



# ObjectOne Information Systems Ltd.

To

M/s BSE Ltd  
Floor 25 P J Towers,  
Dalal Street  
MUMBAI – 400 001


Date: 06.09.2014

Dear Sir,

**Sub: Submission of Form B with the Annual Report for the Financial Year ended March, 2014**

**Ref: Scrip Code – 535657: ISIN No: INE860E01011.**

## FORM –B

1	Name of the Company	ObjectOne Information Systems Limited
2	Annual financial statements or the year ended	31 <sup>st</sup> March, 2014
3	Type of Audit qualification	Nil
4	Frequency of qualification	Nil
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Directors Report – Page No.10 Auditors' Report – Page No. 27 Significant Accounting Policies – Page No. 35
	Additional comments from the board/audit committee chair:	No comments expressed by the board/audit committee chair.
5	Signature	
	Name of the Signatory	K. MALLIKARJUNA RAO
	Designation	Whole Time Director

Regards,

For ObjectOne Information Systems Ltd

  
K. Mallikarjuna Rao  
Whole Time Director



Encl: 1) Annual Report – 6 copies



## OBJECTONE INFORMATION SYSTEMS LIMITED

### BOARD OF DIRECTORS

Mr.K.Ravi Shankar	Managing Director
Ms. K. Himabindu	Executive Director
Mr. K.Mallikarjuna Rao	Wholetime Director
Mr. Viswanadh Dasari	Director
Mr. B.S.N Kumar	Director
Mr. Sana Satish Babu	Director
Mr. K Mohan	Director

### AUDITORS

**M/s. P Murali & Co.,**  
Chartered Accountants,  
6-3-655/2/3,1st Floor,  
Somajiguda,  
Hyderabad - 500 082.

### BANKERS

ICICI Bank Ltd.  
CITI Bank N.A.  
The Bank of Nova Scotia  
Karur Vysya Bank Ltd  
Axis Bank Ltd  
Union Bank of India

### REGISTERED OFFICE

8-3-988/34/7/2/1 & 2  
Kamalapuri Colony,  
Srinagar Colony Road  
Hyderabad – 500 073  
Tel Nos: 23757192, 23757193  
Fax No: 23753323

### SHARE TRANSFER AGENTS

M/s. Aarthi Consultants Private Limited  
1-2-285, Domalguda,  
HYDERABAD - 500 029

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**NOTICE**

Notice is hereby given that the Eighteenth Annual General Meeting of the Members will be held on Tuesday, the 30th day of September, 2014 at the Registered office of the Company at 8-3-988/34/7/2/ 1 &2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500 073 at 2.00 pm to transact the following business:

**Ordinary Business:**

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31st, 2014 and the Profit and Loss Account for the financial year ended on that date together with the schedules and notes thereon and the Directors and Auditors Report thereof.
2. To appoint a Director in the place of Mr, Viswanadh Dasari (DIN No. 00490226) who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s P. Murali & Co., as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Twenty Third Annual General Meeting of the Company and to fix their remuneration and for the purpose, to consider and if thought fit, to pass, with or without modification(s) the following resolution, as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. P. Murali & Co., Chartered Accountants, Hyderabad, who retire at the conclusion of this Annual General Meeting (AGM), be and are hereby appointed as statutory auditors of the company for a period of 5 years, i.e., till the conclusion of the AGM of the company to be held in the year 2019 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the board of directors of the company and the auditors.”

**SPECIAL BUSINESS:**

4. To re-appoint Mr B.S.N.Kumar (DIN 00496855) as an Independent Director for a term of five years and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. B. S. N. Kumar (DIN 00496855), Director of the Company, be and is hereby re-appointed as an Independent Director of the Company to hold office for five consecutive years up to 31st March, 2019.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in order to give effect to the above resolution.”



5. To re-appoint Mr. Sana Satish Babu (DIN 01134948), as an Independent Director for a term of five years and in this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution

**“RESOLVED THAT** pursuant to the provisions of sections 149, 152, 160 and other applicable provisions if any, of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014, read with Schedule IV to the Act, as amended from time to time, Mr. Sana Satish Babu (DIN 01134948), who meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment , be and is hereby appointed as an Independent Director of the company for a period of five years with effect from 30<sup>th</sup> September 2014”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in order to give effect to the above resolution.”

6. To re-appoint Mr. Kallepalli Mohan (DIN 01949591), as an Independent Director for a term of five years and in this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution

**“RESOLVED THAT** pursuant to the provisions of sections 149, 152, 160 and other applicable provisions if any, of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014, read with Schedule IV to the Act, as amended from time to time, Mr. Kallepalli Mohan (DIN 01949591), who meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment , be and is hereby appointed as an Independent Director of the company for a period of five years with effect from 30<sup>th</sup> September 2014”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in order to give effect to the above resolution.”

For and on behalf of the Board  
**ObjectOne Information Systems Limited**

Place: Hyderabad  
Date: 03-09-2014

Sd/-  
**K Ravi Shankar**  
Managing Director



**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 such proxy need not be a member of the company.
2. Proxies in order to be effective must be deposited at the company's registered office at # 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500 073 not less than 48 hours before the time of holding the aforesaid meeting.
3. Members/Proxies should bring the attendance slips filled in for attending the meeting.
4. The Register of Members and Share Transfer Books will remain closed from, the 27th September, 2014 to 30<sup>th</sup> September, 2014 (both days inclusive).
5. Members are requested to notify the company at the registered office of any change in addresses quoting their folio number/s.
6. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
7. The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued Circular on April 21, 2011 stating that the service of documents can be made through electronic mode. In view of the circular issued by MCA, the Company proposes to henceforth deliver documents like the Notice calling the Annual General Meeting/Audited Annual Accounts/Report of the Auditors/Report of the Directors etc, in electronic form to email address provided by the shareholders.
8. Shareholders are requested to furnish their e-mail id's to enable the Company to forward all the requisite information in electronic mode. In case of shareholders holding shares in demat form, the email IDs of the shareholders registered with the DP and made available to the Company shall be the registered email ID unless communication is received to the contrary.
9. Relevant documents and registers will be available for inspection by the members at the registered office of the Company.
10. Members / Proxies are requested to hand over the enclosed Attendance Slip duly filled in, at the entrance for attending the meeting.
11. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. The Notice of the 18<sup>th</sup> AGM and instructions for e-voting along with the Attendance Slips and Proxy Form, is being sent by electronic mode to all members whose email address are registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode. Members may note that the Notice of the 18<sup>th</sup> AGM and the Annual Report 2014 will be available on the Company's website [www.objectinfo.com](http://www.objectinfo.com)
14. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.



- 15. In compliance with the provisions of section 108 of the Act, the Companies (Management and Administration) Rules, 2014 and Clause 35B of the listing agreement, shareholders are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Ltd., in respect of all resolutions set forth in this Notice. Mr. S. Chidambaram, (Membership No.FCS 3935) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
- 16. The procedure and instructions for e-voting are as follows:
  - a) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - b) Click on “Shareholders” tab.
  - c) Now enter your User ID

For Members holding shares in Demat Form	For Members holding shares in Physical Form
For NSDL: 8 Character DP ID followed by 8 Digits Client ID, For CDSL:16 digits beneficiary ID	Folio Number registered with the Company

- d) Next enter the Image Verification as displayed and Click on Login.
- e) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- f) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA00001234 in the PAN field</li> <li>● Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL client id. For example: CDSL Account holder name is Rahul Mishra and Demat A/c No. is 12058700 00001234 then default value of PAN is 'RA00001234'. NSDL Account holder name is Rahul Mishra and DP ID. is IN300000 and client ID 12345678 then default value of PAN is 'RA123445678'.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend BankDetails	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on September 27, 2014 in the Dividend Bank details field.</p>



- g) After entering these details appropriately, click on “SUBMIT” tab.
- h) Members holding shares in Physical form will then reach directly to the voting screen.
- i) Members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- j) Click on the relevant EVSN for the “ObjectOne Information Systems Limited” on which you choose to vote.
- k) On the voting page, you will see Resolution Description and against the same the option ‘YES/NO’ for voting. Enter the number of shares (which represents number of votes) under YES/NO.
- l) Click on the “RESOLUTION FILE LINK” if you wish to view the entire Notice of the Annual General Meeting.
- m) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- n) Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- p) Note for Non-Individual Shareholders & Custodians:
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- q) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

17. Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in



dematerialized form and not casting their vote electronically, may cast their vote at the Annual General Meeting.

18. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairperson of the Company.
19. The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.objectinfo.com](http://www.objectinfo.com) and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company on September 30, 2014 and communicated to the National Stock Exchange of India Limited and BSE Limited.
20. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic format, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form can submit their PAN details to the Company/R&T Agents.
21. Explanatory statement pursuant to Section 102 of the Companies Act, 2013

**The Explanatory Statement as required under Section 102 of the Companies Act, 2013 is annexed hereto.**

**Item No 4: Appointment of Mr B.S.N.Kumar as Independent Director**

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 2014, every listed company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. B. S. N. Kumar, as Independent Directors at ensuring AGM, in compliance with the requirements of the clause.

The nominations committee has recommended the appointment of Mr B.S.N.Kumar director as Independent Director for a period of 5 years from 30<sup>th</sup> September 2014 Mr B.S.N.Kumar, have given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he has fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV to the Act, the appointment of these directors as Independent Directors is now being placed before the shareholders for their approval.

Pursuant to section 160 of the Act, notice have been received from one shareholder signifying their intention to propose the appointment of Mr B.S.N.Kumar, alongwith a deposit of Rs. 1,00,000 (Rupees one lakh) each as required under the aforesaid section.

The names of companies and the committees in which the directors are a director/member, the letter of appointment and terms and conditions of the appointment are available for inspection at the registered office of the company during normal business hours.

Except the directors being appointed in terms of the said resolutions, none of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.





Your Directors recommend the resolution for your approval

**Brief Profiles Of Mr BSN Kumar Seeking Appointment/ Re-Appointment**

1.	Name	:	<b>Mr. BSN Kumar</b>
	Age/DOB	:	About 50years
	Qualification	:	B.E.
	Experience	:	Vast Experience in Administration area and Business
	Other Directorships	:	-----

**Item No 5: Appointment of Mr Sana Satish Babu as Independent Director**

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 2014, every listed company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed **Mr Sana Satish Babu**, as Independent Directors at ensuring AGM, in compliance with the requirements of the clause.

The nominations committee has recommended the appointment of **Mr Sana Satish Babu** director as Independent Director for a period of 5 years from 30<sup>th</sup> September 2014 **Mr Sana Satish Babu**, have given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he has fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV to the Act, the appointment of these directors as Independent Directors is now being placed before the shareholders for their approval.

Pursuant to section 160 of the Act, notice have been received from one shareholder signifying their intention to propose the appointment of Mr **Mr Sana Satish Babu** , alongwith a deposit of ' 1,00,000 (Rupees one lakh) each as required under the aforesaid section.

The names of companies and the committees in which the directors are a director/member, the letter of appointment and terms and conditions of the appointment are available for inspection at the registered office of the company during normal business hours.

Except the directors being appointed in terms of the said resolutions, none of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

Your Directors recommend the resolution for your approval

**Brief Profiles Of Mr Sana Satish Babu Seeking Appointment/ Re-Appointment**

1.	Name	:	<b>Mr. Sana Satish Babu</b>
	Age/DOB	:	About 44years
	Qualification	:	B.E.
	Experience	:	Vast Experience in Administration area and Business
	Other Directorships	:	ILLOS (India) Private Limited



**Item No 6: Appointment of Mr. Kallepalli Mohan as Independent Director**

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 2014, every listed company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Kallepalli Mohan, as Independent Directors at ensuring AGM, in compliance with the requirements of the clause.

The nominations committee has recommended the appointment of Mr. Kallepalli Mohan director as Independent Director for a period of 5 years from 30<sup>th</sup> September 2014 Mr. Kallepalli Mohan, have given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he has fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV to the Act, the appointment of these directors as Independent Directors is now being placed before the shareholders for their approval.

Pursuant to section 160 of the Act, notice have been received from one shareholder signifying their intention to propose the appointment of Mr. Kallepalli Mohan, alongwith a deposit of ' 1,00,000 (Rupees one lakh) each as required under the aforesaid section.

The names of companies and the committees in which the directors are a director/member, the letter of appointment and terms and conditions of the appointment are available for inspection at the registered office of the company during normal business hours.

Except the directors being appointed in terms of the said resolutions, none of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 6 of the accompanying Notice.

Your Directors recommend the resolution for your approval

**Brief Profiles Of Mr Kallepalli Mohan Seeking Appointment/ Re-Appointment**

1.	Name	:	<b>Mr. K. Mohan</b>
	Age/DOB	:	20.07.1957
	Qualification	:	M.Com, LLB, CAIIB, DCM
	Experience	:	32 years in Banking Sector, RBI Panel Exchange Control Audit, Panel of FADAI Faculty
	Other Directorships	:	Relisys Medical Devices Ltd (CARE Group)

By order of the Board  
**ObjectOne Information Systems Limited**

Sd/-  
**K Ravi Shankar**  
Managing Director

Place: Hyderabad  
Date: 03-09-2014

**DIRECTORS' REPORT**

Dear Members,  
Your Directors take pleasure in presenting EIGHTEENTH ANNUAL REPORT of your company together with the audited financial statements for the financial year 2013-14.

