



# ObjectOne Information Systems Ltd.

To

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

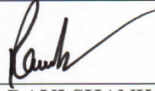
Date: 05.09.2015

Dear Sir,

**Sub: Submission of Form B with the Annual Report for the Financial Year ended March, 2015**

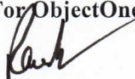
**Ref: Scrip Code – 535657: ISIN No: INE860E01011.**

## FORM –B

1	Name of the Company	ObjectOne Information Systems Limited
2	Annual financial statements or the year ended	31 <sup>st</sup> March, 2015
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. 8 Secretarial Audit Report – Page No.30 Significant Accounting Policies – Page No. 54
	Additional comments from the board/audit committee chair:	No comments expressed by the board/audit committee chair.
5	Signature	
	Name of the Signatory	K. RAVI SHANKAR
	Designation	Managing Director

Regards,

For ObjectOne Information Systems Ltd

  
K. Ravi Shankar  
Managing Director



Encl: 1) Annual Report – 6 copies



## OBJECTONE INFORMATION SYSTEMS LIMITED

### BOARD OF DIRECTORS

<b>Mr.K.Ravi Shankar</b>	Managing Director
<b>Ms. K. Himabindu</b>	Executive Director
<b>Mr. K.Mallikarjuna Rao</b>	Wholetime Director
<b>Mr. Viswanadh Dasari</b>	Director - Resigned on 27-05-2015
<b>Mr. B.S.N Kumar</b>	Director
<b>Mr. Sana Satish Babu</b>	Director
<b>Mr. K Mohan</b>	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 NA  
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 Nineteenth Annual General Meeting of the Members will be held on Wednesday, the 30th day of September, 2015 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 11.00 am to transact the following business:

**Ordinary Business:**

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31st, 2015 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 Smt. K. Himabindu(DIN No. '00497060) who retires by rotation and being eligible offers himself for re-appointment and for the said purpose to consider and if thought fit to pass the following resolution with or without modification(s) as an **Ordinary Resolution**.

“**RESOLVED THAT** Smt. K. Himabindu (DIN No'00497060), Executive Director of the Company, who retires by rotation be and is hereby re-appointed as Executive Director of the Company liable to retire by rotation.”

3. To ratify the appointment of Statutory Auditors of the Company, for the said purpose to consider and if thought fit, to pass the following resolution with or without modification(s) 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 appointment as Statutory auditors of the company from the conclusion of this Annual General Meeting until conclusion the Twentieth Annual General Meeting, be and is hereby ratified and their remuneration to be fixed by the Board of Directors on mutually agreed terms and conditions.”

**SPECIAL BUSINESS: NIL**

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

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

Place: Hyderabad  
Date: 12-08-2015



**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 24<sup>th</sup> September, 2015 to 30<sup>th</sup> September, 2015 (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 19<sup>th</sup> AGM and instructions for remote 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 19<sup>th</sup> AGM and the Annual Report 2015 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 remote e-voting services provided by M/s. 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 remote e-voting process in a fair and transparent manner.
16. The procedure and instructions for remote e-voting are as follows:

**INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

- (i) The remote e-voting period begins on 27<sup>th</sup> September, 2015 at 9.30 A.M. and ends on 29<sup>th</sup> September, 2015 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23<sup>rd</sup> September, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) 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>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 (Which is printed on address label) in the PAN field.</li></ul>
DOB	<p>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.</p>
Dividend Bank Details	<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> <ul style="list-style-type: none"><li>• 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 member id / folio number in the Dividend Bank details field as mentioned in instruction.</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote 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.
- (x) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **ObjectOne Information Systems Limited** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.



- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts 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.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding remote 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 remote 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, 2015 and communicated to the 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 - nil

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

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

Place: Hyderabad  
Date: 12-08-2015



**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the Nineteenth Annual Report and the Company's audited financial statement for the financial year ended 31<sup>st</sup> March, 2015.

