





FORM-A

Format of Covering Letter of the Annual Audit Report to be filed with the Stock Exchanges

1.	Name of the Company	GOLDSTONE TECHNOLOGIES LIMITED
2.	Annual Financial Statements for the year ended	March 31, 2013
3.	Type of Audit observation	NIL
4.	Frequency of observation	Not Applicable
5.	To be Signed by	
	P.S.Parthasarathy Director	
	P.Syam Prasad GM (Finance)	
	P. Murali Mohana Rao Partner Membership No : 023412 For P. Murali & Co., Chartered Accountants FRN: 007257S Statutory Auditors	
	K.S.Sarma Chairman of the Audit Committee	



Goldstone

Goldstone Technologies Limited

Nineteenth Annual Report 2012-2013

• IT Enabled Services • Digital Media Services



CONTENTS

Company information	—	02
Notice	—	03
Directors' Report	—	06
Management Discussion Analysis and outlook	—	10
Report on Corporate Governance	—	13
Standalone Financials		
Auditors' Report	—	25
Balance Sheet	—	30
Statement of Profit and Loss	—	31
Notes to Accounts	—	32
Cash Flow Statement	—	40
Accounting Policies	—	41
Consolidated Financials		
Auditors' Report	—	48
Balance Sheet	—	50
Notes to Accounts	—	52
Cash Flow Statement	—	60
Accounting Policies	—	61
Statement of Subsidiaries	—	70
Attendance Slip and Proxy Form	—	71



COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. K S Sarma (IAS Retd)	Director
Mr. V Venkata Ramana	Director
Mr. Ponnappula Sanjeeva Parthasarathy	Director
Mr. Clinton Travis Caddell	Director
Mr. L P Sashikumar	Director

MANAGEMENT TEAM:

Mr. Rajshekhar Roy	Chief Executive Officer (CEO)
Mr. P Syam Prasad	General Manager (Finance)
Mr. Vithal V S S N K Popuri	General Manager (Accounts)

Auditors:	Bankers:
P. Murali & Company, Chartered Accountants, 6-3-655/2/3, Somajiguda, Hyderabad – 500 082.	Central Bank of India ICICI Bank CITI Bank
Registered Office:	Registrar & Share Transfer Agents
9-1-83 & 84, Amarchand Sharma Complex, S D Road, Secunderabad – 500 003 Ph. Nos. 040 – 27807640 /0742/ 1910 Fax Nos. 040 – 39120023	Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad – 500 029, Ph. No. 040-27638111/ 4445; Fax.No. 040-27632184

As the members are already aware, the Ministry of Corporate Affairs ('MCA') has taken a "Green Initiative in Corporate Governance" by allowing the companies to service the documents to its members through electronic mode. Recognizing the spirit of the circulars issued by the MCA, we are now sending this Annual Report comprising of Notice, Balance Sheet, Statement of Profit & Loss, Directors' Report, Auditors' Report, etc. to the email addresses of the members made available to the Company by the Depositories (CDSL / NSDL) or registered by the members directly with the Company's RTA. For those members who have not yet registered their email, we are sending the Annual Report in physical mode. In case you wish to receive future communication in electronic mode, kindly register your email address through the following link: <http://www.aarthiconsultants.com/GoGreen.php>. Please note that as a Member of the Company, you are entitled to receive all such communication in physical form, upon request.

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of Goldstone Technologies Limited will be held on Saturday, the 28th day of September, 2013 at 3.30 P.M. at Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance sheet as at March 31st, 2013, and the Statement of Profit and Loss for the year ended on that date together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. K.S.Sarma who retires by rotation and being eligible, offers him-self for re-appointment.
3. To appoint a Director in place of Mr. L.P.Sahikumar who retires by rotation and being eligible, offers him-self for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. P. Murali & Company (FRN: 007257S), Chartered Accountants, Hyderabad, the retiring auditors, being eligible, offer themselves for re-appointment.

BY ORDER OF THE BOARD

For GOLDSTONE TECHNOLOGIES LTD

Sd/-

L.P.Sashikumar
Director

Place: Secunderabad

Date : 31.07.2013

NOTES:-

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The proxy form duly completed and signed should reach the Company's registered office not later than 48 hrs before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain ***closed from 23rd day of September 2013 to 28th day of September 2013*** (both days inclusive) for the purpose of ensuing Annual General Meeting.
3. Only registered Members carrying the attendance slip and the holders of valid proxies registered with the Company will be permitted to attend the Meeting.
4. Members are requested to bring their copy of Annual Report with them at the Annual General Meeting.
5. Members holding shares in physical form are requested to intimate the following directly to the Company's Registrar and Share Transfer Agent, Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad - 500 029:
 - i) Changes, if any, in their address with pin code numbers.
 - ii) Quote their ledger Folio No. in all their correspondence.
 - iii) Request for nomination forms for making nominations as per amended provisions of the Companies Act, 1956.



Members holding shares in dematerialized (electronic) form are requested to intimate the aforesaid changes directly to their Depository Participant, as applicable.

6. Members desiring any information with regard to Accounts/Reports are requested to submit their queries addressed to the Company at least ten (10) days in advance of the meeting so that the information called for can be made available at the meeting.
7. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and holidays, between 11.30 a.m. to 1.30 p.m. up to the date of the Annual General Meeting.
8. As on March 31, 2013 of Rs.2,49,604/- was unclaimed out of the dividend declared on September 30, 2008 for the financial year 2007-08. Members who have not claimed the dividend are advised to claim the same at the earliest. In accordance with the provisions of

Section 205C of the Companies Act, 1956 aforesaid unclaimed dividend amounts shall be liable to be transferred to Investor Education and Protection Fund by October 29, 2015.

9. Pursuant to the requirements on Corporate Governance under Clause 49 of the listing agreements entered into with the stock exchanges, the information about the Directors proposed to be appointed / reappointed is given in the Annexure to the Notice.
10. The Annual Report of the Company for the year 2012-13 circulated to the Members of the Company is available on the Company's website, viz. <http://www.goldstonetech.com/>.

**BY ORDER OF THE BOARD
For GOLDSTONE TECHNOLOGIES LTD**

Sd/-
L.P.Sashikumar
Director

Place: Secunderabad
Date : 31.07.2013

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING:

Directors' Profile:

A brief resume of the Directors seeking appointment/re-appointment in the Annual General Meeting as required under Clause 49 IV (G) of the Listing Agreement is given below.

Date of Appointment, Shareholding in the Company, Directorship in Companies and Chairman/ Membership of the Committees:

Name of the Director	Mr.K.S.SARMA	Mr. L.P.SASHIKUMAR
Date of Birth	01.07.1944	25.10.1950
Date of Appointment	30.04.2007	30.10.2007
No. of shares held (As on 31.07.2013)	Nil	757
Expertise in functional areas	He is a retired IAS officer. During his career he worked in various levels such as Joint Secretary, Special Secretary and Principal Secretary with Govt of Andhra Pradesh before going on deputation to the Government of India. He worked in the Ministry of Information and Broadcasting and held addition charges of the Post of Director General, Doordarshan.etc.	Over 30 years of varied experience in the industry and business sectors.
List of Directorships in Companies (other than Goldstone Technologies Limited)	1. Catholic Syrian Bank Ltd. 2. Renascence Asset Reconstruction Company Limited.	1. Goldstone Infratech Ltd. 2. Goldstone Granites Pvt Ltd. 3. Staytop Systems and Software Pvt. Ltd. 4. SEPC Power Private Ltd 5. T F Solar Power Pvt.Ltd. 6. Goldstone Power pvt. Ltd.
Chairman/ Member of the Committee of the Board of Directors of Companies (other than Goldstone Technologies Limited) on which he/she is a Director	Member of Audit Committee & Investors' Grievance & Share Transfer Committee of Catholic Syrian Bank Ltd	Member of Investors' Grievance & Share Transfer Committee of Goldstone Infratech Ltd.
Relationship between Directors inter-se	No	Relative of Mr. Clinton Travis Caddell



Directors' Report

To
The Members
Goldstone Technologies Limited

Your Directors have pleasure in presenting the Nineteenth Annual Report of your company and the Audited Financial Accounts for the year ended on March 31, 2013.

Financial Results (Consolidated)

(₹ in Millions)

Particulars	2012-13	2011-12
Net Sales/Income from Operations	735.68	677.57
Total Expenses	657.03	635.00
Profit from Operations before Other Income, Interest & Exceptional Items	78.60	42.57
Other Income	2.63	8.54
Profit before Interest & Exceptional Items	81.28	51.11
Interest	9.94	15.57
Profit after Interest but before Exceptional Items	71.34	35.54
Exceptional Items	0.00	0.00
Profit before Tax	71.34	35.54
Tax expenses	25.56	5.95
Net Profit after Tax	45.75	29.59
Extraordinary Items (Net of Tax)	0.00	1.88
Net Profit for the period	45.75	27.71
Equity Share Capital (1,87,82,066 Shares of Rs 10/- each; Previous year 1,87,82,066 Shares of Rs 10/- each)	187.82	187.82
E.P.S (After Prior Period Items) (Rupees)	2.44	1.48
Net Worth	594.87	574.23
Book Value (face Value of Rs. 10/- each)	31.67	30.57

Review of Operations

During the year under review, your Company has achieved a consolidated turnover of Rs. 735.68 Million as compared to Rs. 677.57 Million during the previous financial year. The standalone turnover was Rs.287.58 Million as against a turnover of

Rs. 242.93 Million during the previous year. The consolidated net profit for the period increased to Rs.45.75 Million from Rs. 27.71 Million during the previous year and the standalone profit increased to Rs.20.63 Million from Rs. 16.43 Million.

Dividend

In order to conserve resources for future requirements, the Board has decided to retain the profits generated and consequently, your Board did not recommend any dividend for the financial year 2012-13.

Fixed deposits

The Company has not accepted any Fixed Deposits, falling within the purview of Section 58A of the Companies Act, 1956.

Insurance

All the properties of your Company have been adequately insured.

Subsidiaries

Your Company has a wholly owned subsidiary incorporated in USA, namely Staytop Systems Inc. Further, it has another subsidiary company in India namely Staytop Systems and Software Private Limited, which is yet to commence its operations.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary

companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

As required under listing agreement with Stock Exchanges, Consolidated Financial statements prepared in terms of Accounting Standards 21 and 23 issued by the Institute of Chartered Accountants of India, are attached.

Auditors

M/s. P. Murali & Company [FRN:007257S] Chartered Accountants, Statutory Auditors of the Company, holds office in accordance with the provisions of the Companies Act, 1956 upto the conclusion of forthcoming Annual General Meeting and are eligible for re-appointment.

Directors

Mr. K.S.Sarma and Mr.L.P.Sashikumar, Directors who retires by rotation at the 19th Annual General Meeting and being eligible, offers themselves for reappointment.

Stock Exchange Listing

Presently, the Equity Shares of the Company are listed on National Stock Exchange of India [NSE], Bombay Stock Exchange Limited [BSE]. The Company confirms that it has paid Listing Fees due to all the Stock Exchanges where the Company's securities are listed for the year 2013-14.

Director's Responsibility Statement

In accordance with the Section 217(2AA) of the Companies Act, 1956, the Board of Directors confirms that:



- a) In the preparation of the Accounts for the twelve months period ending March 31, 2013; the applicable accounting standards have been followed and there are no material departures there from.
- b) They have selected such accounting policies in consultation with Statutory Auditors of the Company and applied 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 as at March 31, 2013 and of the profit of the Company for the financial year.
- c) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) They have prepared accounts for the year ended March 31, 2013 on a going concern basis.

Corporate Governance and Management Discussion and Analysis Report

A separate report on Corporate Governance along with Auditors' Certificate on its compliance and Management Discussion and analysis forming part of this report are annexed hereto.

Particulars of Employees

None of the employees are drawing remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act' 1956 read with the Companies (particulars of employees) Rules, 1975, as amended.

Particulars of Conservation of energy / technology absorption, foreign exchange earnings and outgoings

Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Companies (Disclosure of particulars in the Directors Report) Rules 1988 are as follows:

A. CONSERVATION OF ENERGY:

Your company's operations involve low energy consumption. However, adequate measures have been taken to conserve and reduce the energy consumption.

B. TECHNOLOGY ABSORPTION:

Your Company continues to use state-of-the-art technology for improving the productivity and quality of its products and services. To create adequate infrastructure, your company continues to invest in the latest hardware and software.

C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

Particulars	₹ In Millions	
	2012-13	2011-12
Foreign Exchange Earnings	139.50	188.62
Foreign Exchange Outgo	1.66	8.11



Acknowledgements

Your Directors convey their sincere thanks to Central Bank of India, ICICI Bank and CITI Bank for their support, guidance and assistance.

Your Directors thank all the Employees of your company for their dedicated service, which enabled your company to achieve satisfactory results and performance during the year. Your Directors thank the shareholders for their support and confidence reposed in the company and the management and look forward to their continued co-operation and support.

For and on behalf of the Board

Place: Secunderabad

Date: 31.07.2013

Sd/-

L P Sashikumar

Director

Sd/-

P.S.Parthasarathy

Director



MANAGEMENT DISCUSSION ANALYSIS AND BUSINESS OUTLOOK

(This review contains Management's discussion of the Company's operational results and financial condition, and should be read in conjunction with the accompanying audited financial statements and associated notes).