**CONSOLIDATED FINANCIAL RESULTS**

<b>PARTICULARS</b>	<b>2013-14</b>	<b>2012-13</b>
Gross Income	3611.11	3573.77
Expenditure	3510.47	3495.76
Gross Profit Before Depreciation	100.64	78.01
Depreciation	66.13	58.55
Profit for the year before Tax	34.51	19.46
Provision for Income Tax	10.06	5.33
Provision for Deferred Tax	0.83	1.35
MAT Credit	0.51	9.75
Profit after Tax	24.13	22.53
Profit brought forward	305.75	285.30
Profit carried forward to Balance Sheet	329.88	305.75

The consolidated income of Rs. 3611.11 lakhs during the year against previous year income of Rs. 3573.77 lakhs and Net Profit of Rs. 24.13 lakhs during the year against previous year Net Profit of Rs. 22.53 lakhs.

**STAND ALONE FINANCIAL RESULTS****Rupees in Lakhs**

<b>PARTICULARS</b>	<b>2013-14</b>	<b>2012-13</b>
Gross Income	555.66	553.05
Expenditure	486.84	490.12
Gross Profit Before Depreciation	68.82	62.93
Depreciation	66.13	58.55
Profit for the year before Tax	2.69	4.38
Provision for Income Tax	0.51	0.83
Provision for Deferred Tax	0.83	1.35
MAT Credit	0.51	9.75
Profit after Tax	1.86	11.94
Profit brought forward	19.53	7.59
Profit carried forward to Balance Sheet	21.39	19.53

**Performance**

The Company has earned the income of Rs.555.66 lakhs during the year against previous year income of Rs. 553.05 lakhs and Net Profit of Rs. 1.86 lakhs during the year against previous year Net Profit of Rs. 11.94 lakhs.



## **BUSINESS OVERVIEW:**

It's so very acceptable fact that entire world is revolving around Digital Media... The fastest way to connect with world. ObjectOne, being pioneers of Digital Media Content, development and publications, now moving a step ahead to partner with youngsters of India by providing them required training and knowledge building activities in terms of Digital Technology.

By identifying the right candidates then providing extensive training will result the skilled staff as per the demand in the digital media market. To achieve this, TeluguOne has decided to be a platform to show case every individual's creativity and guide them and assist them and place in the suitable positions based on talent.

Having handful knowledge on Digital Media and keeping in view of the expanding job opportunities in the said field, TeluguOne has decided to start the march having the hand in hand with rural youngsters, to construct a strong technological India on the basis of Digital Media.

Scope for the Digital Media content has been increased. The number of viewers worldwide with the potential to access to digital content is growing day by the day. Online-video audience are to double to 1.5 billion globally by 2016, says research firm Simmer & Associates. YouTube records more than a billion unique visits monthly. Streaming-video giant Netflix says consumers watch over a billion hours a day of linear TV worldwide. For multiplatform producers, tech-research group In US itself it is calculated that 2.4 billion units of PCs, tablets and mobiles were shipped last year. In India too the number of users of Digital Media are increasing by leaps and bounds because of easy access to Net on Mobiles.

SEO (Search Engine Optimization) and SMO (Social Media Optimization) are the tools which are currently helping the digital media users to get the accurate reports of their content published on sites. SRM is a tool which not only gives the reports but guidance to the users to know the industry dynamics about the specified subjects and helps them to fix the gaps in case of any while promoting their products.

International web portals' contribution to the commercialization of new professional online video would be easy to miss amid the billions of videos on the internet, were it not only shows the strengths of their brands but the Digital Media Marketing strategy too.

The portals are able to use the myriad content genres on their platforms, from email services, breaking news, financial markets, horoscopes, sports news, to dating services, to direct their shows to the audience's attention. We have the biggest reach among youth audiences who, by their very nature, are predicting future trends, and we actively tap into that to gain insight into changing viewer behaviors." Numerous international analytics and research services claim to be able to assess viewing habits on websites, mobile apps, and social media to help content creators and brands deliver what audiences want. They even measure "individuality" to enable clients to deliver more effective personalized content to customers' screens.

From terrestrial digital broadcasters to mobile app owners, online video content can reach audiences on virtually any surface connectable to the internet. The options for accessing long-form video and clips online are many: digital downloads (iTunes), on-demand streaming (Netflix, Hulu and Amazon), social media (Twitter; Facebook), video-hosting (YouTube channels), peer-to-peer network (Vudu; Bit Torrent) and mobile app (virtually every major TV network). But the



challenge for new players and existing ones is to ensure the reception of their videos on digital devices, including smartphones and tablets, are HD-quality.

The gap between revenues generated from main TV advertising and dedicated online advertising is shrinking. Consumers are spending more time watching live and on-demand video on millions of digital devices. Unruly Media, the social-video distribution platform, says advertisers and their media-buying agencies are growing the budgets for bespoke digital ads, as opposed to repackaging TV ads for the internet. Finding tools for accurately measuring online viewers' behavior remains the next challenge. Until then, the number of business models available to digital video rights owners and distributors is expanding.

Your company has created a revenue model on the emerging media prospects and influenced the cinema industry by encouraging emerging film makers through short film contests and workshops

Your company has established Global brands in Digital Media which includes TORI flying high by scoring 711 rank across the Globe, teluguone.com, kidsone.in; YouTube.com/TeluguOne had become the 2<sup>nd</sup> biggest channel in country and is now focusing on the Digital Media Content Development and Trainings.

Your Company has been building lot of in house content which is exclusive and unique to your company which includes short comedy clips, animated content. Along with this, your company is creating alternative content in health, lifestyle, Fashion and Spiritual domains. Your company's association with YouTube for both short form and long form videos is yielding good revenues.

Radios are not excluded from this; rather Internet radio is the trend in the market registering its incremental growth every year constantly. It is just because of the shifts in consumer listening behavior from terrestrial radio to streaming stations, Users are embracing internet radio on a growing range of devices, from PCs, smartphones and tablets to automobiles, connected home appliances and other gadgets. This change is enhancing our listenership and more listeners are hooked to TORi now.

#### **SUBSIDIARIES:**

As required under Section 212 of the Companies Act, 1956, the subsidiary financial statement of accounts for the period ended 31<sup>st</sup> March, 2014 is annexed.

#### **CORPORATE GOVERNANCE**

In terms of the Listing Agreement, a Report on Corporate Governance along with the Auditor's certificate on the compliance is also annexed herewith and forms part of the Annual Report.

#### **FIXED DEPOSITS**

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

#### **DIRECTORS**

Pursuant to the Provision of Section 152 of the Companies Act, 2013, Mr. Viswanadh Dasari (DIN No. 00490226) retires by rotation at the ensuing AGM and offer him for re-appointment and Mr B.S.N.Kumar (DIN 00496855), Mr. Sana Satish Babu (DIN 01134948) and Mr. Kallepalli Mohan (DIN



01949591) being proposed to be appointed as Independent Director for the period of 5 years under the Companies Act, 2013 not liable to retire by rotation.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby confirms that:

- (i) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss account of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors had prepared the annual accounts on a going concern basis.

### **AUDITORS**

M/s. P. MURALI & CO., Chartered Accountants, the Statutory Auditors of the Company retire at the conclusion of this Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility pursuant to Section 224 (1B) of the Companies Act, 1956 and willingness to accept office, if re-appointment at the ensuing Annual General Meeting

### **PARTICULARS OF EMPLOYEES**

In pursuance of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules 1975, the Directors are to report that no employee was in receipt of remuneration of Rs. 60,00,000/- or more per annum or Rs.5,00,000/- or more per month during the year or for a part of the year.

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

The Disclosures required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, for the year ended March 31<sup>st</sup>, 2014 are as follows:

- A) Conservation of Energy: The Company is monitoring the consumption of energy and is identifying measures for saving energy wherever possible.
- B) Technology absorption, adaptation and innovation: No technology either indigenous or foreign is involved.
- C) Research and Development (R&D): No research and development has been carried out during the year.



D) Foreign Exchange earnings and outgo:

Foreign Exchange earnings: Rs 3,84,22,495/-	against IT, IT enabled Services and other income
Foreign Exchange outgo: Rs 92,314/-	for foreign tour

**ACKNOWLEDGEMENTS:**

Your Directors place on record the appreciation for the sincere efforts and active involvement of employees at various levels of the Company in its operations. The Directors also place on record the appreciation for the support received from Banks and other Government Agencies.

The Directors express gratitude to the shareholders of the company for the confidence reposed in the management.

For and on behalf of the Board  
**ObjectOne Information Systems Limited**

Place: Hyderabad  
Date: 03-09-2014

Sd/-  
**K Ravi Shankar**  
Managing Director

Sd/-  
**K Mallikarjuna Rao**  
Wholetime Director

**COMPLIANCE REPORT ON CORPORATE GOVERNANCE**

## ANNEXURE TO THE DIRECTORS' REPORT

**1. Company's Objective on Corporate Governance**

Your Company is committed to good Corporate Governance against the prescribed standards. As the objective of Corporate Governance is the enhancement of value and protecting the interests of shareholder, your Company aimed at assisting the management in efficient conduct of the business of the Company and in meeting its obligations to shareholders and others.

**2. Board of Directors**

a) Composition of the Board: The Company's Board of Directors comprises Three Directors, of which one is Non-Executive Non-Independent Directors and 2 are Non-executive Independent Directors. The Company has Non-Executive Chairman.

b) Number of Board meetings held during the financial year and the dates of the Board meetings:

During 2013-14, the Board met 7 times on 30<sup>th</sup> May, 2013, 30<sup>th</sup> July, 2013, 03<sup>rd</sup> Sep 2013, 30<sup>th</sup> October, 2013, 14<sup>th</sup> Nov 2013, 21<sup>st</sup> December, 2013, 30<sup>th</sup> January, 2014.

c) Attendance of each Director at Board meetings and the last Annual General Meeting

S. No.	Name of the Director	Category of Directorship	No of Board Meetings held during the year	No of Board Meetings Attended	Attendance at the last AGM	No of Directorships held in other companies
1	Mr. K Ravi Shankar	Managing Director	7	7	Yes	2
2	Mr .K Mallikarjuna Rao	WholetimeDirector	7	7	Yes	-
3	Smt. K. Hima Bindu	Executive Director	7	7	-	2
4	Mr. M Vijay Kumar*	Non-Executive Director	7	3	Yes	4
5	Mr Vishwanadh Dasari	Non-Executive Director	7	2	-	-
6	Mr. B.S.N Kumar	Independent Director	7	5	No	2
7	Mr. Sana Satish Babu	Independent Director	7	4	Nil	1
8	Mr. K Mohan	Independent Director	7	2	Yes	1

- **Mr. M Vijay Kumar has resigned as Director w.e.f 30.10.2013**





- d) Number of other Boards/Board Committees each Director (being a Director of the Company as at the end of the financial year) is a Director/Chairman

Sl. No	Name of the Director	Number of other Companies in which director		Number of Committee memberships held in other Companies	
		Chairman	Director	Chairman	Member
1	Mr. K Ravi Shankar	2	-	-	-
2	Mr .K Mallikarjuna Rao	-	-	-	-
3	Smt. K. Hima Bindu	-	2	-	-
4	Mr. M Vijay Kumar*	-	4	-	-
5	Mr Vishwanadh Dasari	-	-	-	-
6	Mr. B.S.N Kumar	-	2	-	-
7	Mr. Sana Satish Babu	9	-	-	-
8	Mr. K Mohan	-	1	-	-

### 3. Audit Committee

- (a) Brief description of terms of reference

The terms of reference of the Audit Committee are comprehensive and cover the matters specified for Audit. The Audit Committee consists of independent Directors and provides assistance to the Board of Directors in fulfilling its oversight responsibilities.

The functions of Audit Committee include:

Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

- Reviewing the quarterly and annual financial statements before submission to the Board.
- Reviewing the adequacy of internal control and compliance thereof.
- Committees under the Listing Agreement with Stock Exchanges.

- (b) Composition, Names of members and Chairperson

Presently the composition of Audit Committee is as follows:

1. Mr. B.S.N. Kumar – Non-Executive & Independent Director
2. Mr. Sana Satish Babu – Non-Executive & Independent Director
3. Mr. K. Mohan – Non-Executive & Independent Director

The Heads of Finance & Accounts and representatives of Statutory Auditors are the permanent invites to the audit committee



(c) Meetings and attendance during the year

During the financial year 2013-2014, the Audit Committee met four times on the following 30<sup>th</sup> May, 2013, 30<sup>th</sup> July, 2013, 30<sup>th</sup> October, 2013, 30<sup>th</sup> Jan, 2014.

Name of the Director	Position held in the Committee	No of meetings attended
Mr. B.S.N.Kumar	Chairman	4
Mr Sana Satish Babu	Member	4
Mr. K Mohan	Member	2

**Audit Committee**

(a) Brief description of terms of reference

The terms of reference of the Audit Committee are comprehensive and cover the matters specified for Audit. The Audit Committee consists of independent Directors and provides assistance to the Board of Directors in fulfilling its oversight responsibilities.

The functions of Audit Committee include:

Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

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- Reviewing the adequacy of internal control and compliance thereof.
- Committees under the Listing Agreement with Stock Exchanges.

(b) Composition, Names of members and Chairperson

Presently the composition of Audit Committee is as follows:

1. Mr. B.S.N. Kumar – Non-Executive & Independent Director
2. Mr. Sana Satish Babu – Non-Executive & Independent Director
3. Mr. K. Mohan – Non-Executive & Independent Director

The Heads of Finance & Accounts and representatives of Statutory Auditors are the permanent invites to the audit committee

(c) Meetings and attendance during the year

During the financial year 2013-2014, the Audit Committee met four times on the following 30<sup>th</sup> May, 2013, 30<sup>th</sup> July, 2013, 30<sup>th</sup> October, 2013, 30<sup>th</sup> Jan, 2014.