**1. Financial Results :**

The Company's financial performance for the year ended 31st March 2015 is summarized below:

**Rupees in Lakhs**

Particulars	CONSOLIDATED		STAND ALONE	
	2014-15	2013-14	2014-15	2013-14
Gross sales	2943.37	3611.11	581.38	555.66
Operating profit (PBIDT)	95.44	100.64	69.58	68.82
Profit before tax (PBT)	21.26	34.51	15.18	2.69
Income Tax and Deferred Tax	6.52	10.38	4.69	0.83
Profit after tax (PAT)	14.74	24.13	10.49	1.86
Profit brought forward from previous year	329.88	305.75	21.39	19.53
Surplus available for appropriation	344.62	329.88	31.88	21.39
<b>Appropriations</b>				
Dividend	0	0	0	0
Corporate tax on proposed dividend	0	0	0	0
Transfer to General Reserve	0	0	0	0
Transfer to Capital Redemption Reserve	0	0	0	0
Balance of profit carried to Balance Sheet	344.62	329.88	31.88	21.39

**Result of Operations and the state of Company's affairs:**

The consolidated income of Rs. 2943.37 lakhs during the year against previous year income of Rs. 3611.11 lakhs and Net Profit of Rs. 14.74 lakhs during the year against previous year Net Profit of Rs. 24.13 lakhs and stand alone of Rs.581.38 lakhs during the year against previous year income of Rs. 555.66 lakhs and Net Profit of Rs. 10.49 lakhs during the year against previous year Net Profit of Rs. 1.86 lakhs.



**BUSINESS OVERVIEW:**

Increasing internet and smartphone penetration along with rising spend on entertainment by Indian youth will drive the on-demand digital content industry,” “Digital media consumption pattern has drastically changed since a decade ago .With remarkable improvement in mobile devices technology and internet connectivity, marketers are shifting their business models in tune with the shift of viewer preference towards digital media from traditional media.”

India’s digital media landscape augurs well for all the stakeholders. Internet traffic originating from mobile devices has already surpassed the desktop internet traffic. Total internet users crossed 254 million in September 2014, out of which 235 million users accessed internet through mobile devices. The growth in internet users was seen both in rural and urban parts of India. Internet users in rural India is expected to reach 138 million by June 2015, while 216 million internet users are expected to be in urban India by then.

While the internet user base in India is growing at a rapid rate, most of these users (75%) belong to the age group of less than 35 years. More than half of the app users in India are between 18 and 24 years, and a further 29% between 25 and 35. Social media and entertainment (Music & Video) are the two activities on which the Indian mobile internet users spend their time the most followed by games, general search, and emails. Out of the total time spent on digital media by youths, about 21% of the time is spent on audio and video entertainment.

On-demand entertainment services led by audio and video content are at the cusp of inflection point in India. A whole ecosystem around such services is coming up, including content providers / aggregators, Distribution channels, Technology Platforms, Advertising Platforms, Payment Channels and marketing channels. Users have shown willingness to pay for premium services / content and convenience to use that make better value proposition for them. Leading OTT players are monetizing this opportunity across audio and video services through multiple monetization models like subscription and advertisement. Evolving payment mechanisms like OTT mobile wallets will drive on-demand content monetization. Your company is a key player in this area.

Marketers are also shifting their advertising spends towards digital media and about 36% of their ad spend is expected to go to digital space. The s-curve growth expectations for the overall digital ad market in India that include probable cannibalization of ad revenues from other traditional segments like TV, radio, and print media indicate the digital ad market size of INR 354 billion by 2020.

Video industry in India is also seeing the shift towards digital content. Younger demographics are guiding the video consumption. With improved network speeds, demand for HD and UHD video content is expected to rise along with standard definition video streaming online. Total Internet video traffic in India is expected to be 72% of all Indian Internet traffic in 2018, up from 45% in 2013. Like digital music players, digital video players are adopting both subscription and ad monetization models and offering personalized offerings to maximize adoption

Your company has focused on Media and Technology to have a professionally developed and adapted internet and mobile strategy to future-proof the company to the changing media habits of consumers



in the area of internet entertainment which is now poised for a big leap as the major IT players are now venturing into this sphere and technology is also maturing to enable full screen high quality video delivery.