Industry Structure, Development and Outlook

Outlook for India in 2014

The outlook for Indian market for Technology and Services is growing and will keep growing at a compounded rate of 12-14% in the current financial year 2013-14 as per current market trends. The emphasis is on Big Data and Cloud Computing. Organizational initiatives for adopting newer technologies like Big Data and Cloud Computing will trigger Spending on IT Programmes across enterprise and consumer markets. Consumers will take enterprise and mobile applications more than desktop and laptops in the days to come.

Big Data and Cloud Computing!

Big Data has been around in the industry for some time now, which is becoming the life line of the organization which deals with lot of data every day. Providing insights and converting the insights into actionable items is something organizations are looking forward to in the coming years.

Big Data and the initiatives to move to the cloud are the two major areas for a lateral growth in Business and Application space around the globe and so in India. As large organizations battle it out with newer technologies such as Data Analytics, Big Data, Mobility and

the Cloud, the nature of demand has changed to solving business problem rather than selling technology solutions. Companies can offer their clients value added services around Big Data Analytics without large scale investments on hardware and software as opposed to the traditional data analytics. It is the reason enough that Cloud Computing and Data Analytics are two new areas where organizations get more out of IT and ITES

The rest of the world continues to look towards India to meet the demands of this fast-paced technological race in which we currently live. There are tremendous opportunities for companies in India to leverage this demand. However, it requires business intuition, operational quickness, and uncompromising integrity. The environment that once rewarded reactive IT businesses of the past 15 years has now come to an end. This fresh wave only recognizes and supports survival of the companies that can understand the new global IT ecosystem with the ability to leverage knowledge for the benefit of the customer. What does this mean? It means that passive centers that have thrived on prescribed workflows are on the decline; customers are looking for engaged partners, aggressive and eager to expand their role, contributing not only to the bottom-line but also adding to the top-line of partners. It is time to move fast.

Opportunities, Threats, Risks and Concerns:

At Goldstone we see great potential to support this rapid business transformation via our niche technology services offerings, which include Enterprise Integration, and Cloud

Solutions. Sectors like Manufacturing, ITES and BFSI are early adapters for these services.

One area where Goldstone has succeeded is with the Business Intelligence (BI) platform and working with Big Data, which is a “Top Driver” for the organizations in 2013-2014. BI is a strong decision making platform and shows a positive growth curve in interactive visualization, predictive analysis, dashboards and online analytical processing with highest ease of use while working with huge data sets on premise and on Cloud. Goldstone has a long history and many great resources within the BI segment. Our current BI Practice is geared to provide a next generation feature rich, Low cost solution that can be deployed by both SMB’s as well as large enterprises which do not want to make Capex investments.

To capitalize this opportunity, Goldstone Technologies has embraced a light weight and Rapid Fire Business Intelligence tool called Tableau. Tableau is not just any Business Intelligence tool, but has capabilities to work around with Big Data to find the hidden insights and convert them into actionable areas for organizations. With just a few clicks Tableau can connect to Big Data Platforms and Cloud Databases like Hadoop, MapR, Cloudera, Google Analytics, Amazon Redshift providing organizations with the ability to instantly create reports, data visualizations and dashboards without any programming or coding.

Since Technology is a fast ever changing landscape, organizations need to equip themselves with a wide array of solutions to offer. Other than Tableau, at Goldstone we have always been

associated with SAP. With the latest developments on in-memory analytics technology, SAP is once again, making its way into the enterprise segment with its new weapon in inventory, HANA.

SAP HANA is the in-memory database technology from world leaders in Enterprise segment. The combination of powerful in-memory software paired with the hardware sophistication, can deliver ground breaking innovations without disruptions. This real-time platform combines high-volume transactions with analytics to help create solutions that take your business performance to the next level.

Overall, the transition of India to becoming a knowledge-based economy is giving all the IT companies a platform to display competencies. But like all growing economies, the weightage on services is high, and hence the margin of error in this business is getting narrow. Global Economic crisis also serves a factor of influence over the company’s business operations and financial conditions.

Analysis of financial performance of the company:

The Consolidated revenues for the year were Rs. 735.68 Million as against the previous year revenues of Rs. 677.57 Millions. The Standalone revenues for the year were Rs.287.58Millions as against of Rs.242.93 Millions of previous year. The Consolidated net profit for the period increased to Rs.45.75 Million from Rs.27.71 Million during the previous year and the Standalone net profit increased to Rs.20.63 Million from the previous year’s net profit of Rs. 16.43 Million.



Liquidity and capital resources:

There is no change in Shareholders' funds during the financial year 2012-13.

The secured loans as at March 31, 2013 stood at Rs. 62.54 Millions as against Rs.48.33 Millions of Previous year.

The Company's ability to generate funds from operating activities, including product and service sales, equity funds and debt financing from its banks and others are expected to provide sufficient liquidity to meet current and future fund requirements.

Internal Control & Systems:

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and applicable statutes & corporate policies are duly complied with, the internal audit function has been structured to continuously review adequacy and efficacy of the internal controls. The audit committee reviews the internal audit reports at regular intervals.

The company has an audit committee constituted as per section 292A of the Companies Act, 1956 and as per the requirements of Corporate Governance specified under Clause 49 of the Listing Agreement.

Human Resource Development:

The Company's Corporate HRD policy emphasizes on continuous, increased

quality and commitment of its employees in order to succeed in the achievement of the corporate goals. The company provides employee development opportunities by conducting training programs to equip the employees with upgraded skills enabling them to adapt to the contemporary technological advancements.

The HRD Team strives for the enhancement of Human Resource Organization, Systems, Processes and procedures, using the principles of continuous quality improvement that incorporate quality service and excellent performance standards, increased accountability and maximizes cost effectiveness.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's Objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results would differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic/overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

CORPORATE GOVERNANCE

Company's Philosophy

The Company believes that good corporate governance practices enable the management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximizing value for all its stake holders.

The board considers itself as a trustee of its shareholders and acknowledges its responsibilities to the Shareholders for creating and safeguarding shareholders wealth, while upholding the core values of transparency, integrity, honesty and accountability.

The Company's code of conduct serves as a guide to the employees on the values, ethics and business principles expected of them.

The Company is committed to the best governance norms. It strongly believes in setting the high standards in all its endeavors.

Board of Directors

The Board of Goldstone Technologies comprised of five directors as on July 31st, 2013 and all Directors are Non Executive Directors and two are Independent. Accordingly, the composition of the Board is in conformity with Clause 49 of the listing agreement entered with Stock Exchanges.

The Directors bring with them rich and varied experience in different fields of corporate functioning. The Board meets at regular intervals for planning, assessing and evaluating all important business activities.

None of the Directors on the Board is a member on more than 10 committees or Chairman of more than 5 committees as specified in clause 49, across all the Companies in which he is a Director. Necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board meetings held during the year and the number of Directorships and Committee memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of private limited Companies and companies incorporated outside India. Chairmanship / membership of Board committees include membership of Audit and Shareholders/Investors' Grievance Committee.

Name	Category	No. of Board Meetings attended during the year 2012-13	Whether Attended AGM held on 29.09.2012	No. of Directorships in other Companies	No. of committee positions held in other public Companies	
					Chairman	Member
Mr. S D Rama Krishna *	Managing Director	1	NA	1	Nil	Nil
Mr. K S Sarma	Independent Director	4	NO	2	Nil	1
Mr. V Venkata Ramana	Independent Director	4	NO	Nil	Nil	Nil
Mr. L P Sashikumar	Promoter Non-Executive Director	4	YES	1	Nil	1
Mr. Clinton Travis Caddell	Promoter Non-Executive Director	2	YES	Nil	Nil	Nil
Mr. P.S. Parthasarathy	Promoter Non-Executive Director	3	NO	Nil	Nil	Nil

* Mr. S D Rama Krishna resigned with effect from 1st July, 2012.

Four Board meetings were held during the year ended March 31, 2013 and the gap between any two successive meetings did not exceed four months. The dates on which the Board meetings were held are as follows:

May 30, 2012; August 11, 2012; November 10, 2012 and February 12, 2013.

None of the Non-Executive Directors have any material pecuniary relationship with the Company.

Necessary information as mentioned in Annexure 1A to clause 49 of the listing agreement has been placed before the Board for their consideration.

Audit Committee

As on 31st July, 2013, the Audit Committee of the Company consists of 3 directors, out of whom 2 are independent Directors including the Chairman, who is a retired IAS officer having related financial management expertise. All the members of the committee are financially literate. Accordingly, the composition of the committee is in conformity with Clause 49 of the listing agreement entered with Stock Exchanges.

Brief terms of reference of the Audit Committee are as under:

The Audit Committee of the Board is responsible for oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, adequate and credible; and reviewing with management the annual financial statements before submission to the Board. The Committee periodically reviews with the management the adequacy of internal control systems.

The Committee periodically interacts with the internal auditors to review the manner in which they are performing their responsibilities. The Committee holds discussion with external auditors before the commencement of statutory audit on the nature and scope of audit and ascertains any areas of concern and reviews their written comments. The Committee reviews the financial and risk management policies of the Company. The Committee has full access to financial data and to the company's staff. The Committee also reviews the quarterly financial statements before they are submitted to the Board.

Related party transactions entered into by the company, if any are placed before the Audit committee for its review on quarterly basis.

The last Annual General Meeting of the Company was held on September 29, 2012.

The composition of the Audit Committee as on July 31, 2013 and particulars of meetings attended by the members are as follows:

Name	Category	No. of Meetings during the year 2012-13	
		Held	Attended
Mr. K S Sarma, Chairman	Independent Director	4	4
Mr. S D Rama Krishna (*)	Managing Director	4	1
Mr. Vedula Venkata Ramana	Independent Director	4	4
Mr. Clinton Travis Caddell (**)	Promoter Non -Executive Director	4	1

(*) Ceased to be a Member with effect from 1st July, 2012 consequent to his resignation

(**) Became Member with effect from 11th August, 2012.

Four Committee meetings were held during the year ended March 31, 2013 i.e. on May 30, 2012; August 11, 2012; November 10, 2012 and February 12, 2013.

The necessary quorum was present at all meetings.

Remuneration Committee

The Remuneration Committee of the Company consists of 3 directors, all of them are Non Executive Directors and 2 out of them are independent Directors. The broad terms of reference of the remuneration Committee are to review the remuneration and commission / other incentives payable to Directors for each financial year.

The composition of the Remuneration Committee as on 31st July, 2013 is as follows:

Mr. K S Sarma	Chairman	Independent
Mr. L P Sashikumar	Member	Promoter Non- Executive
Mr. Vedula Ramana Venkata	Member	Independent

No meeting of the Remuneration Committee held during the year under report.

Remuneration Policy

The remuneration policy is to pay compensation and benefits adequately, so as to attract, motivate and retain talent. The Company follows a compensation of fixed pay. Performance of the individuals measured through the annual appraisal process. There was no Employee Stock Option Scheme during the financial year ended March 31, 2013.

Details of Remuneration and other terms of appointment of Directors

a) Managing Director:

Consequent to the resignation of Mr. S D Rama Krishna as Managing Director and Director, presently the Company does not have a Whole Time Director and the Company would be filling up this position in due course. The total remuneration paid to Mr. S D Rama Krishna, Managing Director, during the financial year ended March 31, 2013 (i.e upto 30th June 2012) was Rs. 4.80 lacs, inclusive of perquisites amounting to Rs.1.60 Lacs.

b) Non- Managing Directors:

The Non-Managing Directors (NEDs) are paid sitting fee for attending either Board or its Committee meetings except Shareholders/Investors' Grievance Committee Meeting. The Company reimburses the out of pocket expenses incurred by the Directors for attending meetings.

Shareholdings of the Directors in the Company as on March 31, 2013:

Name	Category	No. of Shares of Rs.10/- each
Mr. L P Sashikumar	Promoter Director	757

Remuneration of Directors

Details of remuneration paid to Directors during the financial year 2012-13:

(In Rupees)

Name of the Director	Category	Sittingfee	Salary	Benefits	Total
*Mr. S D Rama Krishna	Managing Director	NIL	3,20,000	1,60,000	4,80,000
Mr. L P Sashikumar	Promoter Non-Executive Director	60,000	NIL	NIL	60,000
Mr. K S Sarma	Independent Director	1,20,000	NIL	NIL	1,20,000
Mr. V Venkata Ramana	Independent Director	1,20,000	NIL	NIL	1,20,000
Mr. Clinton Travis Caddell	Promoter Non-Executive Director	NIL	NIL	NIL	NIL
Mr. Ponnappa Sanjeeva Parthasarathy	Promoter Non-Executive Director	NIL	NIL	NIL	NIL

* Mr. S D Rama Krishna resigned with effect from 1st July, 2012.

Benefits include contribution to Provident Fund, Gratuity Fund, payment of Perquisites and Commission.