Name of the Director	position held in the Committee	No of meetings attended
Mr. B.S.N.Kumar	Chairman	4
Mr Sana Satish Babu	Member	4
Mr. K Mohan	Member	2



**4 Remuneration Committee**

The remuneration Committee consists of the following three directors i.e., Mr Sana Satish Babu, Mr. Viswanath Dasari and Mr K. Mohan. The remuneration committee decides reviews and approves the remuneration package for the Directors, which includes salary, benefits, bonuses, pensions and employee stock options.

(i) Meetings and attendance during the year

During the financial year 2013-2014, the Committee met on 30<sup>th</sup> October, 2013.

Name of the Director	position held in the Committee	No of meetings attended
Mr Sana Satish Babu	Chairman	1
Mr. Viswanath Dasari	Member	1
Mr. K Mohan	Member	1

**Above Independent Director do not hold any Equity shares in the Company as on 31.03.2014**

**Remuneration of Directors**

(a) Remuneration to Non-Executive Directors

Presently, the non-executive Directors do not receive any remuneration & sitting fee from the Company for attending the meetings of the Board.

(b) Details of remuneration paid to Directors

Amount in Rupees

Name of Directors	Relationship With other Directors	Loans & Advances From Company	Remuneration paid	Commission Paid	Total
Mr. K Ravishankar Managing Director	None	Nil	15,00,000/-	Nil	15,00,000/-
Mr. K. Mallikarjuna Rao Whole Time Director	None	Nil	9,00,000/-	Nil	9,00,000/-
Mr. M Vijay Kumar Director	None	Nil	Nil	Nil	Nil
Mr Viswanath Dasari	None	Nil	Nil	Nil	Nil
Mr. B.S.N Kumar	None	Nil	Nil	Nil	Nil
Mr. Mohan Muralidhar Venigella	None	Nil	Nil	Nil	Nil
Mr.Sana Satish Babu	None	Nil	Nil	Nil	Nil
Mr. K Mohan	None	Nil	Nil	Nil	Nil



## 5. Shareholders/Investors Grievances Committee

The Investors' Grievance Committee focuses on shareholders' grievances and strengthening of investor relations. The functions of the committee includes the matters relating to transfers/transmissions of shares, dividend and dematerialization of shares, replacement of lost/stolen/mutilated share certificates and other related issues. There are no complaints pending as on the date of this report.

The following directors of the Company are the members of the Committee:

1. Mr K Ravi Shankar, Managing Director
2. Mr K. Mallikarjuna Rao, Whole Time Director
3. Mr Sana Satish Babu, Director

(a) Name of the Non-executive Director heading the Committee

The Committee functions under the Chairmanship of Mr Sana Satish Babu, a non-executive director.

Name and Designation of the Compliance Officer:

Mr K Ravi Shankar  
Managing Director

8-3-988/34/7/2/1 &2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500 073

## 6. Code of Conduct

The board has approved a code of conduct for board members and senior management personnel of the company. The code of conduct has been posted of the website of the company. All directors and senior management personnel have affirmed compliance with the code of conduct and submitted declarations in this behalf for the year ended 31<sup>st</sup> March 2014. A declaration signed by the management director to this effect is enclosed.

## 7. General Body Meetings

- a) Details of the location and time of the last three Annual General Meetings (AGMs) of the Company.

The details in respect of the last three Annual General Meetings of the Company are as follows:

Date (Year)	Venue of the meeting	Time of meeting
30th September,2013 (F.Y. 2012-13)	H.No. 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500073	11.00 A.M.
29th September,2012 (F.Y. 2011-12)	H.No. 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500073	11.00 A.M.
29 <sup>th</sup> September,2011 (F.Y. 2010-11)	H.No. 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500073	11.00 A.M.



- (b) Information on Directors seeking appointment/re-appointment as required under Clause 49 VI(A) of the Listing Agreement with Stock Exchanges.

This information is provided in the Notes appended to the Explanatory Statement under the heading “Additional information on Directors recommended for appointment/seeking re-election at the ensuing Annual General Meeting.”

- (c) Whether special resolutions were put through Postal Ballot last year, details of voting pattern, person who conducted the Postal Ballot exercise, proposed to be conducted through Postal Ballot and procedure for Postal Ballot.

None of the resolutions had been proposed to be passed through Postal Ballot.

### **8. Disclosure**

- (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests, of the Company at large.

During the financial year 2013-14 the Company has not entered into any such contracts as specified above.

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all legal matters as required as such no penalty or stricture has been imposed by any authority.

### **9. Means of Communication**

- (a) The Quarterly un-audited/audited financial results of the company were generally published in two news papers as per the norms i.e., English and a vernacular newspaper.
- (b) The Management and Analysis Report Forms part of the Directors Report.
- (c) Further all material information which will have bearing on the operations of the company is sent to all Stock Exchanges concerned.

### **10. General Share Holders Information**

- (a) As indicated in the Notice to our Shareholders, the Annual General Meeting of the Company will be held on 30<sup>th</sup> September, 2014 at registered office at 2.00 P.M.
- (b) The financial year of the Company is from 1<sup>st</sup> April to 31<sup>st</sup> March
- (c) Date of book closure : from 27<sup>th</sup> September, 2014 to 30<sup>th</sup> September, 2014 (both days inclusive) for the purpose of the Annual General Meeting.
- (d) The shares of the company are listed on:

The Stock Exchange, Ahmedabad (Non Regional Stock Exchange)



The Bombay Stock Exchange, Mumbai (Non Regional Stock Exchange)

The listing fees to all stock exchanges for all the years are paid in time.

(e) Stock Code

Stock Code – ASE- SURCABLES

BSE – 535657 – ISIN No:INE860E01011

(f) Shares of the company are traded during the year in Stock Exchange – BSE. There is no trading in Ahmedabad Stock Exchange. The monthly high & Low stock quotation are as following for the Financial Year 2013-2014.

BSE – Shares high & low prices

<b>MONTH</b>	<b>HIGH</b>	<b>LOW</b>
Apr-13	0.00	0.00
May-13	0.00	0.00
Jun-13	41.00	31.50
Jul-13	49.20	36.95
Aug-13	38.75	38.75
Sep-13	38.75	38.75
Oct-13	36.90	20.60
Nov-13	21.80	20.50
Dec-13	21.30	20.85
Jan-14	21.75	20.05
Feb-14	25.10	18.90
Mar-14	25.50	22.20

(g) Registrars and Share Transfer Agents

M/s Aarti Consultants Pvt Ltd

1-2-285, Domalguda,

Hyderabad – 500 029

(h) Share Transfer System

The shareholders are advised to contact the Registrar and Share Transfer Agents at their address for effecting transfer of shares both in physical and electronic form.

(l) Distribution of Shareholding as on 31<sup>st</sup> March, 2014



According to categories of Shareholders as at 31<sup>st</sup> March, 2014

Share Holding Nominal Value Rupees		Share Holders Nos %		Share Amount Rs %	
Upto	5000	401	47.12	341550	0.32
5001	10000	102	11.99	964290	0.92
10001	20000	86	10.11	1468920	1.40
20001	30000	59	6.93	1548430	1.47
30001	40000	27	3.17	1035180	0.98
40001	50000	46	5.41	2266400	2.16
50001	100000	49	5.76	3719060	3.54
100001	And above	81	9.52	93775170	89.21
<b>TOTAL</b>		<b>851</b>	<b>100</b>	<b>105119000</b>	<b>100</b>

(j) Dematerialization of Shares

CATEGORY	No of shares Held	%Age of Shareholding
<b>A. Promoter's Holding</b>		
1. Promoters'		
- Indian promoters	2080840	19.80%
- Foreign Promoters	- Nil -	- Nil -
2. Persons acting in Concern	- Nil -	- Nil -
<b>Sub - Total</b>	2080840	19.80%
<b>B. Non-Promoters Holding</b>	- Nil -	- Nil -
3. Institutional Investors	- Nil -	- Nil -
a. Mutual Funds and UTI	- Nil -	- Nil -
b. Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions/Non-government Institutions)	- Nil -	- Nil -
<b>C. FIIS</b>	- Nil -	- Nil -
<b>Sub - Total</b>	- Nil -	- Nil -
4. OTHERS		
a. Private Corporate Bodies	1957446	18.62
b. Indian Public:		
Holding upto of Rs.1 lakh	1020869	9.71%
Holding in excess of Rs.1 lakh	5106317	48.58%
c. NRIs/OCBs	- Nil -	-Nil-
d. Any other - Clearing Members	346428	3.33%
<b>Sub - Total</b>	8431060	80.20%
<b>GRAND TOTAL</b>	<b>10511900</b>	<b>100.00</b>



The shares are traded in dematerialized form with effect from 5<sup>th</sup> January, 2002. Our Company had entered into agreements with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) to establish electronic connectivity and facilitate scripless trading. The International Securities Identification Number (ISIN) allotted to the Company's scrip is INE 860E01011.

(k) Business Location

Since the company does not own any permanent office premises it is doing business in Leased premises and if any changes in the office premises it is being intimated to Stock Exchanges and also through public announcement.

(l) Address for correspondence

**OBJECTONE INFORMATION SYSTEMS LIMITED**

8-3-988/34/7/2/1 &2, Kamalapuri Colony, Srinagar Colony Road  
Hyderabad – 500 073. Tel No's: 23757192, 23757193, Fax No: 23753323

**Disclosure under clause 38 of the Listing Agreement**

The Equity Shares of the Company are listed in the following Stock Exchanges and the listing fees for the year 2013-14 has been paid by the Company.

Non-Regional
The Ahmedabad Stock Exchange Ltd., Kamadhenu Complex, Panjarapole, Ahmedabad – 380 015.
The BSE Limited Floor 25, PJ Towers, Dalal Street Mumbai 400001

For and on behalf of the Board  
**ObjectOne Information Systems Limited**

Place: Hyderabad  
Date: 03-09-2014

Sd/-  
**K Ravi Shankar**  
Managing Director

Sd/-  
**K Mallikarjuna Rao**  
Wholetime Director





**DECLARATION**

I, K.Ravi Shankar, Managing Director hereby declare that as per the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the Board members & senior management personnel have confirmed compliance with the Code of Conduct & Ethics for the year ended 31<sup>st</sup> March, 2014

For and on behalf of the Board  
**ObjectOne Information Systems Limited**

Place : Hyderabad  
Date : 03.09.2014

Sd/-  
**K Ravi Shankar**  
Managing Director



**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members,  
ObjectOne Information Systems Ltd  
Hyderabad

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of corporate government of M/s.ObjectOne Information Systems Limited ("the company") for the year ended 31<sup>st</sup> March, 2014 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 in 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 Accounts of India was limited to procedures and implementation there of adopted by the company for ensuring compliance with the condition 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 on the basis of our examination described above, the company has complied with the conditions of Corporate Governance as stipulated in clause 49 the above mentioned Listing Agreement.

We further state that such compliance is either an assurances as to the future viability of the company nor the efficiency or effectiveness with which the managements has conducted the affairs of the company.

**For P MURALI & CO**  
CHARTERED ACCOUNTANTS  
FRN No: 007257S

Sd/-  
**P. Murali Mohan Rao**  
Partner  
M.No : 23412

Place: Hyderabad  
Date : 03.09.2014



**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES:**

A. Name of the Subsidiary Company	<b>Object Net Technologies Inc.</b>
B. Financial year of the subsidiary company	March 31,2014
C. The Company's interest in the subsidiary on the aforesaid date a. Number of shares held b. Face value per share c. Extent of holding	1,000 Equity Shares Rs. 4000/- 100%
D The net aggregate of the Profits / (Losses) of the Subsidiary so far it concerns the Members of the companya. a. Not dealt with in the accounts of the company amounted to :  1. For the Subsidiary's financial year ended as in B. above 2. For the previous financial years of the subsidiary since it became the company's subsidiary.  b. Dealt with in the accounts of the Company amounted to : 1. For the Subsidiary's financial year ended as in B. above 2. For the previous financial years of the subsidiary since it became the company's subsidiary.	NA  NA NA  Rs. 22, 27, 804/-  Rs.2, 86, 22, 049/-

For and on behalf of the Board  
**ObjectOne Information Systems Limited**

Place: Hyderabad  
Date: 03.09.2014

Sd/-  
**K Ravi Shankar**  
Managing Director



**INDEPENDENT AUDITORS' REPORT**

To the Members of  
**OBJECTONE INFORMATION SYSTEMS LIMITED**

**Report on the Financial Statements:**

We have audited the accompanying financial statements of **OBJECTONE INFORMATION SYSTEMS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, 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:**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and 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')read with the General circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect Section 133 of the Companies Act,2013. 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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, 2014;
- (b) In the case of the Statement of Profit and Loss, 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.
  - 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.
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and cash flow statement comply with the Accounting Standards referred to in Sub-Section(3C)of Section 211 of the Companies Act,1956('the Act')read with the General circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act,2013.
  - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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

Place: Hyderabad  
Date: 30.05.2014

Sd/-  
**P. Murali Mohan Rao**  
Partner  
M.No : 23412



**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. The Company has Inventory as at the end of the previous year. However inventory cannot be physically verified as it is a content development, hence this clause is not applicable.
- III. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s. 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 is 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 & other parties listed in the register U/s.301 of the Companies Act, 1956 , hence overdue amount of more than rupees one lac does not arise and the clause is not applicable.  
(e) The Company has taken interest free unsecured from the Company covered in the register maintained U/s.301 of the Companies Act. 1956. The amount outstanding as on the last day of the financial is Rs.42,10,796/-  
(f) According to the information and explanation given to us, the terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is not prejudicial to the interest of company.  
(g) During the financial year company has not repaid any principal amount due to the party covered under section 301 of the companies Act, 1956.
- 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 software development services and fixed assets. 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, no order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has 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 sub-section(I) of section 209 of the Companies Act, 1956.
- IX. a) The Company is regular in depositing statutory dues including PF, ESI, Income Tax, Cess and any other statutory dues with the appropriate authorities and at the last of the 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, there are no disputed amounts payable which are due for more than six months as at the end of the financial year.
- X. The Company has been registered for a period of not less than 5 years, and there are 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 does not arise.
- XVI. According to the information and explanations given to us, the Company has not obtained any Term Loan during the previous year and hence applicability of the clause whether the long term proceeds is utilized for the purpose of short term purpose, does not arise
- 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 purpose 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 Mohan Rao**  
Partner  
M.No. 23412

