reappointed. The Company has also received a Certificate from them under Section 224 (1B) of the Companies Act, 1956.

In response to the qualification made by the auditors in clause 7 of the Annexure to the Auditor's Report, the management has been taking appropriate steps to have an internal audit system.



VII) Corporate Governance

Pursuant to the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, a report on the Corporate Governance, which *inter alia*, includes the composition and construction of Audit Committee, is featuring as a part of Annual Report. Your Company will continue to adhere in letter and spirit to the good corporate governance policies. Pursuant to the provision of Clause 49(VII) (1) of the Listing Agreement, a certificate from the auditors of the Company on the compliance of the Clause is enclosed.

VIII) CEO's Declaration

Pursuant to the provisions of Clause 49(I)(D)(ii) of the Listing Agreement, a declaration by the Chairman and Managing Director of the Company declaring that all the members of the Board and the Senior Personnel of the Company have affirmed compliance with the Code of Conduct of the Company is enclosed.

IX) Directors' Responsibility Statement :

The Directors confirm

- i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that period.
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the directors had prepared the annual accounts on a going concern basis:

X) Dividend

The Directors expresses their inability to recommend dividend during the year due to the loss incurred by the Company.

XI) Conservation of Energy & Technology Absorption, Foreign Exchange Earnings and Outgo

A. Conservation of Energy:

- (a) **Energy Conservation measures taken:** Your Company's operations are software oriented and not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy-efficient computers and equipment.
- (b) **Additional investments and proposals, if any, being implemented for reduction of consumption of energy:** Exchanging legacy CRT monitors with LCD power saving monitors.
- (c) **Impact of the measures (a) and (b) above for energy consumption and consequent impact on the cost of production of goods:** As energy conservation is very meager and energy cost forms a small part of total costs, the impact of costs is not material.



B. Technology Absorption: Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company

The Company continues to focus and invest in R & D activities for developing and improving the quality and enhancing the benefits of its software products. The Company is a product oriented company and the continuous development of newer products and the existing products is an on going exercise.

2. Benefits derived as a result of the R & D

Research and development of new products & processes will continue to be of importance to your Company. Products although have a longer gestation, are of higher benefit to the Company and its profitability in the long run.

3. Future Plan of Action

The Company continues to strive for development and innovation of new products and improving the existing ones in order to meet the changing requirements and to cater to customer needs.

4. Expenditure on R & D -NIL-

Technology Absorption, Adaptation and Innovation:

As a result of new partnerships the Company now has absorbed new technologies and will result in better adaptation to Indian customer needs.

C) Foreign Exchange Earnings & Outgo

(in-Rs.)

2008-2009

2007-2008

a. Foreign Exchange Earnings	30,48,856	Nil
b. Foreign Exchange Outgo		
Purchase of Software	14,56,402	3,305,410
Expenses	4,64,086	Nil

XII) Appreciation :

Your Directors place on record their appreciation of the continued assistance and co-operation extended by the shareholders, customers, bankers and the dedicated employees and the business associates.

For and on behalf of Board of Directors

Place: Secunderabad
Date: 29-07-2009

(D.R. Bhote)
Chairman



REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2008-2009

Company's Philosophy

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in efficient conduct of its business and in meeting its obligations to stakeholders.

Board of Directors

The Company has Executive Chairman. The Board of Directors comprises of seven (7) directors including four (4) non executive independent directors.

a) Composition and category of directors as on 31st March, 2009

Sl No.	Name of the Director	Category
1.	Mr. D. R. Bhote	Promoter Executive Director
2.	Mr. F.R. Bhote	Promoter Managing Director
3.	Ms. K.D. Bhote	Promoter Non Executive Director
4.	Mr. N. Gowri Shankar	Non-Executive & Independent Director
5.	Mr. C. Sitapati Rao	Non-Executive & Independent Director
6.	Mr. Cyrus J. Irani	Non-Executive & Independent Director
7.	Mr. Vinay Vir	Non-Executive & Independent Director

b) Attendance of each director at the Board Meetings held during the year 2008-2009 and at the last Annual General Meeting

Name of the Director	Board Meetings held during the year	Meetings attended	Last AGM
Mr.F.R.Bhote	5	5	Present
Mr.D.R.Bhote	5	5	Present
Mrs.K.D.Bhote	5	5	Present
Mr.N.Gowri Shankar	5	5	Present
Mr.C.Sitapati Rao	5	5	Absent
Mr. Cyrus J. Irani	5	1	Absent
Mr. Vinay Vir	5	-	N.A.