Shareholders'/Investors' Grievance Committee:

- The Company has a Shareholders'/Investors' Grievance Committee to perform all the functions relating to handling of all sorts of shareholders' grievances like non-transfer of shares, loss of share certificates, non-receipt of notices/ annual reports etc., and to look after share transfers/transmissions periodically. The Committee inter-alia also approves issue of duplicate share certificates and oversees and reviews all matters connected with the securities transfers.
- The shareholders'/Investors' Grievance Committee of the Company consists of three directors, two of which are independent Directors.
- The Composition of the shareholder/ investors Grievance Committee and the number of meetings attended by its members is given below.

Name	Category	No. of Meetings during the year 2012-13	
		Held	Attended
Mr. K S Sarma, Chairman	Independent Director	4	4
Mr. S D Rama Krishna (*)	Managing Director	4	1
Mr. V Venkata Ramana	Independent Director	4	4
Mr. L P Sashikumar (**)	Promoter Non Executive Director	4	2

(*) Ceased to be a Member with effect from 1st July, 2012 consequent to his resignation

(**) Became Member with effect from 11th August, 2012.

iv Four Shareholders/Investors' Grievance Committee Meetings were held during the year ended March 31, 2013 i.e. May 30, 2012; August 11, 2012; November 10, 2012 and February 12, 2013.

v. The necessary quorum was present at all meetings.

vi. Details of complaints received and redressed: Number of shareholder complaints received, number solved and number of pending complaints as on March 31, 2013.

Opening 01.04.2012	Received during the period 01.04.2012 to 31.03.2013	Resolved during period 01.04.2012 to 31.03.2013	Closing Balance as on 31.03.2013
Nil	Nil	Nil	Nil

General Body Meetings

General Body Meetings : The last three Annual General Meetings were held at Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad – 500 051 as detailed below:

Location, date and time of last three Annual General Meetings:

Year	No. of Meeting	Day, Date and Time of the Meeting
2011-12	18 th AGM	Saturday, the September 29, 2012 at 04.00 P.M
2010-11	17 th AGM	Friday, the September 30, 2011 at 5.00 P.M.
2009-10	16 th AGM	Wednesday, the September 29, 2010 at 4.00 P.M.

During the previous three Annual General Meetings of the Company, the members have passed the following Special resolutions:

No. of AGM resolution	Item on which special was passed
18 th AGM	NIL
17 th AGM	NIL
16 th AGM	NIL

No resolution was passed through Postal Ballot during the year ended 31st March, 2013 and no resolution, which requires approval through postal ballot, is proposed to be conducted at the ensuing Annual General Meeting.

Disclosures

- i. As required by the Accounting Standard-18, issued by the Institute of Chartered Accountants of India, details of related-party transactions are at Schedule 27.6 of Notes to Accounts.
- ii. There were no instances of non-compliances by the Company, no penalties were imposed or strictures passed against the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- iii. Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement. The Company has also fulfilled the following non mandatory requirements as prescribed in Annexure I D to the Clause 49 of the Listing Agreement with the Stock Exchanges:
 - a. The Company has set up a Remuneration Committee, details of which have been given earlier in this Report

- b. The Statutory financial statements of the Company are unqualified

iv. Secretarial Audit: A firm of qualified Company Secretaries is conducting the Secretarial Audit on quarterly basis to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. The Secretarial Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

v. Code of conduct: The code of conduct as adopted by the Board of Directors is applicable to all directors, senior management and employees in above officers' level. The prime purpose of the code is to create an environment wherein all the Board Members and Senior Management of the Company maintain ethical standards and to ensure compliance to the laid down ethical standards. The code is available on the Company's website: www.goldstonetech.com.

A declaration signed by the Director regarding affirmation of the compliance with the Code of Conduct by Board and senior management is appended to this report.

vi. Compliance: At every Board meeting, a statement of Compliance with all laws and regulations as certified by the designated Director is placed before the Board for its review. The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.



- vii. Risk Management:** The Board regularly discusses the significant business risks identified by the management and the mitigation process being taken up.
- viii. Preferential Issue Proceeds:** The Company did not raise any funds during the year under preferential issue mode.
- ix. CEO & CFO certificate:** The certificate as contemplated in Clause 49 of the listing agreement was given by the Director and the General Manager (Finance) of the Company and the same was placed before the Board for its noting in its meeting held for approval of the audited financial results for the year ended 31st March, 2013.

Means of Communication

The Company's quarterly un-audited results and audited annual results are intimated in prescribed form and within prescribed time to stock exchanges and to the public. Generally the results are published in *The Financial Express* (National newspaper) and *Surya* (regional newspaper). The results are also displayed on the Company's website: www.goldstonetech.com.

General Information for Shareholders

- i) **Annual General Meeting** will be held on 28th September, 2013 at 03.30 p.m. at Plot No. 1 & 9 IDA, Phase II, Cherlapally, Hyderabad – 500 051.
- ii) **Financial Year** of the Company is 1st April to 31st March.
- iii) **Financial Reporting** for the quarter ending 30th September, 2013, 31st December, 2013, 31st March, 2014 and 30th June, 2014 will be within

forty five days from the closure of the quarter.

- iv) **Dates of Book Closure** will be from 23RD September 2013 to 28TH September, 2013 (both days inclusive).
- v) **Company's shares are listed** on the Bombay Stock Exchange and National Stock Exchange
- vi) **Stock Code** of the Company's scrip is 531439 in BSE and GOLDTECH in NSE
- vii) **ISIN Code** is INE805A01014
- viii) **Market Price Data:** High, Low (Based on the closing prices) and number of shares traded during each month in the last financial year on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited:

Month	NSE		BSE	
	High	Low	High	Low
Apr 2012	7.95	5.80	8.00	6.00
May 2012	7.00	5.80	7.25	5.71
Jun 2012	6.75	5.45	6.68	5.46
July 2012	8.95	5.65	8.40	5.75
Aug 2012	7.00	5.50	7.24	5.51
Sept 2012	6.90	5.65	6.50	5.60
Oct 2012	6.70	5.75	6.95	5.50
Nov 2012	6.40	5.30	6.52	5.50
Dec 2012	10.50	5.50	9.98	5.58
Jan 2013	8.35	6.60	7.98	6.50
Feb 2013	7.30	5.50	7.20	5.50
Mar 2013	6.00	4.05	6.05	4.07

ix) **Registrar and Transfer Agents:**

Name & Address : Aarthi Consultants Private Limited,
1-2-285, Domalguda,
Hyderabad – 500 029,
Tel: 91 - 40-27638111/ 4445;
Fax: 91 - 40-27632184
E-mail: info@aarthiconsultants.com
Contact Person: Mr. Bhaskara Murthy

x) **Share Transfer System:**

The Company's shares are traded in the stock exchanges compulsorily in Demat form. The Company's Registrar and Transfer agent is the common agency to look after physical and Demat share work. The shares lodged for transfer at the registrar are processed and returned to shareholders within the stipulated time.

xi) **Shareholding (as on March 31,2013):**

a) Distribution of shareholding

Category	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 – 5000	8672	75.24	1469497	7.82
5001 – 10000	1262	10.95	1073233	5.71
10000 – 20000	692	6.00	1074103	5.72
20000 – 30000	267	2.32	690512	3.68
30001 – 40000	142	1.23	503706	2.68
40001 – 50000	131	1.14	611017	3.25
50001 – 100000	195	1.69	1451973	7.73
100001 and above	165	1.43	11908025	63.40
TOTAL	11526	100.00	18782066	100.00

b) Categories of Shareholders

Category	No. of shares	% to share capital
Promoters	3534153	18.82
Mutual Funds and UTI	1700	0.01
Insurance Companies	0	0
Banks	2900	0.02
FIIIs	5000	0.03
Private Corporate Bodies	4028819	21.45
Indian Public	10848538	57.76
NRIs / OCBs	350379	1.87
Trust	1100	0.01
Clearing Members	9477	0.05
Grand Total	18782066	100.00



xii) Dematerialization of shares and liquidity:

The company's shares are compulsorily traded in dematerialization form. Equity shares of the Company representing 98.28% of the company's share capital are dematerialized as on March 31, 2013.

The Company's shares are regularly traded on Bombay Stock Exchange Limited & the National Stock Exchange.

xiii) As on March 31, 2013, the company did not have any outstanding GDRs / ADRs / Warrants or any convertible instruments

xiv) Compliance Officer : Mr. P.Syam Prasad, GM Finance
Compliance Officer.
Tel: 91 - 40-27807640;
Fax: 91 - 40-39120023/39100012
E-mail:cs@goldstonetech.com

xv) Location of Software Divisions /facilities : Registered Office: 9-1-83 & 84,
Amarchand Sharma Complex,
S D Road, Secunderabad – 500 003
Corporate Office: Laxmi Cyber City,
Block-B, III Floor, Kondapur,
Hyderabad-500084.
1/2, Venus Building, 1st Main,
Kalyana Mantappa Road,
Jakkasandra Road,
Koramangla 1 Block,
Bangalore – 560034
8603, Westwood Centre, Suite 200,
Vienna, Virginia – 22182,
United States of America

xvi) Address for Correspondence : Goldstone Technologies Limited
9-1-83 & 84, Amarchand Sharma
Complex, S D Road,
Secunderabad - 500 003.

Declaration as required under Clause 49 of the Listing Agreement:

I hereby declare that all the Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year ended March 31, 2013.

For and on behalf of the Board

Sd/-
L P Sashikumar
Director

Place: Secunderabad

Date: 31.07.2013

Certificate on compliance of Corporate Governance

**To
The Members of
Goldstone Technologies Limited**

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by Goldstone Technologies Limited ("the Company") for the year ended on 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination, conducted in the manner described in the "Guidance note on Certification of Corporate Governance" issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and based on our examination described above, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We further certify 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.

Place: Hyderabad
Date: 31.07.2013

P. Murali & Co.
Chartered Accountants

Sd/-
Mukund Vijayrao Joshi
Partner
Membership No. 024784



CERTIFICATE FROM THE DIRECTOR & THE FINANCE HEAD

We, L P Sashikumar, Director and P.Syam Prasad, General Manager (Finance) of Goldstone Technologies Limited, responsible for the finance function, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2013 and that to the best of our knowledge and belief, we state that:
 - (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 give a true and fair view of the Company's affairs and of the results of operations and cash flow. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including 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 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 pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit Committee.
- (d) During the year under reference -
 - (i) there were no significant changes in the internal control and overall financial reporting;
 - (ii) no significant changes in accounting policies were made that require disclosure in the notes to the financial statements; and
 - (iii) no instance of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

Sd/-
L P Sashikumar
Director

Sd/-
P.Syam Prasad
GM (Finance)

Place: Secunderabad

Date: 27.05.2013

AUDITOR'S REPORT

To

The Members of

M/s GOLDSTONE TECHNOLOGIES LIMITED

We have audited the accompanying financial statements of M/S GOLDSTONE TECHNOLOGIES LIMITED, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

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

Auditor's Responsibility:

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

assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

- (b) In the case of the Profit and Loss Account, of the profit 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.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) 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;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us.

- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For P. Murali & Co.,

Chartered Accountants

FRN : 007257S

Sd/-

P. Murali Mohana Rao

Partner

Membership Number: 023412

Place : Hyderabad

Date : 27.05.2013

ANNEXURE TO THE AUDITORS' REPORT

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
- (c) The Company has not disposed off substantial part of the Fixed Assets during the year.
- II. (a) The Inventory has been physically verified during the year by the Management and in our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of stocks as compared to book records.
- III. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) As the Company has not granted any loans, the Clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under Section 301 prejudicial to the interest of company, is not applicable.
- (c) As no loans are granted by company, the clause of receipt of interest & principal amount from parties, is not applicable to the company.
- (d) No loans have been granted to Companies, Firms and other parties listed in the register U/S 301 of the Companies Act, 1956. Hence, over due Amount of more than rupees one Lac does not arise and the clause is not Applicable.
- (e) The Company has not taken any loans, secured or unsecured from Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.
- (f) As the Company has not taken any loans, the clause of whether the rate of interest and other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
- (g) As no loans are taken by the company, the clause of repayment of interest & principal amount to parties is not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. There is no continuing

failure by the company to correct any major weaknesses in internal control.

- V. (a) In our opinion and according to the information and explanation given to us, since no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made by the company in respect of any party in the financial year, the entry in the register U/s.301 of the Companies Act, 1956 does not arise.
- (b) According to the information and explanations given to us, as no such contracts or arrangements made by the company, the applicability of the clause of charging the reasonable price having regard to the prevailing market prices at the relevant time does not arise.
- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.
- VIII. In respect of the company, the Central Government has not prescribed maintenance of Cost records under clause (d) of subsection (1) of section 209 of the Companies Act, 1956.
- IX.(a)The Company is regular in depositing statutory dues including PF, ESI, Income Tax, Cess & other statutory dues with the appropriate authorities
- and at the end of last financial year there were no amounts outstanding which were due for more than 6 months from the date they became payable .
- (b) According to the information and explanations given to us, no undisputed amounts are payable in respect of PF, ESI, Income Tax, Cess and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable
- X. The Company has been registered for a period of not less than 5 years, and the company has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year and in the immediately preceding financial year.
- XI. According to information and explanations given to us, the company has not defaulted in repayment of dues to financial Institutions or Banks.
- XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit Fund in respect of Nidhi/Mutual Benefit Fund/Societies.