Place: Hyderabad  
Date : 30-05-2014





**OBJECTONE INFORMATION SYSTEMS LIMITED  
BALANCE SHEET AS AT 31ST MARCH, 2014**

<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>AS AT 31-03-2014 (Rupees)</b>	<b>AS AT 31-03-2013 (Rupees)</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	105,119,000	105,119,000
(b) Reserves and Surplus	2	25,952,776	25,767,018
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	4,705,589	5,395,750
(b) Other Long term liabilities	4	-	3,000,000
(c) Long term provisions	5	1,458,200	772,020
<b>(3) Current Liabilities</b>			
(a) Trade payables	6	1,554,143	852,583
(b) Other current liabilities	7	615,765	607,766
(c) Short-term provisions	8	6,676,220	2,740,390
<b>Total</b>		<b><u>146,081,693</u></b>	<b><u>144,254,527</u></b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	18,060,259	18,181,392
(ii) Intangible assets	9	64,547,751	67,714,634
(iii) Capital WIP	9	-	493,676
(b) Non-current investments	10	10,705,347	10,705,347
(c) Defferred tax assets (net)	11	2,330,364	2,413,431
(d) Long term loans and advances	12	11,763,358	11,736,158
(e) Other non-current assets	13	1,706,293	1,614,629
<b>(2) Current assets</b>			
(a) Inventories	14	4,330,820	2,185,620
(b) Trade receivables	15	23,741,311	19,813,503
(c) Cash and cash equivalents	16	3,094,450	4,470,659
(d) Short-term loans and advances	17	5,801,740	4,925,478
<b>Total</b>		<b><u>146,081,693</u></b>	<b><u>144,254,527</u></b>

Summary of Significant Accounting Ploicies

The accomanying Notes are an Integral Part of the Financial Statements

**AS PER OUR REPORT OF EVEN DATE**

**For P MURALI & CO**

CHARTERED ACCOUNTANTS

FRN No: 007257S

Sd/-

**P. MURALIMOHANA RAO**  
PARTNER, M.No: 23412

FOR AND ON BEHALF OF THE BOARD  
**ObjectOne Information Systems Limited**

Sd/-

**K. RAVISHANKAR**  
MANAGING DIRECTOR

Sd/-

**K. MALLIKARJUNA RAO**  
WHOLE TIME DIRECTOR

PLACE : HYDERABAD

DATE : 30-05-2014



**OBJECTONE INFORMATION SYSTEMS LIMITED**  
**STATEMENT OF PROFIT AND LOSS**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

PARTICULARS	NOTE NO.	YEAR ENDED 31-03-2014 (Rupees)	YEAR ENDED 31-03-2013 (Rupees)
Revenue from operations	18	54,099,032	54,196,686
Other Income	19	1,467,440	1,107,821
<b>Total Revenue</b>		<b><u>55,566,472</u></b>	<b><u>55,304,507</u></b>
<b>Expenses:</b>			
Changes in Inventories	20	(2,145,200)	(2,185,620)
Employee benefit expense	21	25,481,506	25,986,621
Other operating expenses	22	18,221,718	17,748,632
Administrative Expenses	23	6,791,997	7,325,462
Financial costs	24	335,089	137,094
Depreciation and amortization expense	9	6,612,537	5,855,170
<b>Total Expenses</b>		<b><u>55,297,647</u></b>	<b><u>54,867,359</u></b>
Profit Before Tax		268,825	437,148
Tax Expense:			
(1) Current tax		51,225	83,299
(2) Deferred tax		83,067	135,079
(3) Mat Credit		51,225	975,127
Profit After Tax		185,758	1,193,898
Earning per Equity Share:			
Basic & Diluted (Refer Note No. 27)		0.02	0.11

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements

**AS PER OUR REPORT OF EVEN DATE**

**For P MURALI & CO**

CHARTERED ACCOUNTANTS

FRN No: 007257S

Sd/-

**P. MURALIMOHANA RAO**

PARTNER, M.No: 23412

FOR AND ON BEHALF OF THE BOARD

**ObjectOne Information Systems Limited**

Sd/-

**K. RAVISHANKAR**

MANAGING DIRECTOR

Sd/-

**K. MALLIKARJUNA RAO**

WHOLE TIME DIRECTOR

PLACE : HYDERABAD

DATE : 30-05-2014



**OBJECTONE INFORMATION SYSTEMS LIMITED**  
**CASH FLOW STATEMENT OF THE YEAR ENDED 31-03-2014**

PARTICULARS	Year Ended 31-03-2014	Year Ended 31-03-2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	268,825	437,148
<b>Adjustments for:</b>		
Depreciation	6,612,537	5,855,170
Loss on sale of Fixed Assets	-	399,406
Loss on sale of Investments	-	548,000
Interest Income	(41,093)	(428,311)
Interest expenses	162,456	36,723
<b>Operating Profit before working capital changes</b>	<b>7,002,725</b>	<b>6,848,136</b>
<b>Adjustments for:</b>		
(Increase)/Decrease Trade and other receivables	(3,927,808)	1,032,004
(Increase)/Decrease in Inventories	(2,145,200)	(2,185,620)
Increase/(Decrease) Trade Payables and others	701,560	(1,058,664)
Increase/(Decrease) Other Current Liabilities	7,999	428,209
Increase/(Decrease) Short Term Provisions	3,935,830	(1,232,034)
(Increase)/Decrease Short Term Loans and Advances	(876,262)	138,117
<b>Net Cash Flow from Operating Activities</b>	<b>4,698,844</b>	<b>3,970,148</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets Incl. CWIP	(2,830,845)	(9,246,531)
Sale of Fixed Assets	-	1,675,000
Sale of Investments	-	52,000
Interest Income	41,093	428,311
<b>Net Cash used in Investment Activities</b>	<b>(2,789,752)</b>	<b>(7,091,220)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) Long Term Borrowings	(690,161)	1,184,954
Increase/(Decrease) Long Term Provisions	686,180	184,520
Increase/(Decrease) Long Term liability	(3,000,000)	-
(Increase)/Decrease Long Term Loans and Advances	(27,200)	-
(Increase)/Decrease Other Non Current Assets	(91,664)	(357,233)
Interest and Finance charges paid	(162,456)	(36,723)
<b>Net Cash used in Financing Activities</b>	<b>(3,285,301)</b>	<b>975,518</b>
<b>NET INCREASE \ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,376,209)</b>	<b>(2,145,554)</b>
Cash and Cash equivalents ( Opening Balance)	4,470,659	6,616,213
Cash and Cash equivalents ( Closing Balance)	3,094,450	4,470,659

FOR AND ON BEHALF OF THE BOARD

ObjectOne Information Systems Limited

Sd/-

Sd/-

PLACE : HYDERABAD

K. RAVISHANKAR

K. MALLIKARJUNA RAO

DATE : 30-05-2014

MANAGING DIRECTOR

WHOLE TIME DIRECTOR

**AUDITORS CERTIFICATE**

We have examined the attached Cash Flow Statement of M/s. Objectone Information Systems Limited for the year ended 31st March, 2014. This has been prepared by the Company is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

**For P Murali & Co.,**  
Chartered Accountants  
FRN:007257S

Sd/-

P. Murali Mohan Rao

Partner

M.No. 23412

Place: Hyderabad

Date : 30-05-2014



**ObjectOne Information Systems Limited**  
**Significant Accounting Policies**

**Corporate Information**

ObjectOne Information Systems Ltd. is a global I.T. solution provider with strong established presence in India and U.S. Since, 1996, ObjectOne has been offering range of I.T. products and solutions to its global customers across multiple verticals like Banking, Insurance, Professional Services, Media, Telecommunications, Healthcare, etc. Web applications and IT enabled services have been one of our main focus areas. ObjectOne's strong presence & core expertise in the web applications, portal development, Content management System, product development, Search engine optimization, Social Media Optimization, Mobile app development and implementation enable us to identify world class products to address various industry sectors current and future I.T. needs. ObjectOne maintains the own Data center/Hosting center at Atlanta, USA with world class standard. ObjectOne's goal has been to provide end-to-end solution and product life cycle management. This has helped us to understand the business domain and build up expertise and consulting for business process re-engineering.

**1. Significant Accounting Policies**

**a) Preparation of financial statements**

The financial statements have been prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles in India and the provisions of Companies Act, 1956.

**b) Method of Accounting**

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

**c) Fixed Assets**

Fixed Assets are stated at their original cost of acquisition, net of accumulated depreciation and CENVAT credit, and include taxes, freight and other incidental expenses related to their acquisition / construction / installation.

**d) Investments**

Investments are classified into current and long-term investments. Current Investments are carried at lower of cost or fair market value. Any diminution in their value is recognized in the profit and loss account. Long-term investments, including investment in subsidiaries, are carried at cost. Diminution of temporary nature in the value of such long-term investments is not provided for except when such diminution is determined to be of a permanent nature.

**e) 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.

**h) Revenue Recognition**

- (i) Income from software development is accounted for on the basis of Software developed and billed to clients on acceptance and/or on the basis of man days/man hours as per the terms of contract.
- (ii) Revenue from professional services consist primarily of revenue earned from services performed on a 'time and material' basis. The related revenue is recognised as and when the services are performed.



- (iii) Revenue from software development services includes revenue from time and material and fixed price contracts are recognised as related services are performed.
- (iv) Revenue on fixed price contracts is recognised in accordance with percentage of completion and method of account.

**i) Retirement Benefits**

Company makes monthly contribution to the Employees Provident Fund and Pension Fund under the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952.

**j) 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.

**k) Depreciation**

Depreciation is provided on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets added, sold or discarded is provided for on pro-rata basis.

**o) Taxation**

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company. Deferred tax charge or credit are recognised for the future tax consequences attributable to timing difference that result between the profit offered for income taxes and the profit as per the financial statements. Deferred tax in respect of timing difference which originate during the tax holiday period but reverse after the tax holiday period is recognised in the year in which the timing difference originate. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain to be realised.

Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in the balance sheet if there is a convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant assets can be measured reliably. MAT credit entitlement can be carried forward and utilized for a period of ten years from the period in which such credit is availed.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

**p) Provisions and Contingent Liabilities**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

**q) Related Party Disclosure:-**

The Company furnishes the details of Related Party Disclosures as given in Para 23 and 26 as required by AS-18.

**r) Segment Reporting:-**

Since Company is engaged in single segment, the disclosure of segment report is not applicable to the company as per AS-17.

**s) Cash Flow Statement**

The Company has prepared Cash Flow Statement as per the AS-3 Cash flows are reported using the Indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financials cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

**t) Foreign Exchange Transactions**

- i. Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.
- ii. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**u) Earning Per Share:**

The earning considered in ascertaining the companies earning per share comprise net profit after tax. The number shares used in computing basic earning per share is the weighted average number of shares outstanding during the year.

**v) Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognized. In respect of goodwill, impairment loss will be reversed only when it is caused by specific external events and their effects have been reversed by subsequent external events.



**OBJECTONE INFORMATION SYSTEMS LIMITED  
NOTE NUMBERS TO BALANCE SHEET**

**NOTE No. 1 : SHARE CAPITAL**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
I	Share Capital ( For each class of capital )		
	(a) Authorised (1,40,00,000 Equity Shares of Rs 10/- Each)	140,000,000	140,000,000
	<b>Total Authorised Share Capital</b>	<b>140,000,000</b>	<b>140,000,000</b>
	(b) Issued, Subscribed & Fully Paid Up (1,05,11,900 Equity Shares of Rs 10/- Each)	105,119,000	105,119,000
	<b>Total Issued Share Capital</b>	<b>105,119,000</b>	<b>105,119,000</b>
II	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period: Equity Shares of Rs.10/-Each, Fully paid up :	<b>No of shares</b>	<b>No of shares</b>
	At the Beginning	10,511,900	10,511,900
	Issued during the year		-
	At the end	<b>10,511,900</b>	<b>10,511,900</b>
III	Details of Shareholder holding more than 5% shares of the company: Equity Shares of Rs. 10/- each Held By	% Share of Holding	
	<b>Name of the Share Holder No. of Shares No. of Shares</b>		
	(a) Swapriya Raj Holdings Pvt Ltd 1472080 1472080	14.00	14.00
	(b) K. Ravi Shankar 1016884 1016884	9.67	9.67
	(c) Pothineni Ramachandra Rao 1241548		11.81
	(d) Himabindu Kantamneni 1063956 1234864	10.12	11.75
	(e) Madhuri Sana 574712 676900	5.47	6.44

**NOTE No. 2 : RESERVES AND SURPLUS**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
I	<b>Reserves &amp; Surplus</b>		
	a) Capital reserve		
	As at the commencement of the year	23,814,000	23,814,000
	Add: Additions during the year	-	-
	Sub Total	23,814,000	23,814,000
	b) Surplus :		
	Opening Balance - Profit and Loss Account	1,953,018	759,120
	Add: Transfer from Profit & Loss Account	185,758	1,193,898
	Sub Total	2,138,776	1,953,018
	<b>Total Reserves and Surplus</b>	<b>25,952,776</b>	<b>25,767,018</b>