Audit Committee :

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 and the provisions of the Clause 49 of the Listing Agreement.

a) Brief description of terms of reference :

The term of reference of the Audit Committee is in conformity with the provisions of Sub Clause II of Clause 49 of the Listing Agreements, which *inter alia*, includes the following:

- ★ Oversight of Company's financial reporting process.
- ★ Recommending appointment and removal of external auditors and fixing of their fees.
- ★ Reviewing with management the quarterly, half-yearly and annual financial results / statements with special emphasis on accounting policies and practices, compliances with accounting standards and other legal requirements concerning financial statements.
- ★ Reviewing the adequacy of the Audit and compliance functioning including their policies, procedures, techniques and other regulatory requirements.
- ★ Reviewing the adequacy of internal control systems and significant audit findings.
- ★ Discussion with external auditors regarding nature and scope of audit.

b) Composition, name of members and Chairman

The Audit Committee comprises of the following directors

1. Mr. C. Sitapati Rao - Chairman
2. Mr. N. Gowri Shankar - Member
3. Mrs. K.D. Bhote - Member

c) Meetings and attendance during the year 2008-2009

Name of the Member	Meetings held during the year	Meetings attended
Mr. C. Sitapati Rao	5	5
Mr. N. Gowri Shankar	5	5
Mrs. K.D. Bhote	5	5

Remuneration Committee

a) Brief description of terms of reference

This committee was constituted primarily to evaluate compensation and benefits for Executive Directors.

b) Composition, name of members and Chairman

The Remuneration Committee comprises of the following Directors:

1. Mr. C. Sitapati Rao - Chairman
2. Mr. N. Gowri Shankar - Member
3. Mr. Cyrus J. Irani - Member



- c) Meetings and Attendance during the year 2008-2009.

During the Financial year Remuneration Committee has not met, since there was no need for the same.

- d) Details of remuneration to all the directors (in Rs.)

Particulars	Mr. F.R. Bhote Managing Director	Mr. D. Bhote whole-time Director
Salary	636,000	636,000
Perquisites	24,043	20,574
Provident Fund	54,720	54,720

The Non-Executive Directors are not eligible for commission and they have been paid sitting fee only.

Shareholders / Investors Grievance Committee

- a) Terms of reference

The Committee was constituted to specifically look into the redressing of shareholders and investor complaints like transfer of shares, non-receipt of balance-sheet etc.

- b) Composition, name of members and Chairman

The Committee comprises of the following directors

- | | |
|--------------------------|----------|
| (i) Mr. N. Gowri Shankar | Chairman |
| (ii) Mr. C. Sitapati Rao | - Member |
| (iii) Mrs. K.D. Bhote | - Member |

- c) Name and Designation of Compliance Officer

Mr. F.R. Bhote, Managing Director has been appointed as the Compliance Officer of the Company.

- d) No. of Shareholders Complaints received during the year 2008-09

During the year 2008-09 no complaints were received from the investors.

- e) No. of complaints not solved to the satisfaction of shareholders

The Company has not received any complaints during the year 2008-09, so question of complaints not solved to the satisfaction of shareholders does not arise.

General Body Meetings

- a) Details of last three AGMs

The information about the last three general body meetings is given below:

Financial Year	AGM	Venue	Time & Date of AGM
2005-2006	23rd AGM	Registered Office	3.00 p.m. on 29th September, 2006
2006-2007	24th AGM	Registered Office	4.00 p.m. on 24th September, 2007
2007-2008	25th AGM	Registered Office	4.00 p.m. on 27th September, 2008



- b) Special Resolution passed through postal ballot system during the year and person who conducted the postal ballot exercise.

No special resolution was required to be put through postal ballot system last year.

- c) Whether any special resolution proposed to be conducted through postal ballot.

No special resolution is proposed to be conducted through postal ballot system.

Disclosures

The Company had disclosed the Related Party transactions with the key Management personnel in Notes to Accounts. None of the transactions with any of the related parties were in conflict with the interests of the Company.

There has been no non-compliance by the Company of the regulations imposed by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last 4 years.

Means of Communication

- ★ Financial results of the Company (Quarterly, half-yearly and Annual) have been approved by the Board and intimated to the Stock Exchanges and are published in Business Standard and Andhra Bhoomi.
- ★ The Management Discussion and Analysis Report forms part of the Annual Report.

General Shareholder information

- a) **Date, Time & Venue of the present Annual General Meeting:**

On Saturday, the 26th September, 2009 at 4.00 p.m. at the Registered Office of the Company at 28, Goyal Society, Moti Valley, Tirmulgherry, Secunderabad – 500015.