- XIV.** According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- XV.** According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company .
- XVI.** According to the information and explanations given to us, the Term Loans obtained by the company were applied for the purpose for which such loans were obtained by the Company.
- XVII.** According to the information and explanations given to us no funds are raised by the Company on short-term basis. Hence the clause of short term funds being used for long term investment does not arise.
- XVIII.** According to the information and explanations given to us, the Company has not made any preferential allotment of Shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.
- XIX.** According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.
- XX.** According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by public issue is not applicable.
- XXI.** According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

For P. Murali & Co.,

Chartered Accountants

FRN : 007257S

Sd/-

P. Murali Mohana Rao

Partner

Membership Number: 023412

Place : Hyderabad

Date : 27.05.2013

STANDALONE BALANCE SHEET AS AT 31ST MARCH,2013

(Amount In `)

Particulars	Note No	As on 31/03/2013	As on 31/03/2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	187,820,660	187,820,660
(b) Reserves and Surplus	2	407,047,457	386,413,497
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	-	-
(b) Deferred tax liabilities (Net)	4	2,859,887	-
(c) Long term provisions	5	6,964,981	6,315,385
(3) Current Liabilities			
(a) Short-term borrowings	6	62,538,358	52,319,780
(b) Trade payables	7	16,158,003	15,578,408
(c) Other current liabilities	8	144,347,395	90,575,344
(d) Short-term provisions	9	18,039,278	23,548,637
Total		845,776,020	762,571,711
II. Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	10	134,348,747	134,041,210
(ii) Intangible assets	10	101,210,674	112,456,303
(iii) Tangible assets under development	10	132,736,793	132,736,793
(b) Non-current investments	11	92,762,433	92,762,433
(c) Deferred tax assets (Net)	4	-	2,221,601
(d) Long term loans and advances	12	101,314,715	-
(e) Other non-current assets	13	18,890,008	15,294,119
(2) Current assets			
(a) Inventories	14	123,563,869	127,505,269
(b) Trade receivables	15	113,445,296	95,380,161
(c) Cash and cash equivalents	16	3,185,648	11,376,617
(d) Short-term loans and advances	17	24,317,837	38,797,205
Total		845,776,020	762,571,711

Significant Accounting Policies & Notes to Accounts 27

The accompanying Notes are an Integral part of the Financial statements

As per our report attached

For **P.Murali & Co.,**
Chartered Accountants
FRN. No: 007257S
Sd/-

P.Murali Mohana Rao
Partner, M.No. 023412

Place : Hyderabad
Date : 27.05.2013

For and on behalf of the Board

Sd/- Sd/-
L.P.Sashikumar P.S.Parthasarathy
Director Director

STANDALONE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount In ₹)

Particulars	Note No	As on 31/03/2013	As on 31/03/2012
I. Revenue from operations	18	287,580,653	242,934,462
II. Other Income	19	2,626,959	8,426,199
III. Total Revenue (I + II)		290,207,612	251,360,661
IV. Expenses:			
Cost of materials consumed/purchased	20	11,637,755	20,179,327
Decrease/(Increase) in Inventory	21	3,941,400	(3,629,002)
Employee benefit expense	22	171,946,206	125,930,348
Other operating expenses	23	25,191,731	32,698,918
Administrative Expenses	24	20,426,720	24,273,640
Financial costs	25	9,887,073	15,509,725
Depreciation and amortization expenses	10	17,018,266	19,648,735
Other expenses	26	568,014	-
Total Expenses		260,617,164	234,611,691
V. Profit before exceptional and extra ordinary items and tax (III - IV)		29,590,448	16,748,970
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		29,590,448	16,748,970
VIII. Extraordinary Items		-	1,882,786
IX. Profit before tax (VII - VIII)		29,590,448	14,866,184
X. Tax expense:			
(1) Current tax		3,875,000	2,803,000
(2) Deferred tax		5,081,488	(4,368,715)
XI. Profit/(Loss) from the period from continuing operations (IX - X)		20,633,960	16,431,899
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		20,633,960	16,431,899
No. of equity shares:		18,782,066	18,782,066
XVI. Earning per equity share:			
(1) Basic		1.10	0.87
(2) Diluted		1.10	0.87

Significant Accounting Policies & Notes to Accounts 27

The accompanying Notes are an Integral part of the Financial statements

As per our report attached

For **P.Murali & Co.,**
Chartered Accountants
FRN. No: 007257S
Sd/-

P.Murali Mohana Rao
Partner, M.No. 023412

Place : Hyderabad

Date : 27.05.2013

For and on behalf of the Board

Sd/- Sd/-
L.P.Sashikumar P.S.Parthasarathy
Director Director

NOTES TO STANDALONE BALANCE SHEET

Particulars	As on 31/03/2013		As on 31/03/2012	
	No. of Shares	Amount In ₹	No. of shares	Amount In ₹
NOTE NO. 1 SHARE CAPITAL				
a Share Capital (For each class of capital)				
(a) Authorised	50,000,000	500,000,000	50,000,000	500,000,000
(b) Issued	-	-	-	-
(c) Subscribed & Fully Paid Up	18,782,066	187,820,660	18,782,066	187,820,660
(d) Par value per share @ Rs. 10/-				
Total Equity Share capital		187,820,660		187,820,660
Total Share capital		187,820,660		187,820,660
b A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:				
	Number of Shares		Number of Shares	
At the Beginning		18,782,066		18,782,066
At the end		18,782,066		18,782,066
c Details of Shareholder holding more than 5% shares of the company: Equity Shares of Rs. 10 each held by Trinity Infraventure Limited - No. Of Shares (C.Y) 3419872 and No. Of Shares (P.Y) 3419872				
	% of Share Holding			
		18.20%		18.20%
NOTE NO. 2 : RESERVES AND SURPLUS				
		As on 31/03/2013		As on 31/03/2012
		Amount In ₹		Amount In ₹
RESERVES AND SURPLUS				
a) Capital reserve				
As at the commencement of the year		59,780,538		59,780,538
Add: Additions during the year		-		-
Less: Utilised for during the year		-		-
		59,780,538		59,780,538
b) Securities Premium Reserve				
As at the commencement of the year		218,379,399		218,379,399
Add: Additions during the year		-		-
Less: Utilised for during the year		-		-
		218,379,399		218,379,399
c) General Reserves				
As at the commencement of the year		18,300,679		18,300,679
Add: Additions during the year		-		-
Less: Utilised for during the year		-		-
		18,300,679		18,300,679
d) Surpluses :				
Opening Balance - Profit and Loss Account		89,952,881		73,520,982
Add: Transfer from Profit & Loss Account		20,633,960		16,431,899
		110,586,841		89,952,881
Total Reserves and Surplus		407,047,457		386,413,497

(Amount In ₹)

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 3 : LONG TERM BORROWINGS		
(a) Long Term borrowings	-	-
(b) Term loans:		
From banks:		
Secured	-	-
Unsecured	-	-
Total long term borrowings	-	-
NOTE NO. 4 : DEFERRED TAX LIABILITY (NET)		
Opening Deferred tax Liability	-	-
Add:		
Deferred Tax Liability for the year (Due to SLM and WDV Difference)	2,859,887	(2,221,601)
Gross Deferred tax Liability	2,859,887	(2,221,601)
Deferred Tax Liability/ (Asset) - Net	2,859,887	(2,221,601)
NOTE NO. 5 : LONG TERM PROVISIONS		
Provisions for employee benefits		
- Provision for Gratuity	2,251,341	1,581,195
- Provision for Leave Encashment	3,414,916	3,435,466
- Provision for bad debts	1,298,724	1,298,724
Total Long Term Provisions	6,964,981	6,315,385
NOTE NO. 6 : SHORT TERM BORROWINGS		
Short term borrowings		
Working Capital from Banks		
Secured	62,538,358	48,325,103
(Mortgage of land and building situated at IDA cherlapally and hypothication of current assets)		
Unsecured	-	3,994,677
Total short term borrowings	62,538,358	52,319,780

(Amount In ₹)

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 7 : TRADE PAYABLES		
Trade Payables	16,158,003	15,578,408
Total Trade Payables	16,158,003	15,578,408
NOTE NO. 8 : OTHER CURRENT LIABILITIES		
Other liabilities payables	144,347,395	90,575,344
Total other current liabilities	144,347,395	90,575,344
NOTE NO.9 : SHORT TERM PROVISIONS		
a) Provisions for employee benefits		
Other benefits Payable	-	2,339,487
Salaries & others Payable	10,221,336	14,725,057
b) Others		
Statutory Liabilities	6,101,551	6,484,093
Provision for Expenses	1,716,390	-
Total short term provisions	18,039,278	23,548,637

Note Number : 10
STANDALONE FIXED ASSETS AS ON 31st MARCH, 2013

Sl. No	Particulars	Gross Block				Rate of Depreciation	Depreciation/Amortization			Net Block as on 31.03.2013	Net Block as on 31.03.2012
		As on 01.04.2012	Additions during the year	Sale / Deletions during the year	As on 31.03.2013		As on 01.04.2012	For the year 2012-2013	Total Depreciation		
1	LAND	76,671,399	-	-	76,671,399	0.00%	-	-	-	76,671,399	76,671,399
2	BUILDING	27,438,522	-	-	27,438,522	3.34%	916,447	11,511,237	15,927,285	15,927,285	16,843,732
3	PLANT & MACHINERY	3,244,830	-	-	3,244,830	4.75%	3,244,830	3,244,830	-	-	-
4	ELECTRICAL EQUIPMENT	13,453,710	547,750	-	14,001,460	4.75%	4,623,996	5,245,031	8,756,429	8,829,714	8,829,714
5	OFFICE EQUIPMENT	10,815,155	-	-	10,815,155	4.75%	6,452,724	506,642	6,959,366	3,855,789	4,362,431
6	COMPUTERS	150,462,113	316,638	-	150,778,751	16.21%	138,458,651	2,032,196	140,490,847	10,287,904	12,003,462
7	FURNITURE & FIXTURES	15,691,254	-	-	15,691,254	6.33%	5,564,373	645,500	6,209,873	9,481,381	10,126,880
8	VEHICLES	10,079,475	5,215,786	-	15,295,261	9.50%	4,875,883	1,050,817	5,926,700	9,368,561	5,203,592
9	LEASE HOLD IMPROVEMENTS	4,737,576	-	-	4,737,576	6.33%	4,737,576	4,737,576	-	-	-
10	INTANGIBLE FIXED ASSETS	167,772,365	-	-	167,772,365	10.00%	55,316,062	11,245,630	66,561,692	101,210,673	112,456,303
	TOTAL	480,366,399	6,080,174	-	486,446,573		233,868,886	17,018,266	250,887,151	235,559,471	246,497,513
11	CAPITAL WORK IN PROGRESS	132,736,793	-	-	132,736,793	0.00%	-	-	-	132,736,793	132,736,793
	GRAND TOTAL	613,103,192	6,080,174	-	619,183,366		233,868,886	17,018,266	250,887,151	368,296,214	379,234,306
	Previous Year	475,200,185	5,166,214	-	480,366,399		214,220,151	19,648,735	233,868,886	246,497,513	255,614,068

(Amount in)

(Amount In ₹)

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 11: NON- CURRENT INVESTMENTS		
Non- Current Assets		
Investment in Subsidiaries		
Equity Shares		
Staytop Systems Inc., and 100% of holding	92,663,433	92,663,433
Staytop Systems & Software Pvt Ltd and 100% of holding	99,000	99,000
Less: Provision for Diminution in Investments	-	-
Total Non - Current Assets (Net)	92,762,433	92,762,433
NOTE NO. 12: LONG TERM LOANS AND ADVANCES		
Long term loans and advances	101,314,715	-
	101,314,715	-
NOTE NO. 13 : OTHER NON - CURRENT ASSETS		
I Long term Trade receivable (Including trade receivables on deferred credit basis)		
Secured, considered good	-	-
Unsecured considered good	-	-
Doubtful	-	-
II Unamortised Expenses		
Interest Accrued on Deposits	1,347,192	485,713
Insurance Claims	-	-
Dividend receivable	-	-
Interest accrued on investments	-	-
Deffered revenue expenses	-	-
III Others	17,542,816	14,808,406
Total other non current assets	18,890,008	15,294,119
Less : Provision for Bad and Doubtful debts	-	-
Total non - current assets (net)	18,890,008	15,294,119
NOTE NO. 14 : INVENTORIES		
Inventories :		
a) Raw materials		
Material - (Movies)	28,190,000	28,190,000
Sub Total	28,190,000	28,190,000
b) Work - in - progress		
Other stock	95,373,869	99,315,269
Sub Total	95,373,869	99,315,269
Total Inventories	123,563,869	127,505,269