<b>NOTE No. 3 : LONG TERM BORROWINGS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	a) Loans and advances from related parties Un Secured: Swapriya Raj Holding Private Limited	4,210,796	4,210,796
	b) long term maturities of finance lease obligations Secured :	1,110,558	1,693,024
	Vehicle Loans From Banks	5,321,354	5,903,820
	<b>Less:</b>		-
	<b>Current Maturities of Finance lease obligation</b>	<b>615,765</b>	<b>508,070</b>
II	Finance Lease obligations are secured by hyphotication Vehicles and personal guarantees by the directors		-
	<b>Total long term borrowings</b>	<b>4,705,589</b>	<b>5,395,750</b>
<b>NOTE No. 4 : OTHER LONG TERM LIABILITES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
	Advance Received		
	- Long Term Depoist receivd	0	3,000,000
	<b>Total other long term liabilites</b>	<b>-</b>	<b>3,000,000</b>
<b>NOTE No. 5 : LONG TERM PROVISIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
	a) Provisions for employee benefits - Provision for Gratuity	1,458,200	772,020
	<b>Total other long term liabilites</b>	<b>1,458,200</b>	<b>772,020</b>
<b>NOTE No. 6 : TRADE PAYABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I.	a) Sundry Creditors	1,199,681	477,505
	b) Creditors for Expenses	354,462	375,078
	<b>Total Trade Payables</b>	<b>1,554,143</b>	<b>852,583</b>





<b>NOTE NO. 07 : OTHER CURRENT LIABILITES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	a) Current maturities of finance lease obligation	615,765	508,070
	b) Other Payables ( Specify the nature.)		
	Advances received from Customers	-	99,696
	<b>Total other current liabilites</b>	<b>615,765</b>	<b>607,766</b>
<b>NOTE No. 08 : SHORT TERM PROVISIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	a) Provisions for employee benefits		
	PF Payable	37,327	53,982
	ESI Payable	3,768	3,977
	Salaries Payable	1,659,415	1,932,688
	b) Others		
	Statutory Liabilities	209,615	329,528
	Provision for Income Tax	51,225	83,299
	Provision for Expenses	4,714,870	336,916
	<b>Total short term provisions</b>	<b>6,676,220</b>	<b>2,740,390</b>
<b>NOTE No. 10 : NON-CURRENT INVESTMENTS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	Non- Current Assets		
	<b>Investment in Subsidiaries</b>		
	Equity Shares		
	OBJECTNET TECHNOLOGIES INC (100% of holding)	10,705,347	10,705,347
	<b>Total Non - Current Investments</b>	<b>10,705,347</b>	<b>10,705,347</b>



**OBJECTONE INFORMATION SYSTEMS LIMITED**

**NOTE NO 9 : FIXED ASSETS - TANGIBLE & INTANGIBLE ASSETS AS AT 31-03-2014**

Amount In Rupees

Sl. No.	Particulars	Gross Block			Rate of Depreciation	Depreciation/Amortization				Net Block as on 31.03.2014	Net Block as on 31.03.2013	
		As on 01.04.2013	Additions during the year	Sale / Deletions during the year		As on 31.03.2014	Dep. As on 01.04.2013	Dep. For the year 2013-2014	Deletions			Total Depreciation
	<u>Tangible Fixed Assets:</u>											
1	LEASED BUILDING	7,461,383	1,389,304	-	8,850,687	2,980,977	472,546		3,453,523	5,397,164	4,480,406	
2	HARDWARE&SOFTWARE	30,249,163	1,214,087	-	31,463,250	26,988,580	957,462		27,946,042	3,517,208	3,260,583	
3	FURNITURE & FIXTURES	6,602,656	69,580	-	6,672,236	3,601,408	797,241		4,398,649	2,273,587	3,001,248	
4	OFFICE EQUIPMENT	8,230,036	448,550	-	8,678,586	5,537,700	542,338		6,080,038	2,598,548	2,692,336	
5	VEHICLES	4,917,150	-	-	4,917,150	221,107	467,129		688,236	4,228,914	4,696,043	
6	ELECTRICAL EQUIPMENTS	125,000	-	-	125,000	74,224	5,938		80,162	44,838	50,776	
	<u>Intangible Assets:</u>											
7	KIDSONE CONTENT	2,601,242	-	-	2,601,242	1,052,611	260,124		1,312,735	1,288,507	1,548,631	
8	RIGHTS	54,860,700	-	-	54,860,700	-	-		-	54,860,700	54,860,700	
9	RIGHTS	30,943,031	203,000	-	31,146,031	19,637,728	3,109,759		22,747,487	8,398,544	11,305,303	
	WIP - Infrastructure	493,676	-	493,676	-	-	-		-	-	493,676	
	<b>TOTAL</b>	<b>146,484,037</b>	<b>3,324,521</b>	<b>493,676</b>	<b>149,314,882</b>	<b>60,094,335</b>	<b>6,612,537</b>	<b>-</b>	<b>66,706,872</b>	<b>82,608,010</b>	<b>86,389,702</b>	
	Previous Year	140,571,038	9,246,531	3,333,532	146,484,037	55,498,291	5,855,170	1,259,126	60,094,335	86,389,702	85,072,747	



<b>NOTE NO. 11 : DEFERRED TAX ASSET</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	Opening Deferred tax Liability	4,692,448	4,207,604
	Add:		
	Deferred Tax Liability for the year	725,783	484,844
	<b>Gross Deferred tax Liability</b>	<b>54,18,231</b>	<b>4,692,448</b>
	Opening Deferred tax Asset	7,105,879	6,756,114
	Provision for Gratuity and Compensated Absences and doubtful debts	642,717	349,765
	<b>Gross Deferred tax Asset</b>	<b>3,056,148</b>	<b>7,105,879</b>
	<b>Deferred Tax Asset - Net</b>	<b>2,330,364</b>	<b>2,413,431</b>
<b>NOTE NO. 12 : LONG TERM LOANS AND ADVANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2012 (Rupees)</b>	<b>AS ON 31-03-2011 (Rupees)</b>
I	Long term loans and advances:		
	a) Security Deposit		
	Unsecured	189,383	162,183
	b) Other loans And advances		
	Unsecured	11,573,975	11,573,975
	<b>Total Long term loans &amp; advances</b>	<b>11,763,358</b>	<b>11,736,158</b>
<b>NOTE NO. 13 : OTHER NON - CURRENT ASSETS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	Receivable from Revenue Authorities		
	Service Tax	450,280	1,474,370
	TDS	1,255,888	140,258
	VAT	125	
	<b>Total other non - Current Assets</b>	<b>1,706,293</b>	<b>1,614,629</b>



<b>NOTE NO. 14 : INVENTORIES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
	Inventories :		
	Work In Process	4,330,820	2,185,620
	<b>Total Inventories</b>	<b>4,330,820</b>	<b>2,185,620</b>
<b>NOTE NO. 15 : TRADE RECEIVABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
1	<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
	Unsecured, Considered Good	5,115,717	9,932,491
	<b>Other Receivables:</b>		
	Unsecured, Considered Good	18,625,594	9,881,012
	<b>Total Trade Receivables</b>	<b>23,741,311</b>	<b>19,813,503</b>
<b>NOTE NO. 16 : CASH AND BANK BALANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
1	Cash and cash equivalents :		
	a) Balances with banks :		
	On Current Accounts	1,335,987	898,134
	b) Cash on hand	19,249	12,305
	c) Bank Deposits	1,730,000	3,500,000
	Sub Total	<b>3,085,236</b>	<b>4,410,439</b>
	<b>Other Bank Balances</b>		
	On Deposit Accounts		
	Interest Accrued On Deposits	9,214	60,221
	Sub Total	9,214	60,221
	<b>Total Cash and Cash Equivalents</b>	<b>3,094,450</b>	<b>4,470,659</b>



<b>NOTE NO. 17 : SHORT TERM LOANS AND ADVANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	Short - term loans and advances:		
	a) Security Deposit		
	Unsecured	1,010,000	108,000
	b) Other loans And advances		
	Unsecured	3,765,389	3,842,351
	c) MAT Credit	1,026,352	975,127
	<b>Total short term loans &amp; advances</b>	<b>5,801,741</b>	<b>4,925,478</b>
<b>NOTE NUMBERS TO PROFIT AND LOSS STATEMENT</b>			
<b>NOTE NO. 18 : REVENUE FROM OPERATIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
(i)	Revenue from operations		
	(a) Revenue from Services	52,994,357	52,393,064
	(b) Other Operating Revenues	1,104,675	1,803,622
	<b>Total Revenue from Operations</b>	<b>54,099,032</b>	<b>54,196,686</b>
<b>NOTE NO. 19: OTHER INCOME</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	(a)Interest income (Other than a finance company)	41,093	428,311
	(b) Net gain/loss on foreign currency fluctuation	1,426,347	679,510
	<b>Total Other Income</b>	<b>1,467,440</b>	<b>1,107,821</b>
<b>NOTE NO. 20 : CHANGE IN INVENTORIES &amp; WIP.</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	<b>Finished Goods</b>		
	Finished goods at the beginning of the year	2,185,620	-
	Less : Finished goods at the end of the year	4,330,820	2,185,620
	<b>Decrease in Stock</b>	<b>(2,145,200)</b>	<b>(2,185,620)</b>



<b>NOTE NO. 21: EMLOYEE BENEFIT EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	(a) Salaries & Wages	21,193,918	22,506,224
	(b) Contribution to Provident & Other Funds	307,610	369,097
	(c) Gratuity	686,180	184,520
	(d) Staff Welfare Expenses	893,798	526,780
	(e) Managerial Remuneration	2,400,000	2,400,000
	<b>Total Employee Benefit Expenses</b>	<b>25,481,506</b>	<b>25,986,621</b>
<b>NOTE NO. 22 : OTHER OPERATING EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	(a) E-Commerce Expenses	3,081,644	3,300,392
	(b) Power & Fuel	1,843,997	1,446,575
	(c) Rent	1,976,840	1,836,000
	(d) Channel Expenses	-	555,197
	(e) Repairs to Machinery	1,333,406	1,955,763
	(f) Insurance	317,499	331,012
	(g) Server Hosting Expenses	264,847	4,008,453
	(h) Internet Radio Expenses	3,242,217	4,315,240
	(i) Purchases	1,483,114	-
	(j) Services - BECIL	4,678,154	-
	<b>Total Other Operating Expenses</b>	<b>18,221,718</b>	<b>17,748,632</b>
<b>NOTE NO.23 : ADMINSTRATIVE EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	(a) Telephone, Postage and Others	1,792,270	1,837,987
	(b) Business Promotion Expenses	211,494	268,568
	(c) Conveyance	275,088	217,484
	(d) Office Maintenance	1,193,650	548,825
	(e) Printing & Stationery Expenses	253,400	167,683
	(f) Rates & Taxes (excluding Income Tax)	519,137	478,489
	(g) Consultancy Charges	664,500	407,961
	(h) Travelling Expenses	793,440	1,254,028
	(i) Loss of sale on Invesments	-	548,000
	(j) Loss of sale on Fixed Assets	-	399,406
	(k) Media Production Expenses	543,077	-
	(l) Other Expenditure	489,761	1,140,851
	(l) Payment to Auditors:		
	(i) As Auditor	36,180	36,180
	(ii) For Taxation Matters	20,000	20,000
	<b>Total Administrative Expenses</b>	<b>6,791,997</b>	<b>7,325,462</b>



**NOTE NO. 24 : FINANCE COST**

S.No.	PARTICULARS	YEAR ENDED 31-03-2014 (Rupees)	YEAR ENDED 31-03-2013 (Rupees)
I	Interest Expenses :		
	- Interest on Car Loan	162,456	36,723
	- Bank Charges	172,633	100,371
	<b>Total Finance Cost</b>	<b>335,089</b>	<b>137,094</b>

25. Particulars of Employees in accordance with Sub-section (2A) of Section 217 of the Companies Act , 1956 read with Companies (Particulars of Employees) Rule 1975.

**NIL**

26. The company has made provision for Gratuity is calculated as per accrual method and included in current liability & provision.

**27. Earnings Per Share (EPS) ( AS – 20 )**

Particulars	2013-14	2012-13
Profit after tax during the year ( Rs. )	1,85,758	11,93,898
Earnings available to Equity Shareholders for Basic & Diluted EPS ( Rs.)	1,85,758	11,93,898
Weighted Average Number of Shares taken for computation of EPS	1,05,11,900	1,05,11,900
Earning per Share		
- Basic	0.02	0.11
- Diluted	0.02	0.11
Face Value of the Share	10	10

**28. Managerial Remuneration:**

Particulars	2013-14	2012-13
Directors Remuneration	24,00,000	24,00,000
Other Fee	Nil	Nil
<b>Total</b>	<b>24,00,000</b>	<b>24,00,000</b>

**29. Auditor's Remuneration:**

Particulars	2013-14	2012-13
Audit Fee	36,180	36,180
Tax Audit fee	20,000	20,000
Other Services	Nil	Nil
<b>Total</b>	<b>56,180</b>	<b>56,180</b>



30. Closing Balances of Debtors, Creditors, Loans and Advances are subject to confirmations

**31. Dues to Micro & Small Enterprises:**

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2014.

**32. Foreign Currency Earnings and Outflow:**

Particulars	Nature of Currency	Year 2013-14 Rs.	Nature of Currency	Year 2012 –13 Rs.
<b>EARNINGS</b>				
IT ENABLED SERVICES	\$ 634747.30	3,81,98,481	\$ 904066	4,77,64,056
IT ENABLED SERVICES	Euro 2739.61	2,24,015	Euro 4020	2,79,900
<b>OUTFLOW</b>				
TRAVELLING EXPENCES	\$ 1000	55,819		
TRAVELLING EXPENCES	Ringetts 2000	36,495		

**33. Detailed information regarding quantitative particulars under part II of schedule VI to the Companies Act,1956:**

The Company is engaged in IT Enabled services. The production and sale of such software and services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under Paragraphs 3 and 4C of Part II of Schedule VI to the Companies Act, 1956.