- b) **Financial Calendar for 2009-2010 (tentative)**

Quarter ending on	Reporting on
30 th June 2009	Last week of July 2009 (completed)
30 th September 2009	Last week of October 2009
31 st December 2009	Last week of January 2009
31 st March 2010	Last week of June 2010 (Audited)

- c) **Date of Book Closure**

23rd September, 2009 to 26th September, 2009 (Both days inclusive).

- d) **Listing on Stock Exchanges**

- (i) The Pune Stock Exchange Limited
- (ii) Ahmedabad Stock Exchange Limited (applied for delisting).



e) Market price data

There was no trading of the shares during the financial year.

f) Registrar and Transfer Agents

M/s. Sathguru Management Consultants Private Limited

Plot No. 15, Hindi Nagar, Punjagutta,

Hyderabad – 500034 (AP)

Phone No. 040 – 23356507 / 23350586

Fax No: 040 - 23354042

Email: sta@sathguru.com

g) Share Transfer System

The Company's share transfers are taken care by M/s. Sathguru Management Consultants Private Limited, Depository Registrars and Share Transfer Agents appointed by the Company. Transfers which are received in physical form are processed and the share certificates are returned within a period of 30 days from the date of receipt, subject to documents being valid and complete in all respects.

Distribution of Shareholding as on 30th June, 2009

Sl No.	Category		No. of Share holders	Percentage of Share holders	No. of Equity Shares	Percentage of Share holding
1	1	5000	76	23.10	20300	0.48
2	5001	10000	43	13.07	40050	0.94
3	10001	20000	25	7.60	42000	0.99
4	20001	30000	58	17.63	147500	3.47
5	30001	40000	12	3.65	44900	1.06
6	40001	50000	32	9.73	156600	3.68
7	50001	100000	42	12.76	333450	7.84
8	100001	Above	41	12.46	3466900	81.54
TOTAL			329	100.00	4251700	100.00

h) Dematerialization of Shares

The Company's shares are available for holding / transfer in depository system of both Central Depository Services (India) Limited and National Securities Depository Limited. The members have the option of holding the shares in physical or dematerialized form. The processing activities with respect to the requests received for dematerialization are generally completed within 15 days from the date of receipt of request.

The ISIN No allotted for the equity shares of the Company – INE 039D01014.

As on 30th June 2009 a total no of 7,66,700 equity shares of the Company stand dematerialized constituting 18.03% of the paid-up share capital of the Company.



i) Outstanding GDRs/ADRs/Warrants/Convertible Debentures during the year 2008-2009

The Company has not issued any GDRs / ADRs / Warrants / Convertible Debentures during the year 2008-09

j) Plant Locations

The Company doesn't have manufacturing facilities. However the Company has the Software Development facilities, the particulars of which are given below:

<u>Development facilities/Branch</u>	<u>Location</u>
Hyderabad	28, Goyal Society, Moti Valley, Tirmulgherry, Secunderabad - 500 015.
Mumbai	809-B, Commerce House, Nagindas Master Road Fort, Mumbai – 400023.

k) Address for correspondence

- i) For any query in Demat & Physical : M/s. Sathguru Management Consultants Private Limited,
Shares Plot No. 15, Hindi Nagar, Punjagutta,
Hyderabad – 500034 (AP)
Phone # 23356507, 23350586, Fax # 23354042.
Email: sta@sathguru.com
- ii) For any other queries : Registered Office of the Company
28, Goyal Society, Moti Valley, Tirmulgherry,
Secunderabad - 500 015.
Phone # 27744413 / 27744754
E-mail: info@hypersoftindia.net
Website: www.hypersoftindia.net



CEO'S DECLARATION

I, F. R. Bhote, Managing Director do hereby declare that pursuant to the provisions of Clause 49(I)(D) of the Listing Agreement, all the members of the Board and Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company.

Place: Secunderabad

Date: 29-07-2009

F.R. Bhote
Managing Director



CERTIFICATE

To
The Members of HyperSoft Technologies Limited
Secunderabad

We have examined the compliance of conditions of Corporate Governance by HyperSoft Technologies Limited for the year ended 31st March 2009, as stipulated in clause 49 of the listing agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the condition of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us:

We certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month, against the company, as per the records maintained by the shareholder/Investors' Grievance Committee.

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

For RAMANATHAM & RAO
Chartered Accountants

(C. Kameswara Rao)
Partner

Place: Secunderabad
Date : 25-06-2009



**REPORT OF THE AUDITORS
THE MEMBERS OF HYPERSOFT TECHNOLOGIES LIMITED**

We have audited the attached Balance Sheet of HYPERSOFT TECHNOLOGIES LIMITED, as at 31st March, 2009, and the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section 4A of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above we report that:

- 1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- 2) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- 3) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- 4) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with Companies (Accounting Standards) Rules 2006 referred to in sub-section 3C of Section 211 of the Companies Act, 1956.