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 15 : TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, Considered Good	465,095	3,654,327
Unsecured, Considered Good	-	-
Doubtful	-	-
	465,095	3,654,327
Other Receivables:		
Secured, Considered Good	104,850,901	60,224,685
Unsecured, Considered Good	8,129,300	31,501,149
Doubtful	-	-
	112,980,201	91,725,834
Total trade receivables	113,445,296	95,380,161
Less : Allowance for bad & doubtful debts	-	-
Total Trade Receivables(net)	113,445,296	95,380,161
NOTE NO. 16 : CASH AND BANK BALANCES		
Cash and cash equivalents :		
a) Balances with banks :	3,115,575	4,951,955
b) Cheques, Draft on hand	-	-
c) Cash on hand	70,073	79,147
d) Bank balance with Others	-	5,317,469
Sub Total	3,185,648	10,348,571
Other Bank Balances		
On Deposit Accounts		
a) Having Maturity more than 3 Months but less than or equal to 12 months from date of deposit	-	-
b) Having Maturity more than 12 Months from date of deposit	-	1,028,046
b) On Margin Money Deposit Accounts	-	-
Sub Total	-	1,028,046
Total Cash and Cash Equivalents	3,185,648	11,376,617
NOTE NO. 17 : SHORT TERM LOANS AND ADVANCES		
Short - term loans and advances:		
a) Security Deposit		
Secured	20,592,812	14,124,858
Unsecured	-	-
Doubtfull	-	-
b) Loans and advances to related parties		
Secured	2,725,025	23,672,347
Unsecured	-	-
Doubtfull	-	-
c) Other loans And advances (Others)		
Advances with Statutory Bodies	1,000,000	1,000,000
Unsecured	-	-
Doubtfull	-	-
Total short term loans & advances	24,317,837	38,797,205
Less : Provision for Doubtfull Debts	-	-
Total short term loans & advances (net)	24,317,837	38,797,205

NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount In ₹)

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 18 : REVENUE FROM OPERATIONS		
Revenue from operations in respect of non-finance company		
(a) Sale of Services-Exports	219,104,030	198,189,887
(b) Sale of Product & Services-Domestic	68,476,623	44,744,575
Total Revenue from Operations	287,580,653	242,934,462
NOTE NO. 19 : OTHER INCOME		
(a) Interest income	861,479	300,120
(b) Other non-operating income	200,000	6,840,317
(c) Net gain/loss on foreign currency translation and transaction	1,565,480	1,285,762
Total Other Income	2,626,959	8,426,199
NOTE NO. 20 : COST OF MATERIALS CONSUMED		
Computer servers & spareparts	11,637,755	6,878,500
Other stock	-	13,300,827
Total Cost Of Material Consumed	11,637,755	20,179,327
NOTE NO. 21 : PURCHASE OF STOCK IN TRADE /DECREASE (INCREASE) IN INVENTORY		
Computer servers & spareparts	3,941,400	(3,629,002)
Total Trade Purchases	3,941,400	(3,629,002)
NOTE NO. 22 : EMPLOYEE BENEFIT EXPENSES		
(a) Salaries & Wages	147,105,973	93,322,053
(b) Contribution to Provident & Other Funds	2,389,879	3,416,008
(d) Staff Welfare Expenses	22,450,354	29,192,288
Total Employee Benefit Expenses	171,946,206	125,930,348
NOTE NO. 23 : OTHER OPERATING EXPENSES		
(a) Power/Electricity & Fuel	2,711,495	3,019,858
(b) Rent	11,554,102	11,837,676
(c) Repairs to Building	232,168	38,925
(d) Repairs to Machinery	2,934,571	1,974,271
(e) Insurance	1,977,414	1,313,151
(f) Car Hire charges & transportation	5,273,063	5,502,921
(g) Miscellaneous Expenditure	58,918	309,114
(h) Payment to Auditors:		
(i) As Auditor	450,000	450,000
(ii) For Taxation Matters	-	-
(iii) For Other Services	-	-
(iv) For Reimbursement of expenses	-	-
(i) Deffered admn cost	-	8,253,002
Total Other Expenses	25,191,731	32,698,918

(Amount In ₹)

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 24 : ADMINISTRATIVE EXPENSES		
(a) Telephone, Postage and Others	3,937,524	6,852,184
(b) Business Promotion Expenses	887,238	1,823,248
(c) Conveyance & Travelling Expenses	4,927,306	4,360,240
(d) Office Maintenance	1,936,396	3,432,577
(e) Printing & Stationery Expenses	446,659	520,765
(f) Security Charges	1,119,932	591,284
(g) Rates & Taxes	523,755	439,886
(h) Managerial Remuneration	480,000	1,920,000
(i) Consultancy Charges	64,793	66,701
(j) Seminar Fee/Legal Fee/Listing Fee	512,345	76,300
(k) Web Development Expenses	409,804	1,401,070
(l) Professional Consultancy fee	4,595,319	1,643,579
(m) Director Sitting Fee	3,00,000	360,000
(n) Vehicle maintenance Charges	139,425	360,886
(o) Secretarial expenses	146,224	424,921
Total Administrative Expenses	20,426,720	24,273,640
NOTE NO. 25 : FINANCE COST		
Interest Expenses :		
- Interest on loans	9,533,311	14,604,130
- Loan processing Charges & Bank Charges	353,762	905,595
Total Finance Cost	9,887,073	15,509,725
NOTE NO. 26 : OTHER EXPENSES		
Other expenses	568,014	-
Total Other expenses	568,014	-

Standalone Statement of Cash Flows for the year ended 31.03.2013 (₹. In Millions)

	31/03/2013	31/03/2012
A Cash Flow from Operating Activity		
Net Profit before tax	29.59	16.75
Adjustments for:	-	-
Depreciation	17.02	19.65
Provision for gratuity & earned leave	4.64	6.32
Other income	(2.63)	(8.43)
Interest Expenditure on Long Term Loan	9.89	15.51
Foreign Exchange Fluctuation Loss	-	(1.29)
Operating Profit before working capital Changes	58.51	48.51
Adjustments for:	-	-
Trade and other receivables	113.45	95.38
Inventory	15.58	16.55
Trade advances	24.32	(38.80)
Trade payables	(16.16)	(15.58)
Provisions	18.04	(6.32)
Cash generated from Operations	213.73	99.75
Direct Taxes paid (net) - Prior period adjs.	3.88	-
Deferred Tax Liability	2.86	(2.22)
Interest paid	(9.89)	(15.51)
Cash flow before extraordinary items	210.58	82.02
Prior Period Items	-	(1.88)
Net Cash Flow from Operating Activity	210.58	80.14
B Cash Flow from Investing Activity		
Purchase of fixed assets	(6.08)	(5.17)
Capital work in progress	(0.00)	17.07
Other Income	2.63	8.43
Net Cash Used for Investing Activity	(3.45)	20.33
Cash Flow from Financing Activities		
C Share Premium and Reserves	(201.11)	(210.04)
Secured loans Repayment	(14.21)	108.58
Net Cash generated from Financing Activity	(215.32)	(101.46)
Cash and Cash Equivalents (Opening Balance)	11.38	12.36
Net Increase in Cash & Cash Equivalents(A+B+C)	(8.19)	(0.99)
Cash and Cash Equivalents (Closing Balance)	3.19	11.38

As per our report attached

For P.Murali & Co.,
Chartered Accountants
FRN. No: 007257S

Sd/-

P.Murali Mohana Rao
Partner, M.No. 023412

Place : Hyderabad
Date : 27.05.2013

For and on behalf of the Board

Sd/-

L.P.Sashikumar
Director

Sd/-

P.S.Parthssarathy
Director

27. SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A) Statement on Significant Accounting Policies

i) Basis of Accounting

The Financial Statements of the Company are prepared under the historical cost convention and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India, and the relevant provisions of the Companies Act, 1956 as adopted consistently by the Company.

ii) Method of Accounting

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

iii) Revenue Recognition:

- a) All incomes and expenditure are accounted on accrual basis except Interest received on Fixed Deposits, which are accounted on cash basis.
- b) Revenue from Software Development contracts, priced on time and material basis, is recognised on the basis of billable time spent by employees working on the project, at the contracted rate.
- c) Revenue from fixed price contracts is recognized on milestones achieved as per the terms of specific contracts.

iv) Fixed Assets:

- a) Fixed Assets are stated at cost less depreciation. Project expenses/Pre-operative expenses are capitalized to the respective asset heads on a proportionate basis. Any capital grant or subsidy received is reduced from the cost of eligible assets.
- b) Depreciation on Fixed Assets is provided on straight-line method in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956.

v) Investments:

Investments are classified into current Investments and long-term investments. Current Investments are carried at the lower of cost or market value. Any reduction in carrying amount and any reversals of such reductions are charged or credited to the profit and loss account. Long term investments are carried at cost less provision made to recognize any permanent diminution in the value of such investments.

vi) Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. In respect of foreign branches, all revenue and expense transactions during the year are translated at average rate. Monetary assets and liabilities are translated at the rate

prevailing on the balance sheet date whereas non-monetary assets and liabilities are translated at the rate prevailing on the date of the transaction. The resultant gain on account or foreign currency translation to be shown as foreign currency translation reserve and loss to be changed off after adjusting the reserve. Balance in 'Head office account' whether debit or credit, is reported at the amount of the balance in the 'branch account' in the books of the head office after adjusting for un responded transaction. Net loss or gain on foreign currency translation is recognized in the foreign translation reserve account.

vii) Retirement Benefits to Employees

Contributions to defined Schemes such as Provident Fund, Employees State Insurance Scheme are charged to the profit and loss account as incurred on accrual basis. The Company provides the retirement benefits in the form of Gratuity and Leave Encashment on the basis of actuarial valuation made by Independent actuary as at balance sheet date.

viii) Provision for Current and Deferred Tax

Provision for current Tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from timing differences between book and taxable profits is accounted by using the tax rates and laws that have been enacted as on the

Balance Sheet date. The Deferred Tax Asset is recognized only to the extent there is reasonable certainty that the Asset is realized in future.

ix) Impairment of assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired.

x) Income and Deferred Tax

The provision made for income tax in the accounts comprises both the current and deferred tax. Current tax is provided for on the taxable income for the year. The deferred tax assets and liabilities for the year arising on account of timing differences (net) are recognized in the Profit and Loss account and the cumulative effect thereof is reflected in the Balance Sheet.

xi) Contingent Liabilities and Contingent Assets

Liabilities, which are contingent in nature, are not recognized in the books of account but are disclosed separately in the Notes. Contingent Assets are neither recognized nor disclosed in the books of account.

xii) Claims

Claims made by the Company are recognized to the extent the Company deems them recoverable. Claims against the Company, including liquidated damages, are recognized only on acceptance basis.

xiii) Inventories

Inventories are valued at cost or net realizable value, whichever is less. Cost comprises of expenditure incurred in the normal course of business in bringing such inventories to its their location. Finished goods at the factory are valued at cost in all applicable cases. Obsolete, non-moving and defective inventories are identified at the time of physical verification of inventories and adequate provision, wherever necessary, is made for such inventories.

xiv) Intangible Assets

Intangible Assets are recognized in the Balance Sheet at cost, net of any accumulated amortization/impairment. Preliminary expenses are amortized over a period of 5 years. De-merger expenses are amortized over a period of ten years.

xv) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are treated as a period cost and are expensed in the year of occurrence.

B) STANDALONE NOTES ON ACCOUNTS:

1. Contingent Liability:

Outstanding Performance Bank Guarantees –Rs.163.66 Lakhs (Previous year Rs.48.61 Lakhs)

2. Investments:

A) The company acquired 100% holding in M/s Staytop Systems Inc at a

total purchase consideration of USD 2,100,000 in the year 2005. Out of the total purchase consideration an amount of USD 2,000,000 was paid up to 2006-07 and for the balance amount of USD 100,000 the company issued 35,918 Equity Shares as fully paid and no new fresh investments during the year.

B) The company has holding of 9900 share @ Rs.10/- of M/s Staytop Systems and Software Pvt Ltd.

3. Confirmation of balances with sundry debtors and sundry creditors:

Company has taken necessary steps to get the confirmation of balances from the parties.

4. Provision for Income-Tax:

The company has provided provision for Tax of Rs. 3.87 Millions as per the provisions of the Income Tax Act, 1961. Federal / State tax paid on income of the branch of the company in USA has been accounted for.

5. Deferred Taxation:

Deferred Tax Liability/Asset is recognized in accordance with Accounting Standard 22 – “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India.

Computation of Deferred Tax Asset/ Liability:

(₹ In Millions)

Deferred Tax Asset as at 1 st April, 2012	2.22
Deferred Tax Liability as at 31 st March, 2013	2.86



6. Related Party Disclosure:

As per Accounting Standard 18 on Related Party Disclosures issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related party as defined in the Accounting Standard are given below:

List of related parties with whom transactions have taken place and Transaction during the year with related parties:

Sl. No	Name of the related party	Relationship
1	Staytop Systems Inc	Subsidiary
2	Staytop Systems and Software Pvt Ltd	Subsidiary

Transaction during the year with related parties:

Name of the related party	Nature of Transaction	₹. In Millions
Staytop Systems Inc	Income – Sale of Information Technology Services	82.84

7. Earnings Per Share

Calculation of EPS Basic & Diluted:

(Amount in ₹)

Particulars	Current Year	Previous Year
	2012-13	2011-12
Net Profit After Tax	20,633,961	16,748,970
Net Profit after Extraordinary Items	20,633,961	16,431,899
Weighted average numbers of shares considered	18,782,066	18,782,066
Basic EPS (in Rs.)	1.10	0.87
Diluted EPS (in Rs.)	1.10	0.87

8. Segment Reporting:

As per Accounting Standard 17 on Segment Reporting disclosures issued by the Institute of Chartered Accountants of India the disclosures on segment reporting are given below

Business Segment – In the previous year the company was engaged in the business of Information Technology & Information Technology Enabled Services. The business segment wise details are given below

(₹ In Millions)

Segment wise stand alone financial results for the year ended March 31, 2013		
Particulars	Current Year 31.03.2013	Previous Year 31.03.2012
1 Segment Revenue		
a) US Branch – IT Services	0.00	0.00
b) India operations		
IT Division	287.58	233.55
Media Division	0.00	9.38
Others	0.00	0.00
Total Revenue from Operations	287.58	242.93
2 Segment Results		
Profit (+)/Loss (-) before tax, Depn. & interest from		
a) US Branch	00.00	0.00
b) India operations total	68.48	51.91
Total	68.48	51.91
Less: interest (not allocable)	9.89	15.51
Less: Depreciation (not allocable)	17.02	19.54
Total Profit/(Loss) Before Tax	20.63	16.75

Segment Capital Employed: Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done, as the assets are used Interchangeably between segments. Accordingly no disclosure relating to segmental assets and liabilities has been made.