34. Figures have been rounded off to the nearest rupee.

35. Previous year's figures have been regrouped / rearranged wherever necessary.

**AS PER OUR REPORT OF EVEN DATE**

**For P MURALI & CO**  
 CHARTERED ACCOUNTANTS  
 FRN No: 007257S

FOR AND ON BEHALF OF THE BOARD  
**ObjectOne Information Systems Limited**

Sd/-

**P. MURALI MOHANA RAO**  
 PARTNER, M.No: 23412

Sd/-

**K. RAVISHANKAR**  
 MANAGING DIRECTOR

Sd/-

**K. MALLIKARJUNA RAO**  
 WHOLE TIME DIRECTOR

PLACE : HYDERABAD

DATE : 30-05-2014





ADDITIONAL INFORMATION AS REEQUIRED UNDER IV OF SCHEDULE VI TO THE  
THE COMPANIES ACT 1956

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSENESS PROFILE**

<b>I Registration details</b>			
Registration No.	23119	State Code:	1
Balance Sheet Date	31st March 2014		
<b>II Capital Raised During the Year ( Amount in Rs. Thousand)</b>			
Public Issue(Call Money)	NIL	Rights Issue	NILL
Bonus Issue	NIL	Preferential Offer	NIL
<b>III Position and Mobilisation and deployment of funds( Amount in Rs Thounds)</b>			
Total Liabilities	146,082	Total Assets	146,082
<b>Sources of Funds</b>			
Paid up Capital	105,119	Reserves & Surplus	25,953
Share Application Money	-	Current Liabilities	6,164
Secured Loans		Non Current Liabilities	8,846
<b>Application of Funds</b>			
Net Fixed Assets	82,608	Investments	10,705
Current Assets	36,969	Non Current Asset	13,470
Accumulated Lossess	NIL	Differed Tax Asset	2,330
<b>IV Performance of the Company ( Amount in Rs. Thousands).</b>			
Turnover/other income	55,566	Expenditure	55,297
Profit/loss before tax	269	Profit/loss after tax	186
Earning per Share	0.02	Dividend Rate %	NIL
<b>V General names of three principle Products/services of the Company ( As per Monetary Terms)</b>			
Item Code No. (ITC Code)	Training, Software Development & Media		
Product Description	Training, Software Development & Media		

For and on behalf of the Board  
**Objectone Information Systems Limited**

Sd/-

**K. RAVISHANKAR**  
Managing Director

Place: Hyderabad  
Date : 30-05-2014



# **INDIAN GAAP CONSOLIDATED FINANCIAL STATEMENTS**

**Auditor's Report**  
**Consolidated Balance Sheet**  
**Consolidated Profit & Loss Account**  
**Consolidated Schedules**  
**Notes on Consolidated Accounts**  
**Consolidated Cash Flow Statement**



## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors Objectone Information Systems Limited

1. We have audited the accompanying consolidated financial statements of **Objectone Information Systems Limited** ("the Company") and its subsidiary company, hereinafter referred to as the "Group" (refer note 1.a to the attached consolidated financial statements) which comprise the Consolidated Balance Sheet as at 31st March, 2014 and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

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

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

### Auditor's Responsibility:

3. 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 and other applicable authoritative pronouncements 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.
4. 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 fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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.



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

**Opinion:**

6. We report that the consolidated financial statements have been prepared by the company's management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements and Accounting Standard (AS) 23- Accounting for Investments in Associates in Consolidated Financial Statements notified under the Companies Act, 1956 read with General Circular 15/2013 dated September 13,2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
7. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the component(s) of the Group as referred to in paragraph 8 below, and to the best of our information and according to the information given to us, in our opinion, the accompanying 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, 2014;
- (b) In the case of the Consolidated Statement of Profit and Loss, 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.

**Other Matters:**

8. We did not audit the financial statements of subsidiary M/s. OBJECT NET TECHNOLOGIES INC which constitute total assets of Rs. 38,876,957/- and total revenue of Rs. 305,544,244/-. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditor.

**For P. Murali & Co.,**  
**Chartered Accountants**  
Firm Regn No. 007257S

**P. Murali Mohana Rao**  
**Partner**  
Membership No. 023412

Place: Hyderabad  
Date: 30.05.2014.



**OBJECTONE INFORMATION SYSTEMS LIMITED**

**BALANCE SHEET**

**Consolidated Balance Sheet as at 31st March, 2014**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2011 (Rupees)</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	105,119,000	105,119,000
(b) Reserves and Surplus	2	56,802,629	54,389,066
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	4,705,589	5,395,750
(b) Other Long term liabilities	4	-	3,000,000
(c) Long term provisions	5	1,458,200	772,020
<b>(3) Current Liabilities</b>			
(a) Trade payables	6	5,581,247	4,855,400
(b) Other current liabilities	7	615,765	607,766
(c) Short-term provisions	8	6,676,220	3,189,981
<b>Total</b>		<b>180,958,650</b>	<b>177,328,984</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	9	18,060,259	18,181,392
(ii) Intangible assets	9	64,547,751	67,714,634
(iii) Capital work-in-progress	9	-	493,676
(iv) Good Will	10	6,705,347	6,705,347
(b) Non-current investments		-	-
(c) Defferred tax assets (net)	11	2,330,364	2,413,431
(d) Long term loans and advances	12	21,872,800	23,886,158
(e) Other non-current assets	13	1,706,293	1,614,629
<b>(2) Current assets</b>			
(a) Inventories	14	4,330,820	2,185,620
(b) Trade receivables	15	49,916,189	33,570,490
(c) Cash and cash equivalents	16	5,687,087	15,638,129
(d) Short-term loans and advances	17	5,801,740	4,925,478
<b>Total</b>		<b>180,958,650</b>	<b>177,328,984</b>

Summary of Significant Accounting Ploicies

The accomanying Notes are an Integral Part of the Financial Statements

**AS PER OUR REPORT OF EVEN DATE**

**For P MURALI & CO**

CHARTERED ACCOUNTANTS

FRN No: 007257S

FOR AND ON BEHALF OF THE BOARD

**ObjectOne Information Systems Limited**

Sd/-

**P. MURALI MOHANA RAO**

PARTNER

**M.No: 23412**

Sd/-

**K. RAVISHANKAR**

MANAGING DIRECTOR

Sd/-

**K. MALLIKARJUNA RAO**

WHOLE TIME DIRECTOR

PLACE : HYDERABAD

DATE : 30-05-2014

**OBJECTONE INFORMATION SYSTEMS LIMITED****Statement of Profit & Loss****Consolidated Profit & Loss Statement for the year ended 31st March, 2014**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
<b>Income</b>			
Revenue from operations	18	359,643,276	356,269,065
Other Income	19	1,467,440	1,107,821
<b>Total Revenue</b>		<b>361,110,716</b>	<b>357,376,886</b>
<b>Expenses:</b>			
Changes in Inventories	20	(2,145,200)	(2,185,620)
Employee benefit expenses	21	302,295,405	301,007,521
Other operating expenses	22	20,812,290	22,685,665
Administrative Expenses	23	29,630,130	27,931,229
Financial cost	24	454,151	147,138
Depreciation and amortization expense	9	6,612,537	5,855,170
<b>Total Expenses</b>		<b>357,659,313</b>	<b>355,441,103</b>
Profit Before Tax		3,451,403	1,935,783
Tax expense:			
(1) Current tax		1,005,999	532,890
(2) Deferred tax		83,067	135,079
(3) MAT Credit		51,225	975,127
Profit After Tax		2,413,562	2,242,941
Earning per equity share:			
Basic & Diluted		0.23	0.21

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements

**AS PER OUR REPORT OF EVEN DATE****For P MURALI & CO**

CHARTERED ACCOUNTANTS

FRN No: 007257S

FOR AND ON BEHALF OF THE BOARD

**ObjectOne Information Systems Limited**

Sd/-

**P. MURALI MOHANA RAO**

PARTNER

**M.No: 23412**

Sd/-

**K. RAVISHANKAR**

MANAGING DIRECTOR

Sd/-

**K. MALLIKARJUNA RAO**

WHOLE TIME DIRECTOR

PLACE : HYDERABAD

DATE : 30-05-2014



**OBJECTONE INFORMATION SYSTEMS LIMITED  
CONSOLIDATED CASH FLOW STATEMENT OF THE YEAR ENDED 31-03-2014**

<b>PARTICULARS</b>	<b>Year Ended 31-03-2014</b>	<b>Year Ended 31-03-2013</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	3,451,403	1,935,783
<b>Adjustments for:</b>		
Depreciation	6,612,537	5,855,170
Loss on sale of Fixed Assets	-	399,406
Loss on sale of Investments	-	548,000
Interest Income	(41,093)	(428,311)
Interest expenses	162,456	36,723
<b>Operating Profit before working capital changes</b>	<b>10,185,303</b>	<b>8,346,771</b>
<b>Adjustments for:</b>		
(Increase)/Decrease Trade and other receivables	(16,345,699)	3,913,377
(Increase)/Decrease in Inventories	(2,145,200)	(990,370)
Increase/(Decrease) Trade Payables and others	725,847	(2,046,358)
Prior Period Adjustments	-	(1,114,424)
Increase/(Decrease) Other Current Liabilities	7,999	428,209
Increase/(Decrease) Short Term Provisions	2,531,465	(1,263,517)
(Increase)/Decrease Short Term Loans and Advances	(876,262)	138,117
<b>Net Cash Flow from Operating Activities</b>	<b>(5,916,547)</b>	<b>7,411,806</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets Incl. CWIP	(2,830,845)	(9,246,531)
Sale of Fixed Assets	-	1,675,000
Sale of Investments	-	390,000
Interest Income	41,093	428,311
Proceeds from sale of Investments	-	52,000
<b>Net Cash used in Investment Activities</b>	<b>(2,789,752)</b>	<b>(6,701,220)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) Long Term Borrowings	(690,161)	925,218
Increase/(Decrease) Long Term Provisions	686,180	184,520
Increase/(Decrease) Long Term liability	(3,000,000)	(147,500)
(Increase)/Decrease Long Term Loans and Advances	2,013,358	1,354,500
(Increase)/Decrease Other Non Current Assets	(91,664)	(117,179)
Interest and Finance charges paid	(162,456)	(36,723)
<b>Net Cash used in Financing Activities</b>	<b>(1,244,743)</b>	<b>2,142,837</b>
<b>NET INCREASE \ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(9,951,043)</b>	<b>2,853,422</b>
Cash and Cash equivalents ( Opening Balance)	15,638,129	12,784,707
Cash and Cash equivalents ( Closing Balance)	5,687,088	15,638,129

FOR AND ON BEHALF OF THE BOARD

**ObjectOne Information Systems Limited**

Sd/-

Sd/-

PLACE : HYDERABAD

**K. RAVISHANKAR**

**K. MALLIKARJUNA RAO**

DATE : 30-05-2014

MANAGING DIRECTOR

WHOLE TIME DIRECTOR

**AUDITORS CERTIFICATE**

We have examined the attached Cash Flow Statement of M/s. Objectone Information Systems Limited for the year ended 31st March, 2014. This has been prepared by the Company is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

**For P Murali & Co.,**  
Chartered Accountants  
FRN:007257S

Sd/-

**P. Murali Mohan Rao**

Partner

M.No. 23412

Place: Hyderabad

Date : 30-05-2014



**1. Significant accounting Policies**

**a) Basis of Preparation:**

The consolidated financial statements relate to OBJECTONE INFORMATION SYSTEMS LIMITED have been prepared the Consolidated Financial Statements, by consolidating its accounts with that of its subsidiary OBJECT NET TECHONOLOGIES INC in accordance with the Statements of Accounting standards on “ Consolidated Financial Statements ( AS 21 ) issued by the Institute of Chartered Accountants of India ( ICAI ) The Consolidated Financial Statements have been prepared under the historical cost convention, on the accrual basis of accounting and comply with the mandatory accounting standards and statements issued by the ICAI. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Company and it subsidiary company are combined on a line-by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balance and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 --"Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- (ii) The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognised in the financial statements as Goodwill.
- (iii) As for as possible, the consolidate financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

M/s. OBJECT NET TECHONOLOGIES INC subsidiary company has been considered in the consolidated financial Statements.

**b) Method of Accounting**

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

**c) Fixed Assets**

Fixed Assets are stated at their original cost of acquisition, net of accumulated depreciation and CENVAT credit, and include taxes, freight and other incidental expenses related to their acquisition / construction / installation.

**d) Investments**

Investments are classified into current and long-term investments. Current Investments are carried at lower of cost or fair market value. Any diminution in their value is recognized in the profit and loss account. Long-term investments, including investment in subsidiaries, are carried at cost. Diminution of temporary nature in the value of such long-term investments is not provided for except when such diminution is determined to be of a permanent nature.





**e) 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.

**h) Revenue Recognition**

- (i) Income from software development is accounted for on the basis of Software developed and billed to clients on acceptance and/or on the basis of man days/man hours as per the terms of contract.
- (ii) Revenue from professional services consist primarily of revenue earned from services performed on a 'time and material' basis. The related revenue is recognised as and when the services are performed.
- (iii) Revenue from software development services includes revenue from time and material and fixed price contracts are recognised as related services are performed.
- (iv) Revenue on fixed price contracts is recognised in accordance with percentage of completion and method of account.