On the basis of written representations received from the directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- b) In the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For RAMANATHAM & RAO
Chartered Accountants

Place : Secunderabad
Date : 25-06-2009

(C.KAMESWARA RAO)
Partner M.No:24363



**ANNEXURE TO THE REPORT OF THE AUDITORS
REFERRED TO IN THE REPORT OF EVEN DATE ON THE ACCOUNTS OF HYPERSOFT
TECHNOLOGIES LIMITED FOR THE YEAR ENDED 31ST MARCH, 2009**

- 1.1 The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2 All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- 2.1 The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- 2.2 The procedures of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- 2.3 The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- 3.1 During the year the company had not taken loan from other companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 3.2 During the year the company had not given any loan to companies covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion, and according to the information available and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. According to the information available and explanations given to us, we are of the opinion that there are no transactions with parties listed in the register maintained under section 301 of the Companies Act, 1956.
6. The company has not taken any deposits and as such provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.
7. *The company does not have an internal audit system.*
8. The Company is not required to maintain cost records under section 209 (1) (d) of the Companies Act 1956.
- 9.1 The company is regular in depositing with appropriate authorities undisputed Statutory dues including Provident Fund, Service Tax, Income Tax, Value Added Tax, Sales Tax, Professional Tax and other material statutory dues applicable to it.
- 9.2 According to the information available and explanations given to us, no undisputed amounts are payable in respect of Income Tax, Service Tax, Value Added Tax, Sales Tax, Professional Tax as at the end of the year for a period of more than six months from the date they became payable.
- 9.3 According to the information available and explanation given to us, there are no disputes in respect of Income Tax, Service Tax, Value Added Tax, Sales Tax, Professional Tax and other statutory dues.



10. In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information available and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank. The company has not issued any debentures.
12. The Company has not obtained any term loans during the year.
13. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
14. According to the information available and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.
15. Clauses 4 (xii), (xiii), (xiv), (xv), (xviii), (xix) and (xx) of the Companies (Auditor's Report) Order, 2003, are not applicable to the company.

For RAMANATHAM & RAO
Chartered Accountants

Place : Secunderabad
Date : 25th June 2009

(C.KAMESWARA RAO)
Partner M.No:24363



HYPERSOFT TECHNOLOGIES LIMITED
BALANCE SHEET AS AT 31ST MARCH 2009

		Sch	31st March 2009		31st March 2008	
			Rs.	Rs.	Rs.	Rs.
A.	SOURCES OF FUNDS					
1	Share Holders Funds					
	Share Capital	1	44,921,750		44,921,750	
	Reserves & Surplus	2	7,062,500	51,984,250	7,062,500	51,984,250
2	Loan Funds					
	Secured Loans	3		-		20,878
	TOTAL			51,984,250		52,005,128
B.	APPLICATION OF FUNDS					
1.	FIXED ASSETS	4				
	Gross Block		33,189,783		32,830,834	
	Less : Depreciation		23,964,592	9,225,191	21,229,248	11,601,586
2	INVESTMENTS	5		16,279,066		15,283,160
3	CURRENT ASSETS					
	LOANS AND ADVANCES	6	7,089,734		9,164,967	
	Less : Current Liabilities & Provisions	7	1,115,377		2,420,968	
	NET CURRENT ASSETS			5,974,357		6,743,999
4	DEFERRED TAX			377,969		513,354
5	PROFIT & LOSS ACCOUNT (LOSS)			20,127,667		17,863,028
	TOTAL			51,984,250		52,005,128
	Significant Accounting Policies	11				
	Notes on Accounts	12				