• **Geographical Segment:**

(₹ In Millions)

Particulars	Current Year	Previous Year
Revenue:		
India	287.58	242.93
Outside India	0.00	0.00
Additions to Fixed Assets:		
India	6.08	5.17
Outside India	-	-
Carrying Amount of Segment Assets		
India	322.87	307.43
Outside India	0.00	0.00

9. Impairment of Assets:

The company reviewed with regard to realizable value of Fixed Asset and found that, the realizable value is more than the book value, hence no provision for impairment of Assets considered necessary.

10. Employee Benefits

Retirement benefits to employees The Company has made provision based on actuarial valuation in respect of Gratuity and Leave Encashment as per AS 15. The details are as follows:

(Amount In ₹)

Particulars	31.03.2013	31.03.2012
Gratuity	22,51,341/-	15,81,195/-
Leave Encashment	34,14,916/-	34,35,466/-

Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions have been recognized by the Company for all present obligations arising from past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made by using a substantial degree of estimation. This is as per the provisions of **AS-28** issued by ICAI.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an on-going basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets have not been recognized in the financial statements.

11. Prior Period Adjustments:

Prior period adjustment of Rs. Nil (Previous year Rs.18,82,786/-) shown in the Profit and Loss account is the net amount of the debits and credits pertaining to previous

years, which were not provided during those periods.

12. Additional Information required as per Para's 3 & 4 of Part II of Schedule VI to the companies Act,1956:

13.1 The Company is engaged in Information Technology & Information Technology Enabled Services. The production and sale of such service cannot be expressed in Units, Hence, it is not possible to give the quantitative details and information as required under paragraphs 3,4 of Part II of Schedule VI to the Companies Act, 1956.

13.2 Managerial Remuneration:

(Amount In ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Managing Director Salary	3,20,000	14,40,000
Other perquisite	1,60,000	4,80,000
Total	4,80,000	19,20,000

13.3 Foreign Exchange Transaction:

(₹ In Millions)

Particulars	Current Year 2012-13	Previous Year 2011-12
1) Value of Imports on CIF Basis		
a) Capital Goods – Electronic Equipments	—	—
b) Capital Goods – Furniture & Fixtures	—	—
2) Expenditure in Foreign Currency		
a) Travelling Expenses	0.99	1.67
b) Other Payments paid In Foreign Exchange	0.67	6.44
3) Earnings in Foreign Currency (on Receipt basis)		
a) Software Exports	146.52	188.62

13.4 Auditors Remuneration:

(Amount In ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Audit Fees	3,00,000/-	3,00,000/-
Certification Work	1,50,000/-	1,50,000/-

14. Inventory:

- Restoration and colorization expenses in respect of the films for which the company has acquired distribution rights are carried as working in progress pending completion of the respective films.
- Costs incurred for a colorization of movies including the movie rights have been shown in the inventory.

15. Capital Work in Progress

Capital Work in Progress includes cost of Fixed Assets under installation including Advances given for purchase of Capital Goods, interest on borrowing costs attributable to the assets for the Assets taken on Finance and any un allocated expenditure pertaining there to.

- Figures for the previous year/period are regrouped/ rearranged wherever considered necessary.

As per our report attached

For P.Murali & Co.,

Chartered Accountants

FRN. No: 007257S

Sd/-

P.Murali Mohana Rao

Partner, M.No. 023412

For and on behalf of the Board

Sd/-

L.P.Sashikumar

Director

Sd/-

P.S.Parthssarathy

Director

Place : Hyderabad

Date : 27.05.2013



Auditors' Report on Consolidated Financials

To the Board of Directors of
M/S GOLDSTONE TECHNOLOGIES LIMITED

We have audited the accompanying consolidated financial statements of M/S GOLDSTONE TECHNOLOGIES LIMITED and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements:

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financials. As there is no reporting on 'Other Legal and Regulatory Requirements', there is no necessity of including the heading 'Report on the Financial Statements' above the introductory paragraph 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the

accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We did not Audit the financial statements of the subsidiary of Goldstone Technologies Limited whose financial statements reflect total assets of Rs. 21.80 crores as at 31st March, 2013 and total revenue of Rs. 53.09 crores for the year ended on that date. The financial statements of Staytop systems Inc. have been audited by M/s. RAM Associates, certified public Accountants based in Hamilton, NJ. Our opinion is so far as it related to the said amount included in respect of the subsidiaries is based solely on accounts prepared and certified by them.

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

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For P. Murali & Co.,

Chartered Accountants

FRN: 007257S

Sd/-

P. Murali Mohana Rao

Partner M.No: 23412

Place: Hyderabad

Date: 27.05.2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount In ₹)

Particulars	Note No	As on 31/03/2013	As on 31/03/2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	187,820,660	187,820,660
(b) Reserves and Surplus	2	530,584,826	484,830,584
(c) Money received against share warrants		-	-
(2) Minority Interest		1,000	1,000
(2) Non-Current Liabilities			
(a) Long-term borrowings	3		
(b) Deffered tax liabilities (Net)	4	2,859,887	-
(c) Long term provisions	5	6,964,981	8,502,771
(3) Current Liabilities			
(a) Short-term borrowings	6	62,538,358	52,319,780
(b) Trade payables	7	130,570,537	82,621,168
(c) Other current liabilities	8	144,347,395	147,268,490
(d) Short-term provisions	9	18,039,278	23,648,636
Total		1,083,726,922	987,013,089
II.Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	227,028,184	134,042,715
(ii) Intangible assets	10	95,844,707	199,768,268
(iii) Tangible assets under development	10	132,736,793	132,736,793
(b) Non-current investments	11	-	-
(c) Deffered tax assets (Net)	4	-	2,221,602
(d) Long term loans and advances	12	101,314,715	-
(e) Other non-current assets	13	26,504,468	109,504,433
(2) Current assets			
(a) Inventories	14	123,563,869	127,505,269
(b) Trade receivables	15	178,010,286	203,513,675
(c) Cash and cash equivalents	16	142,327,379	38,923,129
(d) Short-term loans and advances	17	56,396,520	38,797,205
(e) Other current assets			-
Total		1,083,726,922	987,013,089

Significant Accounting Polices & Notes accounts 27

The accompanying Notes are an Integral part of the Financial statements

As per our report attached

For P.Murali & Co.,

Chartered Accountants

FRN. No: 007257S

sd/-

P.Murali Mohana Rao

Partner, M.No. 023412

Place : Hyderabad

Date : 27.05.2013

For and on behalf of the Board

sd/-

L.P.Sashikumar

Director

sd/-

P.S.Parthasarathy

Director

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

(Amount In ₹)

Particulars	Note No	As on	
		31/03/2013	31/03/2012
I. Revenue from operations	18	735,683,275	677,570,515
II. Other Income	19	2,626,959	8,541,685
III. Total Revenue (I + II)		738,310,234	686,112,200
IV. Expenses:			
Cost of materials consumed/purchased	20	11,637,755	20,179,327
Decrease/(Increase) in Inventory	21	3,941,400	(3,629,002)
Employee benefit expense	22	562,881,546	523,086,541
Other operating expenses	23	31,779,638	41,278,771
Administrative Expenses	24	28,317,416	34,439,120
Financial costs	25	9,938,445	15,565,897
Depreciation and amortization expenses	10	17,255,234	19,650,341
Other expenses	26	1,218,507	-
Total Expenses		666,969,941	650,570,996
V. Profit before exceptional and extraordinary items and tax (III - IV)		71,340,293	35,541,204
VI. Exceptional Items			
VII. Profit before extraordinary items and tax (V - VI)		71,340,293	35,541,204
VIII. Extraordinary Items			1,882,786
IX. Profit before tax (VII - VIII)		71,340,293	33,658,418
X. Tax expense:			
(1) Current tax		20,504,563	10,316,224
(2) Deferred tax		5,081,488	(4,369,236)
XI. Profit(Loss) from the period from continuing operations (IX - X)		45,754,242	27,711,430
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		45,754,242	27,711,430
No. of equity shares:		18,782,066	18,782,066
XVI. Earning per equity share:			
(1) Basic		2.44	1.48
(2) Diluted		2.44	1.48

Significant Accounting Policies & Notes accounts 27

The accompanying Notes are an Integral part of the Financial statements

As per our report attached

For P.Murali & Co.,
Chartered Accountants
FRN. No: 007257S

For and on behalf of the Board

sd/-
P.Murali Mohana Rao
Partner, M.No. 023412
Place : Hyderabad
Date : 27.05.2013

sd/-
L.P.Sashikumar
Director

sd/-
P.S.Parthasarathy
Director

NOTES TO CONSOLIDATED BALANCE SHEET

Particulars	As on 31/03/2013		As on 31/03/2012	
	No. of Shares	Amount In ₹	No. of shares	Amount In ₹
NOTE NO. 1 SHARE CAPITAL				
a Share Capital (For each class of capital)				
(a) Authorised	50,000,000	500,000,000	50,000,000	500,000,000
(b) Issued	-	-	-	-
(c) Subscribed & Fully Paid Up	18,782,066	187,820,660	18,782,066	187,820,660
(d) Par value per share @ Rs. 10/-				
Total Equity Share capital		187,820,660		187,820,660
Total Share capital		187,820,660		187,820,660
b A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:	Number of Shares		Number of Shares	
At the Beginning		18,782,066		18,782,066
At the end		18,782,066		18,782,066
c Details of Shareholder holding more than 5% shares of the company:	% of Share Holding			
Equity Shares of Rs. 10 each held by Trinity Infraventure Limited				
- No. Of Shares (C.Y) 3419872				
and No. Of Shares (P.Y) 3419872				
		18.20%		18.20%
NOTE NO. 2 : RESERVES AND SURPLUS				
	As on 31/03/2013		As on 31/03/2012	
	Amount In ₹		Amount In ₹	
RESERVES AND SURPLUS				
a) Capital reserve				
As at the commencement of the year		59,780,538		59,780,538
Add: Additions during the year		-		-
Less: Utilised for during the year		-		-
		59,780,538		59,780,538
b) Securities Premium Reserve				
As at the commencement of the year		218,379,399		218,379,399
Add: Additions during the year		-		-
Less: Utilised for during the year		-		-
		218,379,399		218,379,399
c) General Reserves				
As at the commencement of the year		18,300,679		18,300,679
Add: Additions during the year		-		-
Less: Utilised for during the year		-		-
		18,300,679		18,300,679
d) Surpluses :				
Opening Balance - Profit and Loss Account		188,398,571		160,658,538
Add: Transfer from Profit & Loss Account		45,725,639		27,711,430
		234,124,210		188,369,968
Total Reserves and Surplus		530,584,826		484,830,584

(Amount In ₹)

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 3 : LONG TERM BORROWINGS		
(a) Long Term borrowings	-	-
(b) Term loans:		
From banks:		
Secured	-	-
Unsecured	-	-
Total long term borrowings	-	-
NOTE NO. 4 : DEFERRED TAX LIABILITY (NET)		
Opening Deferred tax Liability	-	-
Add:		
Deferred Tax Liability for the year (Due to SLM and WDV Difference & others)	2,859,887	(2,221,602)
Gross Deferred tax Liability	2,859,887	(2,221,602)
Deferred Tax Liability/ (Asset) - Net	2,859,887	(2,221,602)
NOTE NO. 5 : LONG TERM PROVISIONS		
Provisions for employee benefits		
- Provision for Gratuity	2,251,341	1,581,195
- Provision for Leave Encashment	3,414,916	3,435,466
- Provision for bad debts	1,298,724	1,298,724
- Provision for Taxahim	-	2,187,386
Total Long Term Provisions	6,964,981	8,502,771
NOTE NO. 6 : SHORT TERM BORROWINGS		
Short term borrowings		
Working Capital from Banks		
Secured	62,538,358	48,325,103
(Mortgage of land and building situated at IDA cherlapally and hypothication of current assets)		
Unsecured	-	3,994,677
Total short term borrowings	62,538,358	52,319,780

(Amount In ₹)