**i) Retirement Benefits**

Company makes monthly contribution to the Employees Provident Fund and Pension Fund under the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952.

**j) 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.

**k) Depreciation**

Depreciation is provided on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets added, sold or discarded is provided for on pro-rata basis.

**o) Taxation**

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company. Deferred tax charge or credit are recognised for the future tax consequences attributable to timing difference that result between the profit offered for income taxes and the profit as per the financial statements. Deferred tax in respect of timing difference which originate during the tax holiday period but reverse after the tax holiday period is recognised in the year in which the timing difference originate. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed



depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain to be realised.

Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in the balance sheet if there is a convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant assets can be measured reliably. MAT credit entitlement can be carried forward and utilized for a period of ten years from the period in which such credit is availed.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

**p) Provisions and Contingent Liabilities**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

**q) Related Party Disclosure:-**

The Company furnishes the details of Related Party Disclosures as given in Para 23 and 26 as required by AS-18.

**r) Segment Reporting:-**

Since Company is engaged in single segment, the disclosure of segment report is not applicable to the company as per AS-17.

**s) Cash Flow Statement**

The Company has prepared Cash Flow Statement as per the AS-3 Cash flows are reported using the Indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financials cash flows. The cash flows from operating, investing and financing activities of the group are segregated.



t) **Foreign Exchange Transactions**

- i. Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.
- ii. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

u) **Earning Per Share:**

The earning considered in ascertaining the companies earning per share comprise net profit after tax. The number shares used in computing basic earning per share is the weighted average number of shares outstanding during the year.

v) **Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognized. In respect of goodwill, impairment loss will be reversed only when it is caused by specific external events and their effects have been reversed by subsequent external events.



**NOTE NUMBERS TO BALANCE SHEET**

**NOTE No. 1 : SHARE CAPITAL**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
I	Share Capital ( For each class of capital )		
	(a) Authorised (1,40,00,000 Equity Shares of Rs 10 Each)	140,000,000	140,000,000
	<b>Total Authorised Share Capital</b>	<b>140,000,000</b>	<b>140,000,000</b>
	(b) Issued, Subscribed & Fully Paid Up	105,119,000	105,119,000
	(1,05,11,900 Equity Shares of Rs 10 Each)	<b>105,119,000</b>	<b>105,119,000</b>
II	<b>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>	<b>No of shares</b>	
	<b>Equity Shares of Rs.10Each, Fully paid up :</b>		
	At the Beginning	10,511,900	10,511,900
	Issued during the year	-	-
	At the end	<b>10,511,900</b>	<b>10,511,900</b>
III	<b>Details of Shareholder holding more than 5% shares of the company:</b>	<b>% of Share Holding</b>	
	<b>Equity Shares of Rs. 10 each Held By</b>		
	<b>NAME OF THE SHARE HOLDER      NO. OF SHARES      NO. OF SHARES</b>		
	(a) Swapriya Raj Holdings Pvt Ltd 1472080      1472080	14.00	14.00
	(b) K. Ravi Shankar      1016884      1016884	9.67	9.67
	(c) Pothineni Ramachandra Rao      1241548	-	11.81
	(d) Himabindu Kantamneni      1063956      1234864	10.12	11.75
	(e) Madhuri Sana      574712      676900	5.47	6.44

**NOTE NO. 2 : RESERVES AND SURPLUS**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
I	<b>RESERVES AND SURPLUS</b>		
	a) Capital reserve		
	As at the commencement of the year	23,814,000	23,814,000
	Add: Additions during the year	-	-
		<b>23,814,000</b>	<b>23,814,000</b>
	b) Surpuls :		
	Opening Balance - Profit and Loss Account	30,575,067	28,332,125
	Add: Transfer from Profit & Loss Account	2,413,562	2,242,941
		<b>32,988,629</b>	<b>30,575,066</b>
	<b>Total Reserves and Surplus</b>	<b>56,802,629</b>	<b>54,389,066</b>



<b>NOTE NO. 3 : LONG TERM BORROWINGS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	a) Loans and advances from related parties Un Secured: Swapriya Raj Holding Private Limited	4,210,796	4,210,796
	b) long term maturities of finance lease obligations Secured Vehicle loan from Banks	1,110,558	1,693,024
	<b>Less: Current Maturities of Finance lease obligation</b> (Refer Note)	5,321,354	5,903,820
	Note: Finance Lease obligations are secured by hypothication Vehicles and personal guaranteed by the directors	615,765	508,070
	<b>Total long term borrowings</b>	<b>4,705,589</b>	<b>5,395,750</b>
<b>NOTE NO.4 : OTHER LONG TERM LIABILITES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
	Advance Received		
	- Long Term Depoist receivd	-	3,000,000
	<b>Total other long term liabilites</b>	<b>-</b>	<b>3,000,000</b>
<b>NOTE NO.5 : LONG TERM PROVISIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
	a) Provisions for employee benefits		
	- Provision for Gratuity	1,458,200	772,020
	<b>Total other long term liabilites</b>	<b>1,458,200</b>	<b>772,020</b>



<b>NOTE NO. 6 : TRADE PAYABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	a) Sundry Creditors b) Creditors for Expenses	5,226,785 354,462	477,505 4,377,895
	<b>Total Trade Payables</b>	<b>5,581,247</b>	<b>4,855,400</b>
<b>NOTE NO.7 : OTHER CURRENT LIABILITES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	a) Current maturities of finance lease obligation b) Other Payables ( Specify the nature.) Advances received	615,765	508,070 99,696
	<b>Total other current liabilities</b>	<b>615,765</b>	<b>607,766</b>
<b>NOTE NO.8 : SHORT TERM PRIVISIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	a) Provisions for employee benefits PF Payable ESI Payable Salaries Payable b) Others ( Specify the nature ) Statutory Liabilities Provision for Income Tax Provision for Expenses	37,327 3,768 1,659,415 209,615 51,225 4,714,870	53,982 3,977 1,932,688 329,528 532,890 336,916
	<b>Total short term provisions</b>	<b>6,676,220</b>	<b>3,189,981</b>



**OBJECTONE INFORMATION SYSTEMS LIMITED**

**NOTE NO 9 : FIXED ASSETS - TANGIBLE & INTANGIBLE ASSETS AS AT 31-03-2014**

Amount In Rupees

Sl. No.	Particulars	Gross Block				Rate of Depreciation	Depreciation/Amortization				Net Block as on 31.03.2014	Net Block as on 31.03.2013
		As on 01.04.2013	Additions during the year	Sale / Deletions during the year	As on 31.03.2014		Dep. As on 01.04.2013	Dep. For the year 2013-2014	Deletions	Total Depreciation		
	<u>Tangible Fixed Assets:</u>											
1	LEASED BUILDING	7,461,383	1,389,304	-	8,850,687	6.33%	2,980,977	472,546		3,453,523	5,397,164	4,480,406
2	HARDWARE&SOFTWARE	30,249,163	1,214,087	-	31,463,250	16.21%	26,988,580	957,462		27,946,042	3,517,208	3,260,583
3	FURNITURE & FIXTURES	6,602,656	69,580	-	6,672,236	6.33%	3,601,408	797,241		4,398,649	2,273,587	3,001,248
4	OFFICE EQUIPMENT	8,230,036	448,550	-	8,678,586	6.33%	5,537,700	542,338		6,080,038	2,598,548	2,692,336
5	VEHICLES	4,917,150	-	-	4,917,150	9.50%	221,107	467,129		688,236	4,228,914	4,696,043
6	ELECTRICAL EQUIPMENTS	125,000	-	-	125,000	4.75%	74,224	5,938		80,162	44,838	50,776
	<u>Intangible Assets:</u>											
7	KIDSONE CONTENT	2,601,242	-	-	2,601,242	10.00%	1,052,611	260,124		1,312,735	1,288,507	1,548,631
8	RIGHTS	54,860,700	-	-	54,860,700	0.00%	-	-		-	54,860,700	54,860,700
9	RIGHTS	30,943,031	203,000	-	31,146,031	10.00%	19,637,728	3,109,759		22,747,487	8,398,544	11,305,303
	WIP - Infrastructure	493,676	-	493,676	-					-	-	493,676
	<b>TOTAL</b>	<b>146,484,037</b>	<b>3,324,521</b>	<b>493,676</b>	<b>149,314,882</b>		<b>60,094,335</b>	<b>6,612,537</b>	<b>-</b>	<b>66,706,872</b>	<b>82,608,010</b>	<b>86,389,702</b>
	Previous Year	140,571,038	9,246,531	3,333,532	146,484,037		55,498,291	5,855,170	1,259,126	60,094,335	86,389,702	85,072,747



<b>NOTE NO. 10 : GOODWIL</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
	ObjectNet Technologies Inc Investment - 100% holding Total Equity	10,705,347 4,000,000	10,705,347 4,000,000
	<b>Total Good Will</b>	<b>6,705,347</b>	<b>6,705,347</b>
<b>NOTE NO. 11 : DEFERRED TAX ASSET ( NET )</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	Opening Deferred tax Liability Add: Deferred Tax Liability for the year	- 725,783	4,207,604 484,844
	<b>Gross Deferred tax Liability</b>	<b>725,783</b>	<b>4,692,448</b>
	Opening Deferred tax Asset Deferred Tax Assets on account of Losses as per IT Act Provision for Gratuity and Compensated Absences and doubtful debt	2,413,431 642,717	6,756,114 349,765
	<b>Gross Deferred tax Asset</b>	<b>3,056,148</b>	<b>7,105,879</b>
	<b>Deferred Tax Asset - Net</b>	<b>2,330,364</b>	<b>2,413,431</b>
<b>NOTE NO. 12 : LONG TERM LOANS AND ADVANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	Long - term loans and advances: a) Security Deposit Unsecured	189,383	162,183
	b) Other loans And advances ( Specify the nature ) Unsecured	21,683,417	23,723,975
	Total Long term loans & advances	21,872,800	23,886,158
	Less : Provision for Doubtfull Debts	-	-
	<b>Total Long term loans &amp; advances( net )</b>	<b>21,872,800</b>	<b>23,886,158</b>





<b>NOTE NO.13 : OTHER NON - CURRENT ASSETS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	Receivable form Revenue Authorities Service Tax TDS VAT <b>Total non - current assets( net )</b>	450,280 1,255,888 125 <b>1,706,293</b>	1,474,370 140,258 <b>1614629</b>
<b>NOTE NO. 14 : INVENTORIES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	Inventories : WIP <b>Total Inventories</b>	4,330,820 <b>4,330,820</b>	2,185,620 <b>2,185,620</b>
<b>NOTE NO. 15: TRADE RECEIVABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	<b>Outstanding for a period exceeding six months from the date they are due for payment</b> Secured, Considered Good Unsecured, Considered Good <b>Other Receivables:</b> Unsecured, Considered Good <b>Total Trade Receivables(net)</b>	5,115,717 44,800,472 <b>49,916,189</b>	9,932,491 23,637,999 <b>33,570,490</b>



**NOTE NO. 16 : CASH AND BANK BALANCES**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
I	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	3,928,624	12,065,604
	b) Cash on hand	19,249	12,305
	c) Bank Deposit	1,730,000	3,500,000
	Sub Total	5,677,873	15,577,909
	<b>Other Bank Balances</b>		
	On Deposit Accounts		
	Interest Accrued On Deposits	9,214	60,221
	Sub Total	9,214	60,221
	<b>Total Cash and Cash Equivalents</b>	<b>5,687,087</b>	<b>15,638,129</b>

**NOTE NO. 17 : SHORT TERM LOANS AND ADVANCES**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
I	Short - term loans and advances:		
	a) Security Deposit		
	Unsecured	1,010,000	108,000
	b) Other loans And advances ( Specify the nature )		
	Unsecured	3,765,389	3,842,351
	c) MAT Credit	1,026,351	975,127
	Total short term loans & advances( net )	<b>5,801,740</b>	<b>4,925,478</b>



**NOTE NUMBERS TO STATEMENT OF PROFIT & LOSS  
CONSOLIDATED**

**NOTE NO. 18: REVENUE FROM OPERATIONS**

<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
(i)	Revenue from operations in respect of non-finance company		
	(a) Revenue from Services	355,406,055	350,123,463
	(b) Other Operating Revenues	4,237,221	6,145,602
	<b>Total Revenue from Operations</b>	<b>359,643,276</b>	<b>356,269,065</b>

**NOTE NO. 19 : OTHER INCOME**

<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	(a) Interest income (Other than a finance company)	41,093	428,311
	(b) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)	1,426,347	679,510
	<b>Total Other Income</b>	<b>1,467,440</b>	<b>1,107,821</b>

**NOTE NO. 20: CHANGE IN INVENTORIES & WIP.**

<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	<b>Finished Goods</b>		
	Finished goods at the beginning of the year	2,185,620	-
	Less : Finished goods at the end of the year	4,330,820	2,185,620
	<b>Decrease in Stock</b>	<b>(2,145,200)</b>	<b>(2,185,620)</b>

**NOTE NO. 21 : EMPLOYEE BENEFIT EXPENSES**

<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	(a) Salaries & Wages	298,007,817	297,527,124
	(b) Contribution to Provident & Other Funds	307,610	369,097
	(c) Gratuity	686,180	184,520
	(d) Staff Welfare Expenses	893,798	526,780
	(e) Managerial Remuneration	2,400,000	2,400,000
	<b>Total Employee Benefit Expenses</b>	<b>302,295,405</b>	<b>301,007,521</b>



<b>NOTE NO. 22 : OTHER OPERATING EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	(a) E-Commerce Expenses	3,081,644	3,300,392
	(b) Power & Fuel	1,843,997	1,446,575
	(c) Rent	4,567,412	6,050,963
	(d) Channel Expenses	-	555,197
	(e) Repairs to Machinery	1,333,406	2,677,833
	(f) Insurance	317,499	331,012
	(g) Server Hosting Expenses	264,847	4,008,453
	(h) Interent Net Radio	3,242,217	4,315,240
	(i) Purchases	1,483,114	
	(j) Services-BECIL	4,678,154	
	<b>Total Other Expenses</b>	<b>20,812,290</b>	<b>22,685,665</b>
<b>NOTE NO. 23 : ADMINISTRATIVE EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	(a) Telephone, Postage and Others	7,334,553	8,500,716
	(b) Business Promotion Expenses	211,494	268,568
	(c) Conveyance	275,088	217,484
	(d) Office Maintenance	7,741,470	1,867,473
	(e) Printing & Stationery Expenses	253,400	167,683
	(f) Rates & Taxes (excluding Income Tax)	519,137	478,489
	(g) Consultancy Charges	10,381,269	11,525,535
	(h) Travelling Expenses	1,824,701	2,760,844
	(i) Loss on sale of investment	-	548,000
	(j) Loss on fixed assets	-	399,406
	(k) Other Expenses	1,032,838	1,140,851
	(l) Payment to Auditors		
	(i) As Auditor	36,180	36,180
	(ii) For Taxation Matters	20,000	20,000
	<b>Total Administrative Expenses</b>	<b>29,630,130</b>	<b>27,931,229</b>
<b>NOTE NO.24: FINANCE COST</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
I	Interest Expenses :		
	- Interest on Car Loan	162,456	36,723
	- Bank Charges	291,695	110,415
	<b>Total Finance Cost</b>	<b>454,151</b>	<b>147,138</b>



25. Particulars of Employees in accordance with Sub-section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule 1975.