Per our report of even date

For and on behalf of the board

For **RAMANATHAM & RAO**
Chartered Accountants

(**C. KAMESWARA RAO**)
PARTNER

Place: Secunderabad
Date : 25th June 2009

(**F. R. BHOTE**)
Managing Director

(**D.R. BHOTE**)
Executive Director



HYPERSOFT TECHNOLOGIES LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

	Particulars	Sch	31st March 2009		31st March 2008	
			Rs.	Rs.	Rs.	Rs.
A. INCOME						
Income from Operations			11,981,861		15,961,843	
Less : Taxes			1,242,403		913,854	
Other Income	8			10,739,458		15,047,989
				1,187,112		1,264,771
				11,926,570		16,312,760
B. EXPENDITURE						
Consumption of Software				2,707,743		5,394,180
Staff Cost	9			5,161,913		5,420,036
Administrative & Other Expenses	10			3,377,657		2,817,032
Depreciation	4			2,741,349		3,392,984
				13,988,662		17,024,233
C. PROFIT FROM OPERATIONS BEFORE TAX				(2,062,092)		(711,473)
D. EXTRA-ORDINARY & NON RECURRING ITEMS						
E. PROVISION FOR TAXATION						
Current Tax(FBT)			67,162		82,349	
Deferred Tax			135,385		281,828	
				202,547		364,177
F. PRIOR PERIOD ADJUSTMENTS				0		55,093
G. PROFIT AFTER TAX				(2,264,639)		(1,130,743)
H. EARNINGS PER SHARE				(0.53)		(0.27)
Equity Shares - Par Value Rs. 10						
I. LOSS B/F FROM PREVIOUS YEAR				17,863,028		16,732,285
J. LOSS CARRIED TO BALANCE SHEET				20,127,667		17,863,028
Significant Accounting Policies	11					
Notes on Accounts	12					

Per our report of even date

For and on behalf of the board

For **RAMANATHAM & RAO**
Chartered Accountants

(C. KAMESWARA RAO)
PARTNER

(F. R. BHOTE)
Managing Director

Place: Secunderabad
Date : 25th June, 2009

(D.R. BHOTE)
Executive Director



SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	31st March 2009 Rs.	31st March 2008 Rs.
SHARE CAPITAL		SCHEDULE 1
AUTHORISED		
60,00,000 Equity Shares of Rs.10/- Each	<u>60,000,000</u>	<u>60,000,000</u>
ISSUED, SUBSCRIBED & PAID UP		
42,51,700 Equity Shares of Rs.10/- each Fully Paid	42,517,000	42,517,000
Add : Forfeited Shares	2,404,750	2,404,750
	<u>44,921,750</u>	<u>44,921,750</u>
RESERVE & SURPLUS		SCHEDULE 2
Capital Reserve	3,787,500	3,787,500
Share Premium	3,275,000	3,275,000
	<u>7,062,500</u>	<u>7,062,500</u>
SECURED LOANS		SCHEDULE 3
HDFC Bank Car Loan (Secured against Hypothication of Vehicle)	-	20,878
	<u>-</u>	<u>20,878</u>

FIXED ASSETS & DEPRECIATION
SCHEDULE - 4


Sl. No.	Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.04.2008	Additions	Deletions	As on 31.03.2009	As on 01.04.2008	For the Year	Deletions	As on 31.03.2009	As on 31.03.2009	As on 31.03.2008
1	Goodwill	2,346,867	-	-	2,346,867	1,408,122	234,687	-	1,642,809	704,058	938,745
2	Building	1,093,302	-	-	1,093,302	85,248	17,821	-	103,069	990,233	1,008,054
3	Plant & Machinery	1,775,135	-	-	1,775,135	1,628,417	84,319	-	1,712,736	62,399	146,718
4	Computers	1,934,830	191,149	-	2,125,979	1,759,882	188,765	-	1,948,647	177,332	174,948
5	Technology	17,125,000	-	-	17,125,000	10,275,000	1,172,500	-	11,987,500	5,137,500	6,850,000
6	Software	4,670,521	-	-	4,670,521	4,441,195	229,326	-	4,670,521	-	229,326
7	Electrical Installations	330,760	-	-	330,760	247,174	15,711	-	262,885	67,875	83,586
8	Office Equipment	1,010,354	-	-	1,010,354	324,155	47,992	-	372,147	638,207	686,199
9	Furniture & Fixtures	1,048,904	-	-	1,048,904	420,938	66,396	-	487,334	561,570	627,966
10	Vehicles	1,495,161	180,000	12,200	1,662,961	639,116	143,833	6,005	776,944	886,017	856,045
	Total	32,830,834	371,149	12,200	33,189,783	21,229,247	2,741,349	6,005	23,964,592	9,225,191	11,601,587

Previous Year	32,749,298	214,292	132,756	32,830,834	17,935,931	3,392,984	99,668	21,229,248	11,601,587	14,813,369
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SCHEDULES FORMING PART OF THE BALANCE SHEET (Contd..)