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 7 : TRADE PAYABLES		
Trade Payables	130,570,537	82,621,168
Total Trade Payables	130,570,537	82,621,168
NOTE NO. 8 : OTHER CURRENT LIABILITES		
Other liabilities payables	144,347,395	147,268,490
Total other current liabilities	144,347,395	147,268,490
NOTE NO.9 : SHORT TERM PROVISIONS		
a) Provisions for employee benefits Other benefits Payable Salaries & others Payable	10,221,336	17,164,543
b) Others Statutory Liabilities Provision for Expenses	6,101,551 1,716,390	6,484,093 -
Total short term provisions	18,039,278	23,648,636

Note Number : 10
CONSOLIDATED FIXED ASSETS AS ON 31st MARCH, 2013

Sl. No	Particulars	Gross Block			Rate of Depreciation	Depreciation/Amortization			Net Block as on 31.03.2013	Net Block as on 31.03.2012
		As on 01.04.2012	Additions during the year	Sale / Deletions during the year		As on 31.03.2013	For the year 2012-2013	Total Depreciation		
1	GOODWILL	92,663,433	-	-	0.00%	-	-	-	92,663,433	92,663,433
2	LAND	76,671,399	-	-	0.00%	-	-	-	76,671,399	76,671,399
3	BUILDING	27,438,522	-	-	3.34%	10,594,790	-	11,511,237	15,927,285	16,843,732
4	PLANT & MACHINERY	3,244,830	-	-	4.75%	3,244,830	-	3,244,830	-	-
5	ELECTRICAL EQUIPMENT	13,453,710	547,750	-	4.75%	4,623,995	621,035	5,245,030	8,756,430	8,829,715
6	OFFICE EQUIPMENT	11,068,474	-	-	4.75%	6,687,756	506,642	7,194,398	3,874,076	4,380,718
7	COMPUTERS	151,509,057	316,638	-	16.21%	139,510,312	2,269,164	141,779,476	10,046,219	11,998,745
8	FURNITURE & FIXTURES	15,691,254	-	-	6.33%	5,561,941	645,500	6,207,441	9,483,813	10,129,313
9	VEHICLES	10,079,475	5,215,786	-	9.50%	4,875,883	1,050,817	5,926,700	9,368,561	5,203,592
10	LEASE HOLD IMPROVEMENTS	4,737,576	-	-	6.33%	4,737,576	-	4,737,576	-	-
11	INTANGIBLE FIXED ASSETS	167,772,366	-	-	10.00%	60,682,028	11,245,630	71,927,658	95,844,708	107,090,338
	TOTAL	574,330,095	6,080,174	-	-	240,519,113	17,255,234	257,774,346	322,635,923	333,810,984
12	CAPITAL WORK IN PROGRESS	132,736,793	-	-	0.00%	-	-	-	132,736,793	132,736,793
	GRAND TOTAL	707,066,888	6,080,174	-	-	240,519,113	17,255,234	257,774,346	455,372,716	466,547,777
	Previous Year	569,163,882	5,166,214	-	-	220,868,772	19,650,341	240,519,113	333,810,983	348,277,501

(Amount In ₹)

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 11: NON- CURRENT INVESTMENTS	-	-
Non- Current Assets	-	-
NOTE NO. 12: LONG TERM LOANS AND ADVANCES		
Long term loans and advances	101,314,715	-
	101,314,715	-
NOTE NO.13 : OTHER NON - CURRENT ASSETS		
I Long term Trade receivable (Including trade receivables on deferred credit basis)		
Secured, considered good	-	-
Unsecured considered good	-	-
Doubtful	-	-
II Unamortised Expenses	-	-
Interest Accrued on Deposits	1,347,192	840,838
Insurance Claims	-	-
Dividend receivable	-	-
Interest accrued on investments	-	-
Deffered revenue expenses	-	-
III others	25,157,276	108,663,595
Total other non current assets	26,504,468	109,504,433
Less : Provision for Bad and Doubtful debts	-	-
Total non - current assets (net)	26,504,468	109,504,433
NOTE NO. 14 : INVENTORIES		
Inventories :		
a) Raw materials		
Material - (Movies)	28,190,000	28,190,000
Sub Total	28,190,000	28,190,000
b) Work - in - progress		
Other stock	95,373,869	99,315,269
Sub Total	95,373,869	99,315,269
Total Inventories	123,563,869	127,505,269

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 15 : TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, Considered Good	2,024,168	3,654,327
Unsecured, Considered Good	-	-
Doubtful	-	-
Sub Total	2,024,168	3,654,327
Other Receivables:		
Secured, Considered Good	167,856,819	172,297,211
Unsecured, Considered Good	8,129,300	27,562,137
Doubtful	-	-
Sub Total	175,986,119	199,859,348
Total trade receivable	178,010,286	203,513,675
Less : Allowance for bad & doubtful debts	-	-
Total Trade Receivables(net)	178,010,286	203,513,675
NOTE NO. 16 : CASH AND BANK BALANCES		
Cash and cash equivalents :		
a) Balances with banks :	142,257,306	4,951,955
b) Cheques, Draft on hand	-	-
c) Cash on hand	70,073	79,147
d) Bank balance with Others	-	32,863,981
Sub Total	142,327,379	37,895,083
Other Bank Balances		
On Deposit Accounts		
a) Having Maturity more than 3 Months but less than or equal to 12 months from date of deposit	-	-
b) Having Maturity more than 12 Months from date of deposit	-	1,028,046
c) On Margin Money Deposit Accounts	-	-
Sub Total	-	1,028,046
Total Cash and Cash Equivalents	142,327,379	38,923,129
NOTE NO. 17 : SHORT TERM LOANS AND ADVANCES		
short - term loans and advances:		
a) Security Deposit		
Secured	21,057,403	14,124,858
Unsecured	-	-
Doubtfull	-	-
b) Loans and advances to related parties		
Secured	34,339,117	24,672,347
Unsecured	-	-
Doubtfull	-	-
c) Other loans And advances (Others)		
Advances with Statutory Bodies	1,000,000	-
Unsecured	-	-
Doubtfull	-	-
Total short term loans & advances	56,396,520	38,797,205
Less : Provision for Doubtfull Debts	-	-
Total short term loans & advances(net)	56,396,520	38,797,205

NOTES TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS (Amount In ₹)

Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 18 : REVENUE FROM OPERATIONS		
Revenue from operations in respect of non-finance company		
(a) Sale of Services-Exports	667,206,652	632,825,940
(b) Sale of Product & Services-Domestic	68,476,623	44,744,575
Total Revenue from Operations	735,683,275	677,570,515
NOTE NO. 19 : OTHER INCOME		
(a) Interest income	861,479	300,120
(b) Other non-operating income	200,000	6,995,803
(c) Net gain/loss on foreign currency translation and transaction	1,565,480	1,285,762
Total Other Income	2,626,959	8,541,685
NOTE NO. 20 : COST OF MATERIALS CONSUMED		
Computer servers & spareparts	11,637,755	6,878,500
Other stock	-	13,300,827
Total Cost Of Material Consumed	11,637,755	20,179,327
NOTE NO. 21 : PURCHASE OF STOCK IN TRADE / DECREASE (INCREASE) IN INVENTORY		
Computer servers & spareparts	3,941,400	(3,629,002)
Total Trade Purchases	3,941,400	(3,629,002)
NOTE NO. 22 : EMPLOYEE BENEFIT EXPENSES		
(a) Salaries & Wages	538,041,313	490,478,245
(b) Contribution to Provident & Other Funds	2,389,879	3,416,008
(d) Staff Welfare Expenses	22,450,354	29,192,288
Total Employees Benefit Expenses	562,881,546	523,086,541
NOTE NO. 23 : OTHER OPERATING EXPENSES		
(a) Power/Electricity & Fuel	2,897,064	3,157,798
(b) Rent	13,993,834	14,379,347
(c) Repairs to Building	647,030	38,925
(d) Repairs to Machinery	2,934,571	1,974,271
(e) Insurance	5,481,762	6,701,964
(f) Car Hire charges & transportation	5,273,063	5,502,921
(g) Miscellaneous Expenditure	102,315	820,544
(h) Payment to Auditors:		
(i) As Auditor	450,000	450,000
(ii) For Taxation Matters	-	-
(iii) For Other Services	-	-
(iv) For Reimbursement of expenses	-	-
(i) Deferred admn cost	-	8,253,002
Total Other Expenses	31,779,638	41,278,771

(Amount In ₹)

SI No.	Particulars	As on 31/03/2013	As on 31/03/2012
NOTE NO. 24 : ADMINSTRATIVE EXPENSES			
	(a) Telephone, Postage and Others	5,320,586	8,971,623
	(b) Business Promotion Expenses	3,769,304	7,016,599
	(c) Conveyance & Travelling Expenses	6,466,782	5,695,688
	(d) Office Maintenance	2,000,240	4,056,296
	(e) Printing & Stationery Expenses	682,573	827,774
	(f) Security Charges	1,119,932	591,284
	(g) Rates & Taxes	546,189	498,907
	(h) Managerial Remuneration	480,000	1,920,000
	(i) Consultancy Charges	1,169,071	142,640
	(j) Seminar Fee/Legal Fee/Listing Fee	578,028	527,853
	(k) Web Development Expenses	1,003,743	1,401,070
	(l) Professional Consultancy fee	4,595,319	1,643,579
	(m) Director Sitting Fee	3,00,000	360,000
	(n) Vehicle maintainance Charges	139,425	360,886
	(o) Secretarial expenses	146,224	424,921
	Total Administrative Expenses	28,317,416	34,439,120
NOTE NO. 25 : FINANCE COST			
	Interest Expenses :		
	- Interest on loans	9,533,311	7,040,423
	- Loan processing Charges & Bank Charges	405,134	8,525,474
	Total Finance Cost	9,938,445	15,565,897
NOTE NO. 26 : OTHER EXPENSES			
	Other expenses	1,218,507	-
	Total Other expenses	1,218,507	-

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31.03.2013

(₹ In Millions)

	31/03/2013	31/03/2012
A Cash Flow from Operating Activity		
Net Profit before tax	71.34	35.54
Adjustments for:	-	-
Depreciation	17.26	19.65
Provision for gratuity & earned leave	5.67	8.50
Other income	(2.63)	(8.54)
Interest Expenditure on Long Term Loan	9.94	15.57
Foreign Exchange Fluctuation Loss	-	1.29
Operating Profit before working capital Changes	101.57	72.00
Adjustments for:		
Trade and other receivables	178.01	203.51
Inventory	123.56	16.55
Trade advances	34.34	(38.80)
Trade payables	(130.57)	(299.86)
Provisions	18.04	(8.50)
Cash generated from Operations	324.96	(55.09)
Direct Taxes paid (net) - Prior period adjs.	20.50	-
Deferred Tax Liability	2.86	(2.22)
Interest paid	(9.94)	(15.57)
Cash flow before extraordinary items	338.38	(72.88)
Prior Period Items	-	(1.88)
Net Cash Flow from Operating Activity	338.38	(74.76)
B Cash Flow from Investing Activity		
Purchase of fixed assets	(6.08)	(5.17)
Capital work in progress	15.58	17.07
Other Income	2.63	8.54
Net Cash Used for Investing Activity	12.13	20.45
Cash Flow from Financing Activities		
C Share Premium and Reserves	(232.89)	(27.71)
Secured loans Repayment	(14.21)	108.58
Net Cash generated from Financing Activity	(247.10)	80.87
Cash and Cash Equivalents (Opening Balance)	38.92	12.36
Net Increase in Cash & Cash Equivalents(A+B+C)	103.40	26.56
Cash and Cash Equivalents (Closing Balance)	142.33	38.92

As per our report attached & Notes to Accounts

For P.Murali & Co.,

Chartered Accountants

FRN. No: 007257S

Sd/-

P.Murali Mohana Rao

Partner, M.No. 023412

Place : Hyderabad

Date : 27.05.2013

For and on behalf of the Board

sd/-

L.P.Sashikumar P.S.Parthasarathy

Director

sd/-

Director

27. SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Statement on Significant Accounting Policies

i) Basis of Accounting

The Financial Statements of the Company are prepared under the historical cost convention and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India, and the relevant provisions of the Companies Act, 1956 as adopted consistently by the Company.

ii) Method of Accounting

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

iii) Basis of Consolidation

The Group financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the accounting standard on Consolidated Financial statements issued by the institute of Chartered Accountants of India. The Group financial statements incorporate the financial information of Gold Stone Technology Enterprises Limited, its subsidiary made up to 31st March 2013. Subsidiary is the entity that is controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an

enterprise so as to obtain benefits from its activities. Subsidiary is consolidated from the date on which control is acquired by the Group and no longer consolidated from the date such control ceases. The financial statements of the parent company and subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and any resulting unrealized gain/loss arising from intra group transactions. Unrealized losses resulting from intra group transactions are also eliminated unless cost cannot be recovered. Amounts reported in the financial statements of subsidiaries have been adjusted, where necessary, to ensure consistency with the accounting policies adopted by the Group.

iv) Revenue Recognition:

- a) All incomes and expenditure are accounted on accrual basis except Interest received on Fixed Deposits, which are accounted on cash basis.
- b) Revenue from Software Development contracts, priced on time and material basis, is recognised on the basis of billable time spent by employees working on the project, at the contracted rate.
- c) Revenue from fixed price contracts is recognized on milestones achieved as per the terms of specific contracts.