NIL

26. The company has made provision for Gratuity is calculated as per accrual method and included in current liability & provision.

**27. Earnings Per Share (EPS) ( AS – 20 )**

Particulars	2013-14	2012-13
Profit after tax during the year ( Rs. )	24,13,562	22,42,941
Earnings available to Equity Shareholders for Basic & Diluted EPS ( Rs.)	24,13,562	22,42,941
Weighted Average Number of Shares taken for computation of EPS	1,05,11,900	105,11,900
Earning per Share		
- Basic	0.23	0.21
- Diluted	0.23	0.21
Face Value of the Share	10	10

**28. Managerial Remuneration:**

Particulars	2013-14	2012-13
Directors Remuneration	24,00,000	24,00,000
Other Fee	Nil	Nil
<b>Total</b>	<b>24,00,000</b>	<b>24,00,000</b>

**29. Auditor's Remuneration:**

Particulars	2013-14	2012-13
Audit Fee	36,180	36,180
Tax Audit fee	20,000	20,000
Other Services	Nil	Nil
<b>Total</b>	<b>56,180</b>	<b>56,180</b>

30. Closing Balances of Debtors, Creditors, Loans and Advances are subject to confirmations

**31. Dues to Micro & Small Enterprises:**

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2014.

**32. Foreign Currency Earnings and Outflow:**

Particulars	Nature of Currency	Year 2013-14 Rs.	Nature of Currency	Year 2012 -13 Rs.
<b>EARNINGS</b>				
IT ENABLED SERVICES	\$ 634747.30	3,81,98,481	\$ 904066	4,77,64,056
IT ENABLED SERVICES	Euro 2739.61	2,24,015	Euro 4020	2,79,900
<b>OUTFLOW</b>				
TRAVELLING EXPENCES	\$ 1000	55,819		
TRAVELLING EXPENCES	Ringetts 2000	36,495		

**33. Detailed information regarding quantitative particulars under part II of schedule VI to the Companies Act,1956:**

The Company is engaged in IT Enabled services. The production and sale of such software and services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under Paragraphs 3 and 4C of Part II of Schedule VI to the Companies Act, 1956.

34. Figures have been rounded off to the nearest rupee.

35. Previous year's figures have been regrouped / rearranged wherever necessary.

**AS PER OUR REPORT OF EVEN DATE**

**For P MURALI & CO**  
CHARTERED ACCOUNTANTS  
FRN No: 007257S

FOR AND ON BEHALF OF THE BOARD  
**ObjectOne Information Systems Limited**

Sd/-  
**P. MURALI MOHANA RAO**  
PARTNER, M.No: 23412

Sd/-  
**K. RAVISHANKAR**  
MANAGING DIRECTOR

Sd/-  
**K. MALLIKARJUNA RAO**  
WHOLE TIME DIRECTOR

PLACE : HYDERABAD  
DATE : 30-05-2014



**SUBSIDIARY COMPANY  
FINANCIAL STATEMENT**

**OBJECTNET TECHNOLOGIES INC.**

**OFFICE ADDRESS :**  
1117, Perimeter Centre,  
West Suite, # E 104,  
Georgia  
Atlanta 30338



## OBJECTNET TECHNOLOGIES INC

## BALANCE SHEET

Balance Sheet as at 31st March, 2014

PARTICULARS	Note No.	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	4,000,000	4,000,000
(b) Reserves and Surplus	2	30,849,853	28,622,049
<b>(2) Current Liabilities</b>			
(a) Short-term borrowings			-
(b) Trade payables	3	4,027,104	4,452,408
(c) Other current liabilities			-
(d) Short-term provisions			-
<b>Total</b>		<b>38,876,957</b>	<b>37,074,457</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
Long term loans and advances	4	10,109,442	12,150,000
<b>(2) Current assets</b>			
(a) Trade receivables	5	26,174,878	13,756,987
(b) Cash and cash equivalents	6	2,592,637	11,167,470
<b>Total</b>		<b>38,876,957</b>	<b>37,074,457</b>

For and on behalf of the board  
Object Net Technologies Inc

Place : Atlanta  
Date : 28-05-2014

Sd/-  
Viswanath Dasari  
Chief Executive Officer





**OBJECTNET TECHNOLOGIES INC**  
**STATEMENT OF PROFIT AND LOSS**

**Profit and Loss Statement for the Year ended 31st March, 2014**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
<b>INCOME</b>			
Revenue from operations	7	305,544,244	302,072,379
Other Income		-	-
<b>Total Revenue</b>		<b>305,544,244</b>	<b>302,072,379</b>
<b>Expenses:</b>			
Employee benefit expences	8	276,813,899	275,020,900
Other operating expences	9	2,590,572	4,937,033
Administrative Expences	10	22,838,133	20,605,767
Financial costs	11	119,062	10,044
<b>Total Expenses</b>		<b>302,361,666</b>	<b>300,573,744</b>
Profit before exceptional and extraordinary items and tax		3,182,578	1,498,635
Exceptional Items		-	-
Profit before extraordinary items and tax		3,182,578	1,498,635
Extraordinary Items		-	-
Profit before tax		3,182,578	1,498,635
Tax expense:			
(1) Current tax		954,774	449,591
(2) Deferred tax		-	-
Profit(Loss) from the perid from continuing operations		2,227,804	1,049,044
Profit/(Loss) for the period		2,227,804	1,049,044
Earning per equity share:			
Basic & Diluted		5.57	2.62

**For and on behalf of the board**  
**Object Net Technologies Inc**

**Sd/-**

**Viswanath Dasari**  
Chief Executive Officer

Place : Atlanta  
Date : 28-05-2014



**NOTE NUMBERS TO BALANCE SHEET**

**NOTE No. 1 : SHARE CAPITAL**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
1.	Share Capital ( For each class of capital )	4,000,000	4,000,000
		4,000,000	4,000,000

**NOTE NO. 2 : RESERVES AND SURPLUS**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
I	<b>RESERVES AND SURPLUS</b>		
	a) Surplus :		
	i) Opening Balance - Profit and Loss Account	28,622,049	27,573,005
	Add: Transfer from Profit & Loss Account	2,227,804	1,049,044
		30,849,853	28,622,049

**NOTE NO. 3 : CURRENT LIABILITIES AND PROVISIONS**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
I	a) Sundry Creditors	-	-
	b) Creditors for Expenses	4,027,104	4,002,817
	c) Provision for Tax	-	449,591
	<b>Total Trade Payables</b>	<b>4,027,104</b>	<b>4,452,408</b>

**NOTE NO. 4 : LONG TERM LOANS AND ADVANCES**

S.No.	PARTICULARS	AS ON 31-03-2014 (Rupees)	AS ON 31-03-2013 (Rupees)
I	Long - term loans and advances:		
	b) Security Deposit		
	Unsecured	-	-
	d) Other loans And advances ( Specify the nature )		
	Unsecured	10,109,442	12,150,000
	Total Long term loans & advances	10,109,442	12,150,000
	Less : Provision for Doubtfull Debts	-	-
	Total Long term loans & advances( net )	10,109,442	12,150,000



<b>NOTE NO. 5 : TRADE RECEIVABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	<b>Outstanding for a period exceeding six months from the date they are due for payment</b> Secured, Considered Good Unsecured, Considered Good Doubtful	-	-
	<b>Other Receivables:</b> Secured, Considered Good Unsecured, Considered Good Doubtful	26,174,878 - -	13,756,987 - -
	<b>Total trade recivable</b>	26,174,878	13,756,987
	Less : Allowance for bad & doubtful debts	-	-
	<b>Total Trade Receivables(net)</b>	26,174,878	13,756,987

<b>NOTE NO. 6 : CASH AND BANK BALANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2014 (Rupees)</b>	<b>AS ON 31-03-2013 (Rupees)</b>
I	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	2,592,637	11,167,470
	<b>Total Cash and Cash Equivalents</b>	<b>2,592,637</b>	<b>11,167,470</b>



**NOTE NUMBERS TO STATEMENT OF PROFIT & LOSS**

**NOTE NO. 7 : REVENUE FROM OPERATIONS**

S.No.	PARTICULARS	YEAR ENDED 31-03-2014 (Rupees)	YEAR ENDED 31-03-2013 (Rupees)
I	Revenue from operations in respect of non-finance company		
	(a) Sale of Services	302,411,698	297,730,399
	(b) Other Operating Revenues	3,132,546	4,341,980
	<b>Total Revenue from Operations</b>	<b>305,544,244</b>	<b>302,072,379</b>

**NOTE NO. 8 : EMLOYEE BENEFIT EXPENSES (AGGREGATE EXPENDITURE)**

S.No.	PARTICULARS	YEAR ENDED 31-03-2014 (Rupees)	YEAR ENDED 31-03-2013 (Rupees)
I	Salaries & Wages	276,813,899	275,020,900
	<b>Total Employee Benefit Expenses</b>	<b>276,813,899</b>	<b>275,020,900</b>

**NOTE NO.9 : OTHER OPERATING EXPENSES**

S.No.	PARTICULARS	YEAR ENDED 31-03-2014 (Rupees)	YEAR ENDED 31-03-2013 (Rupees)
I	(a)Repairs to Machinery	-	722,070
	(b) Rent & Maintenace	2,590,572	4,214,963
	<b>Total Other Expenses</b>	<b>2,590,572</b>	<b>4,937,033</b>

**NOTE NO. 10 : ADMINSTRATIVE EXPENSES**

S.No.	PARTICULARS	YEAR ENDED 31-03-2014 (Rupees)	YEAR ENDED 31-03-2013 (Rupees)
I	(a) Telephone, Postage and Others	5,542,283	6,662,729
	(b) Office Maintenance	6,547,820	1,318,648
	(c) Consultancy Charges	9,716,769	11,117,574
	(d) Travelling Expenses	1,031,261	1,506,816
	<b>Total Administrative Expenses</b>	<b>22,838,133</b>	<b>20,605,767</b>



**NOTE NO. 11 : FINANCE COST**

<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>	<b>YEAR ENDED 31-03-2013 (Rupees)</b>
1.	Bank Charges	119,062	10,044
	<b>Total Finance Cost</b>	<b>119,062</b>	<b>10,044</b>



**ObjectOne Information Systems Limited**  
Regd. Office : 8-3-988/34/7/2/1&2, Kamalapuri Colony,  
Srinagar Colony Road, Hyderabad - 500 073.

**PROXY**

I/We .....of  
..... being a member / member of ObjectOne  
Information Systems Limited ..... of .....  
as our Proxy to attend and vote for me/us, on my/our behalf of the 18<sup>th</sup> Annual General Meeting of the  
Company to be held on Tuesday 30<sup>th</sup> September, 2014 at 2.00 P.M. or at adjourned thereof.

AS WITNESS my/our hand (s) this ..... day of ..... 2014 signed  
by the said .....

Affix 1  
Rupee  
Revenue  
Stamp

Note : The proxy must reach at the Registered Office of Company not less than 48 hours before the  
time fixed for holding the meeting.

**ObjectOne Information Systems Limited**  
Regd. Office : 8-3-988/34/7/2/1&2, Kamalapuri Colony,  
Srinagar Colony Road, Hyderabad - 500 073.

**ATTENDANCE SLIP**

Ledger Folio No. ....

Mr/Mrs.Ms. ....

(Member's Name in Block Letters)

I certify that I am Registered Member / Proxy for the Registered Member of the Company. I here by  
record my presence at 18<sup>th</sup> Annual General Meeting of the Company held on Tuesday 30<sup>th</sup> Sepetmber,  
2014 at 2.00 P.M. at Regd. Office : 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road,  
Hyderabad. 500 073.

\_\_\_\_\_  
If signed by proxy, his/her name should be written here in Block Letters

\_\_\_\_\_  
Member's Proxy Signature

Note : Member's/Proxy holders are requested to bring the Attendance slip with them when they  
come to the meeting and hand it over at the gate after affixing their signature on it.