	31st March 2009 Rs.	31st March 2008 Rs.
INVESTMENTS		SCHEDULE-5
Fixed Deposits in Scheduled Banks	11,779,066	10,526,198
R E C L Bonds	4,500,000	4,756,962
	<u>16,279,066</u>	<u>15,283,160</u>
CURRENT ASSETS, LOANS & ADVANCES		SCHEDULE-6
CASH & BANK BALANCES		
Cash on Hand	4,046	1,046
Cash with Scheduled Banks (In Current A/c.)	<u>1,886,363</u>	<u>2,404,689</u>
	1,890,409	2,405,735
INVENTORIES	1,581,919	1,354,626
SUNDRY DEBTORS (Unsecured-Considered good)		
Outstanding for: more than 6 months	258,725	2,409,091
less than 6 months	<u>276,272</u>	<u>1,269,329</u>
	534,997	3,678,420
Deposits	447,099	312,099
Tax Deducted at Source	1,212,732	855,818
Other Advances	1,256,908	255,927
Prepaid Expenses	<u>165,670</u>	<u>302,342</u>
	<u>7,089,734</u>	<u>9,164,967</u>
CURRENT LIABILITIES & PROVISIONS		SCHEDULE-7
Sundry Creditors	199,925	1,732,917
Outstanding Liabilities	841,243	602,649
Directors Remuneration payable	74,209	85,402
	<u>1,115,377</u>	<u>2,420,968</u>

**SCHEDULES FORMING PART OF THE BALANCE SHEET (Contd..)**

	31st March 2009 Rs.	31st March 2008 Rs.
OTHER INCOME		SCHEDULE-8
Interest on Deposits	939,558	927,419
Interest on RECL Bonds	236,250	328,808
Other Income	1,095	8,544
Interest Received from others	10,209	-
	<u>1,187,112</u>	<u>1,264,771</u>
STAFF COST		SCHEDULE-9
Salaries	4,579,788	4,837,355
Performance Incentive	177,717	125,123
Provident Fund	250,828	263,350
Welfare Expenses	153,580	194,208
	<u>5,161,913</u>	<u>5,420,036</u>



SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT (Contd.)

ADMINISTRATIVE & OTHER EXPENSES

SCHEDULE - 10

	31st March 2009	31st March 2008
	Rs.	Rs.
Advertisement	20,920	23,191
Audit Fee	39,600	38,162
Bank Charges	11,042	6,424
Building Maintenance Charges	4,500	50,000
Telephones	104,124	105,958
Conveyance & Vehicle Expenses	507,670	459,234
Postage & Courier	14,761	18,780
Insurance	55,247	35,894
Interest Paid	15,964	15,785
Internet Charges	117,974	83,787
Legal & Professional Charges	115,500	107,891
Loss on Discarded Assets	6,195	-
Listing Fee	19,200	27,600
Marketing Expenses	608,457	171,938
Meeting Expenses	19,815	21,834
Office Expenses	60,700	68,466
Other Expenses	188,474	136,166
Electricity charges	299,967	274,659
Printing & Stationery	50,088	22,908
Rates & Taxes	16,260	35,269
Rent	453,900	421,520
Repairs & Maintenance	146,662	156,259
Subscription & Membership Fee	122,780	49,699
Travelling - Foreign	-	93,670
Travelling - Inland	219,407	296,164
Gratuity	-	28,848
Foreign Exchange Fluctuation	(255,549)	66,926
Job Work Charges	414,000	-
	<u>3,377,657</u>	<u>2,817,032</u>



HYPERSOFT TECHNOLOGIES LTD

SIGNIFICANT ACCOUNTING POLICIES

SCHEDULE - 11

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Balance Sheet and Profit and Loss Account are prepared in conformity with Companies (Accounting Standards) Rules, 2006 under sub-section (3C) of section 211 of the Companies Act, 1956.
2. The Accounts have been drawn up on historical cost convention in accordance with generally accepted Accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the company.
3. The company generally follows mercantile system of Accounting and recognizes significant items of income and expenditure on accrual basis.

B. FIXED ASSETS

1. Fixed Assets are disclosed at historical cost of acquisition or as revalued.

C. DEPRECIATION

1. Depreciation is charged at the rates and the manner specified in Schedule XIV of the Companies Act, 1956 under Straight Line Method in respect of tangible assets.
2. Depreciation on acquired Software is provided at 16.21% on Straight Line Method.
3. Depreciation is provided on tangible fixed assets on values arrived at after revaluation or on historical cost, as the case may be.
4. Intangible Assets are amortised in ten years in accordance with Accounting Standard 26.

D INVESTMENTS

Investments are disclosed at cost. Income on investments is accounted on accrual basis.

E INVENTORIES

Software inventory is valued at cost. Inventories are verified and certified by the management.

F TERMINAL BENEFITS TO EMPLOYEES

No provision for gratuity and leave encashment has been made. The company intends to account for the same on cash basis.

G PRIOR PERIOD/PRE-PAID EXPENSES

Expenditure less than Rs.10,000/- are not classified into Prior Period Expenditure or Prepaid Expenses in view of the fact that they are not material in nature.