v) Fixed Assets:

- a) Fixed Assets are stated at cost less depreciation. Project expenses/Pre-operative expenses are capitalized to the respective asset heads on a proportionate basis. Any capital grant or subsidy received is reduced from the cost of eligible assets.
- b) Depreciation on Fixed Assets is provided on straight-line method in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956.

vi) Investments:

Investments are classified into current Investments and long-term investments. Current Investments are carried at the lower of cost or market value. Any reduction in carrying amount and any reversals of such reductions are charged or credited to the profit and loss account. Long term investments are carried at cost less provision made to recognize any permanent diminution in the value of such investments.

vii) Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. In respect of foreign branches, all revenue and expense transactions during the year are translated at average rate. Monetary assets and liabilities are translated at the rate prevailing on the balance sheet date whereas non-monetary assets and liabilities are translated at the rate prevailing on the date of the transaction. The

resultant gain on account or foreign currency translation to be shown as foreign currency translation reserve and loss to be changed off after adjusting the reserve. Balance in 'Head office account' whether debit or credit, is reported at the amount of the balance in the 'branch account' in the books of the head office after adjusting for un responded transaction. Net loss or gain on foreign currency translation is recognized in the foreign translation reserve account.

viii) Retirement Benefits to Employees

Contributions to defined Schemes such as Provident Fund, Employees State Insurance Scheme are charged to the profit and loss account as incurred on accrual basis. The Company provides the retirement benefits in the form of Gratuity and Leave Encashment on the basis of actuarial valuation made by Independent actuary as at balance sheet date.

ix) Provision for Current and Deferred Tax

Provision for current Tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from timing differences between book and taxable profits is accounted by using the tax rates and laws that have been enacted as on the Balance Sheet date. The Deferred Tax Asset is recognized only to the extent there is reasonable certainty that the Asset is realized in future.

x) Impairment of assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired.

xi) Income and Deferred Tax

The provision made for income tax in the accounts comprises both the current and deferred tax. Current tax is provided for on the taxable income for the year. The deferred tax assets and liabilities for the year arising on account of timing differences (net) are recognized in the Profit and Loss account and the cumulative effect thereof is reflected in the Balance Sheet.

xii) Contingent Liabilities and Contingent Assets

Liabilities, which are contingent in nature, are not recognized in the books of account but are disclosed separately in the Notes. Contingent Assets are neither recognized nor disclosed in the books of account.

xiii) Claims

Claims made by the Company are recognized to the extent the Company deems them recoverable. Claims against the Company, including liquidated damages, are recognized only on acceptance basis.

xiv) Inventories

Inventories are valued at cost or net realizable value, whichever is less. Cost comprises of expenditure incurred in the normal course of

business in bringing such inventories to its their location. Finished goods at the factory are valued at cost in all applicable cases. Obsolete, non-moving and defective inventories are identified at the time of physical verification of inventories and adequate provision, wherever necessary, is made for such inventories.

xv) Intangible Assets

Intangible Assets are recognized in the Balance Sheet at cost, net of any accumulated amortization / impairment. Preliminary expenses are amortized over a period of 5 years. De-merger expenses are amortized over a period of ten years.

xvi) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are treated as a period cost and are expensed in the year of occurrence.

B) CONSOLIDATED NOTES ON ACCOUNTS:

1. Subsidiaries considered for consolidation:

- a. Staytop Systems Inc., and US incorporated company
- b. Staytop Systems & Software Pvt Ltd.,

2. Contingent Liability:

Outstanding Bank Guarantees –
Rs.163.66 Lakhs (Previous year
Rs.48.61 Lakhs)



3. Investments:

A) The company acquired 100% holding in M/s Staytop Systems Inc at a total purchase consideration of USD 2,100,000 in the year 2005. Out of the total purchase consideration an amount of USD 2,000,000 was paid up to 2006-07 and for the balance amount of USD 100,000 the company issued 35,918 Equity Shares as fully paid and no new fresh investments during the year.

B) The company has holding of 9900 share @ Rs.10/- each of M/s Staytop Systems and Software Pvt Ltd.

4. Confirmation of balances with sundry debtors and sundry creditors:

Company has taken necessary steps to get the confirmation of balances from the parties.

5. Provision for Income-Tax:

The company has provided provision for Tax as per the provisions of the Income Tax Act, 1961. Federal / State tax paid on income of the branch of the company in USA has been accounted for.

6. Deferred Taxation:

Deferred Tax Liability/Asset is recognized in accordance with Accounting Standard 22 – "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

Computation of Deferred Tax Asset/Liability:

(₹ In Millions)

Deferred Tax Asset as at 1 st April, 2012	2.22
Deferred Tax Liability as at 31 st March, 2013	2.86

7. Related Party Disclosure:

As per Accounting Standard 18 on Related Party Disclosures issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related party as defined in the Accounting Standard are given below:

List of related parties with whom transactions have taken place and

Sl. No	Name of the related party	Relationship
1	Staytop Systems Inc	Subsidiary
2	Staytop Systems and Software Pvt Ltd	Subsidiary

Transaction during the year with related parties:

Name of the related party	Nature of Transaction	₹ In Millions
Staytop Systems Inc	Income – Sale of Information Technology Services	82.84

**8. Earnings Per Share:
Calculation of EPS Basic & Diluted:**

(Amount in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Net Profit After Tax	45,754,242	2,95,94,216
Net Profit after Extraordinary Items	45,754,242	2,77,11,430
Weighted average numbers of shares considered	18,782,066	18,782,066
Basic EPS (in Rs.)	2.44	1.48
Diluted EPS (in Rs.)	2.44	1.48

9. Segment Reporting:

As per Accounting Standard 17 on Segment Reporting disclosures issued by the Institute of Chartered Accountants of India the disclosures on segment reporting are given below

Business Segment – In the previous year the company was engaged in the business of Information Technology & Information Technology Enabled Services. The business segment wise details are given below.

(₹ In Millions)

Segment wise stand alone financial results for the year ended March 31, 2013			
	Particulars	Current Year 31.03.2013	Previous Year 31.03.2012
1	Segment Revenue		
	a) India operations		
	IT Division	287.58	242.93
	Media Division	0.00	0.00
	b) Subsidiary – IT Services	630.94	481.77
	Less: Inter Company sales	82.84	47.13
	Total Revenue from Operations	735.68	677.57
2	Segment Results		
	Profit (+)/Loss (-) before tax, Depn. & interest from		
	a) India operations total	56.50	51.91
	b) Subsidiary – IT Services	42.04	18.85
	Total	98.54	66.82
	Less: interest (not allocable)	9.94	15.57
	Less: Depreciation (not allocable)	17.26	19.65
	Total Profit/(Loss) Before Tax	71.34	35.54

Segment Capital Employed: Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done, as the assets are used Interchangeably between segments. Accordingly no disclosure relating to segmental assets and liabilities has been made.

Segment Capital Employed: Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done, as the assets are used Interchangeably between segments. Accordingly no disclosure relating to segmental assets and liabilities has been made.

• **Geographical Segment:**

(₹ In Millions)

Particulars	Current Year	Previous Year
Revenue:		
India	287.58	242.93
Outside India	448.10	434.64
Additions to Fixed Assets:		
India	6.08	5.16
Outside India	-	-
Carrying Amount of Segment Assets		
India	322.87	307.43
Outside India	0.00	0.00

10. Impairment of Assets:

The company reviewed with regard to realizable value of Fixed Asset and found that, the realizable value is more than the book value, hence no provision for impairment of Assets considered necessary.

11. Employee Benefits

Retirement benefits to employees The Company has made provision based on actuarial valuation in respect of Gratuity and Leave Encashment as per AS 15. The details are as follows:

(Amount In ₹)

Particulars	31.03.2013	31.03.2012
Gratuity	22,51,341/-	15,81,195/-
Leave Encashment	34,14,916/-	34,35,466/-

Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions have been recognized by the Company for all present obligations arising from past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made by using a substantial degree of estimation. This is as per the provisions of **AS-28** issued by ICAI.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an

on-going basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets have not been recognized in the financial statements.

12. Prior Period Adjustments:

Prior period adjustment of Rs. Nil (Previous year Rs.18,82,786/-) shown in the Profit and Loss account is the net amount of the debits and credits pertaining to previous years, which were not provided during those periods.

13. Additional Information required as per Para's 3 & 4 of Part II of Schedule VI to the companies Act,1956:

13.1 The Company is engaged in Information Technology & Information Technology Enabled Services. The production and sale of such service cannot be expressed in Units, Hence, it is not possible to give the quantitative details and information as required under paragraphs 3,4 of Part II of Schedule VI to the Companies Act, 1956.

13.2 Managerial Remuneration:

(Amount In ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Managing Director :		
Salary	3,20,000	14,40,000
Other perquisite	1,60,000	4,80,000
Total	4,80,000	19,20,000

13.3 Foreign Exchange Transaction:

(₹ In Millions)

Particulars	Current Year 2012-13	Previous Year 2011-12
1) Value of Imports on CIF Basis		
a) Capital Goods – Electronic Equipments	—	—
b) Capital Goods – Furniture & Fixtures	—	—
2) Expenditure in Foreign Currency		
a) Travelling Expenses	0.99	1.67
b) Other Payments paid In Foreign Exchange	0.67	6.44
3) Earnings in Foreign Currency (on Receipt basis)		
Software Exports	146.52	188.62

13.4 Auditors Remuneration:

(Amount In ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Audit Fees	3,00,000/-	3,00,000/-
Certification Work	1,50,000/-	1,50,000/-

14. Inventory:

- a) Restoration and colorization expenses in respect of the films for which the company has acquired distribution rights are carried as working in progress pending completion of the respective films.
- b) Costs incurred for a colorization of movies including the movie rights have been shown in the inventory.

15. Capital Work in Progress

Capital Work in Progress includes cost of Fixed Assets under installation including Advances given for purchase of Capital Goods, interest on borrowing costs attributable to the assets for the Assets taken on Finance and any un allocated expenditure pertaining there to.

16. Figures for the previous year/period are regrouped/ rearranged wherever considered necessary.

As per our report attached

For P. MURALI & CO.

Chartered Accountants

Sd/-

P. Murali Mohana Rao

Partner

Membership No. 23412

For and on behalf of the Board

Sd/-

L.P.Sashikumar

Director

Sd/-

P.S.Parthasarathy

Director

Place: Hyderabad

Date: 27.05.2013

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

(₹ In Millions)

S.No	Name of the Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover /Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
1	Staytop Systems Inc.,	USD/MN	2.11	3.59	5.70	5.70	-	9.75	0.77	0.31	0.46	-	USA
2	Staytop Systems and Software Pvt Ltd.	INR	0.10	-	0.10	0.10	-	-	-	-	-	-	INDIA

As per our report attached

For P. Murali & Co.,
Chartered Accountants

Sd/-

P. Murali Mohana Rao
Partner
Membership No. 23412

Place: Hyderabad
Date: 27.05.2013

For and on behalf of the Board

Sd/-

Sd/-

L.P.Sashikumar Director
P.S.Parthasarathy Director



GOLDSTONE TECHNOLOGIES LIMITED

Regd. Office: 9-1-83 & 84, amarchand Sharma Complex S D Road, Secunderabad – 500 003

PROXY FORM

I/Weof.....
being a member/ members of the above named company hereby appoint
.....of
..... as my/our proxy to vote
for me/us on my/our behalf at the 19th Annual General Meeting of the company to
be held on Saturday, the September 28, 2013 at 3.30 p.m. at Plot No. 1 & 9 IDA
Phase II, Cherlapally, Hyderabad – 500 051 and at any adjournment thereof.

Folio No/DPID/Client ID:
No. of shares held
Signed this..... day of _____ 2013.

Please
Affix Rs.1
Revenue
Stamp

NOTE:
a) A Member entitled to attend and vote at the meeting is entitled to appoint
a proxy and vote instead of himself.
b) Proxy need not be a member.
c) The proxy form duly completed should be deposited at the registered office
of the company not less than 48 hours before the time fixed for holding the
meeting.
.....cut here.....

GOLDSTONE TECHNOLOGIES LIMITED

(9-1-83 & 84, Amarchand Sharma Complex, S.D. Road, Secunderabad – 500 003)

ATTENDANCE SLIP

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

Regd. Folio/ : _____ Shares held: _____
Client ID/ DPID : _____

I hereby record my presence at the 19th Annual General Meeting to be held on
Saturday, the September 28, 2013 at 3.30 p.m. at Plot No. 1 & 9 IDA Phase II,
Cherlapally, Hyderabad – 500 051.

Name of the Shareholder :
Name of the Proxy :
Signature of member/proxy :

Note: 1) To be signed at the time of handing over this slip.
2) Members are requested to register their names at least 15 minutes
prior to the commencement of the meeting.

Book - Post
Printed Matter



If undelivered please return to :

Goldstone Technologies Limited

9-1-83 & 84, Amarchand Sharma Complex,
Sarojini Devi Road, Secunderabad-500 003.
Ph. 040-2780 7642, 2780 0742, 2780 7640