H TAXES AND DUTIES

1. Value Added Tax paid on purchase of fixed Assets and other material is at Net value.
2. Sales are disclosed at gross of Taxes.
3. Sales Tax paid in excess of collection is treated as expenditure.
4. Service Tax is accounted for net of CEN VAT.



NOTES ON ACCOUNTS

SCHEDULE – 12

- 1 Forfeited shares represents 9,61,900 Equity shares of Rs.10/- each forfeited on 20th June, 1998 against which the company had received Rs.2.50 on each share.
- 2 Current liabilities do not include any amounts outstanding to small-scale industrial units
- 3 Balances of Sundry Debtors, Creditors, Loans and Advances, which were not confirmed, are as per books of account only.
- 4 Previous year figures are regrouped or reclassified wherever necessary to confirm to the presentation of the current year.

5 RELATED PARTY DISCLOSURES

- a) Parties with whom the Company had transactions
- b) Key Management Personnel:

Mr. D.R. Bhote	Executive Director
Mr. F.R. Bhote	Managing Director

	31.03.2009	31.03.2008
	Rs.	Rs.
c) Remuneration to Key Management Personnel	1,426,057	1,419,181

6 DEFERRED TAX ON INCOME :

Deferred Taxes are disclosed at net values
Deferred Tax Asset

On Timing Differences of Depreciation	374,765	513,354
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7 EARNINGS PER SHARE:

	31.03.2009	31.03.2008
	Rs.	Rs
(Basic and Diluted)		
Net Profit / (Loss)	(2,264,639)	(1,130,743)
No. of Equity Shares - Fully Paid	4,251,700	4,251,700
Earnings Per Share (Par Value Rs.10)	(0.53)	(0.27)

Contd..2



C8 SEGMENT REPORTING:

- a) The Company has only one segment i.e., Software. It has been Identified in India and global as two Geographic Segments.

GEOGRAPHIC SEGMENTATION

(Segment Revenue)	Rs.
India	9,692,056
Global	1,047,402
	<u>10,739,458</u>

9 Additional Information required Under Para 3 & 4 of Part II of Sch.VI to the Companies Act, 1956

A REMUNERATION TO DIRECTORS	31.03.2009 Rs.	31.03.2008 Rs
1) Mr. D.R. Bhote - Executive Director		
Remuneration	636,000	636,000
Perquisites	20,574	18,085
Provident Fund	54,720	54,720
	<u>711,294</u>	<u>708,805</u>
2) Mr. F. R. Bhote - Managing Director		
Remuneration	636,000	636,000
Perquisites	24,043	19,656
Provident Fund	54,720	54,720
	<u>714,763</u>	<u>710,376</u>
B. AUDITOR'S REMUNERATION		
Audit Fee	39,600	38,162
Certification Fee	3,500	4,249
	<u>43,100</u>	<u>42,411</u>

C. CONSUMPTION OF SOFTWARE

	31.03.2009		31.03.2008	
	Value Rs	%	Value Rs	%
(I) Indigenous	-	-	-	-
(II) Imported	2,707,743	100	5,394,180	100
	<u>2,707,743</u>	<u>100</u>	<u>5,394,180</u>	<u>100</u>

**D FOREIGN EXCHANGE EARNING AND OUTGO**

	31.03.2009	31.03.2008
	Rs.	Rs
a) Foreign Exchange Earnings	<u>3,048,856</u>	<u>-</u>
b) Foreign Exchange Outgo		
Purchase	1,456,402	3,305,410
Expenses	<u>464,086</u>	<u>-</u>

Per our report of even date

For and on behalf of the board

For **RAMANATHAM & RAO**
Chartered Accountants

(C. KAMESWARA RAO)
PARTNER

Place: Secunderabad
Date : 25th June 2009

(F. R. BHOTE)
Managing Director

(D.R. BHOTE)
Executive Director



HYPERSOFT TECHNOLOGIES LIMITED
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration Number	3912	State Code	01
Balance Sheet Date	31.03.2009		

II Capital Raised during the Year: (Amount in Rs. Thousands)

Public Issue	-	Right Issue	-
Bonus Issue	-	Private Issue	-

III Position of Mobilisation and Deployment of Funds(Amount in Rs. Thousands)

Total Liabilities	51,984	Total Assets	51,984
Source of Funds		Application of Funds	
Paid up Capital	44,922	Net Fixed Assets	9,225
Reserves and Surplus	7,062	Investments	16,279
Secured Loans	-	Net Current Assets	5,974
		Deferred Tax	378
		Accumulated Losses	20,128

IV Performance of Company (Amount in Rs. Thousands)

Turnover	11,927	Total Expenditure	13,989
Profit Before Tax	(2,062)	Profit after Tax	(2,265)
Earning Per Share Rs.	(0.53)	Divident Rate %	Nil

**V Generic Names of Principal Products / Services of Company
(As per Manetary Terms)**

Item Code No. : 85249009.10	Product Description : Computer Software
(ITC Code)	

Per our report of even date

For and on behalf of the board

For **RAMANATHAM & RAO**
Chartered Accountants

(C. KAMESWARA RAO)
PARTNER

(F. R. BHOTE)
Managing Director

Place: Secunderabad
Date : 25th June 2009

(D.R. BHOTE)
Executive Director



HYPERSOFT TECHNOLOGIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009
(Amounts in Rs. Thousands)

	31st March 2009	31st March 2008
Cash Flow From Operating Activities		
Net Profit / (Loss) Before Tax	(2,062)	(711)
Adjustments for		
Loss on sale of Fixed Assets	6	7
Depreciation	2,741	3,393
Interest Paid	27	16
Interest received	(1,186)	(1,257)
Current Tax Paid	(67)	(82)
Prior Period Adjustment	-	(55)
Operating Profit / (Loss) before working capital change	(541)	1,297
Adjustments for		
Inventories	(227)	(531)
Sundry Debtors	3,143	(49)
Loans and Advances	(1,356)	(367)
Current Liabilities and Provisions	(1,306)	1,698
Cash from Operations	254	751
Net Cash From Operating Activities	(286)	2,048
Cash Flow from Investing Activities		
Purchase of fixed assets	(371)	(214)
Proceeds on sale of fixed assets	-	40
Investment	(996)	(1,973)
Interest received	1,186	1,256
Cash flow used in Investing activities	(181)	(891)
Cash flow from Financing activities		
Loans received from Bank	(21)	(242)
Interest Paid	(27)	(16)
Interest Received	-	-
Cash flow from Financing activities	(48)	(258)
Net Increase /(Decrease) in Cash and Cash equivalents	(516)	900
Cash and Cash equivalents at the beginning of the year	2,406	1,506
Cash and Cash equivalents at the end of the year	1,890	2,406

Per our report of even date

For and on behalf of the board

For **RAMANATHAM & RAO**
Chartered Accountants

(C. KAMESWARA RAO)
PARTNER

Place: Secunderabad
Date : 25th June 2009

(F. R. BHOTE)
Managing Director

(D.R. BHOTE)
Executive Director



**HYPERSOFT TECHNOLOGIES LIMITED
TWENTY-SIXTH ANNUAL GENERAL MEETING**

**Registered Office: 28, Goyal Society, Moti Valley, Tirmulgherry, Secunderabad-500 015
PROXY FORM**

Folio No.:

DP ID :

Client id :

I/We _____ of _____ being Member/
Members of Hypersoft Technologies Limited, hereby appoint Mr./ Ms. _____ of
_____ or failing him/ her, Mr./ Ms. _____ of
_____ as my/our proxy to attend and vote for me/us on my/our behalf at the
Twenty Sixth Annual General Meeting of the Company to be held on Saturday, 26th September
2009 at 4.00 p.m. at the Registered Office at 28, Goyal Society, Moti Valley, Tirmulgherry,
Secunderabad - 500 015 and at any adjournment thereof.

As witness my/our hand (s) this _____ day of _____ of 2009

Affix Rs 0.15 ps

Signed by the said _____

Revenue Stamp

Date

Signature

Note : The Proxy form duly completed must be deposited at the registered office of the Company
not less than 48 hours before the time for holding the meeting. A proxy need not be a member.

HYPERSOFT TECHNOLOGIES LIMITED

**Registered Office: 28, Goyal Society, Moti Valley, Tirmulgherry, Secunderabad- 500 015
ATTENDANCE SLIP**

I hereby record my presence at the Twenty-Sixth Annual General Meeting of the Company at
the registered office on

Date

Venue

Time

26th September 2009

28, Goyal Society, Moti Valley,
Tirmulgherry, Secunderabad - 500 015

4.00 P.M.

Name of the Shareholder/ Proxy	Folio No. / DP ID Client I.D.	No. of shares

I certify that I am a registered Shareholder of the Company and hold _____ Shares.

Member's/Proxy signature

Note: Shareholder/Proxy holder wishing to attend the meeting must bring the Admission Slip
and hand over at the entrance duly signed.

NO GIFT WILL BE DISTRIBUTED AT THE AGM

BOOK - POST

If undelivered please return to :

HyperSoft Technologies Limited

28, Goyal Society, Moti Valley,

Tirmulgherry, Secunderabad- 500 015 A.P India.