Your company has developed a rugged and robust streaming hardware to be located in all public transport – an entertainment system that wirelessly streams content to your own device. Whether they travel for business or pleasure, we're designing Private Screening to ensure our customers have access to content that is entertaining, interesting, wide-ranging and relaxing.

The media sector is currently experiencing a smaller paradigm shift, moving away from TV, radio, newspapers and magazines and over to newer media like the Internet and mobile. The paradigm shift is resulting in media consumption moving from TV and newspapers, to the Internet and mobile, with especially Internet consumption significantly increasing and thereby resulting in TV and newspaper consumption decreasing.

Your company's focus on the content syndication as well as delivery technologies on Internet and mobile devices is on sync with the changing trends . APP development and deployment is a continuous phenomenon at your company.

Your Company owns a huge repository of content both acquired a well as developed in-house, this year the focus has been on Short films, we have on date over 600 contributors/ creators who make short films for your company. Your company's association with YouTube has crossed over 1bn video views and 1.8mn subscribers.

**TORI – Worlds First Telugu Global Radio:** Teluguone Radio on Internet popularly known as TORI has emerged as a household brand with NRI telugu community and has a monthly tune-in's of over 7mn.

**For strategic reasons your company has disinvested in ObjectNet Technologies Inc. and acquired Stiaos Technologies Inc. a Texas corporation and expects a good returns on the investment.**

#### **Consolidated Financial Statement:**

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements, the audited consolidated financial statement is provided in the Annual Report.

#### **2. Subsidiaries:**

M/s. ObjectNet Technologies Inc, USA is 100% subsidiary company of ObjectOne Information Systems Limited at the 31<sup>st</sup> March 2015. The subsidiary company was sold in the month of June, 2015. Your Company has procured a foreign Subsidiary Company namely M/s. Stiaos Technologies Inc. in the month of July, 2015.



**Form No. AOC - 1**

*(Pursuant to the first provision to sub-section 3 of Section 129, read with Rule 5 of Companies (Accounts) Rules, 2014); Salient Features of Financial Statements of Subsidiary/ associate companies/joint ventures as per Companies Act, 2013*

**Part "A": Subsidiaries**

Amount in Rs. Lakhs

1.	Name of Subsidiary	ObjectNet Technologies Inc. USA
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Accounting Year of the Subsidiary Company – Calender Year Following data related to FY 2014-15
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD @ Rs.62/-
4.	Share Capital	40.00
5.	Reserves & Surplus	314.57
6.	Total Assets	783.85
7.	Total Liabilities	429.28
8.	Investments	0.00
9.	Turnover	2361.98
10.	Profit Before Taxation	6.07
11.	Provision for Taxation	1.82
12.	Profit after Taxation	4.25
13.	Proposed Dividend	0
14.	% of Shareholding	100

**Part "B": Associates/Joint Ventures**

1.	Name of Associates/Joint Ventures	NIL
2.	Latest audited Balance Sheet Date	
3.	Shares of Associate/Joint Ventures held by the company on the year end	
4.	Amount of Investment in Associates/Joint Venture	
5.	Extend of Holding %	
6.	Description of how there is significant influence	
7.	Reason why the associate/joint venture is not consolidated	
8.	Networth attributable to Shareholding as per latest audited balance sheet	
9.	Profit/Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	



**Additional Information:**

1.	Names of subsidiaries which are yet to commence operations	Nil
2.	Names of subsidiaries which have been liquidated or sold during the year.	Nil

**Additional Information:**

1.	Names of associates or joint ventures which are yet to commence operations	NIL
2.	Names of associates or joint ventures which have been liquidated or sold during the year	

**3. Number of Meetings of the Board:**

During the year Six meetings were held. They are as follows 30.05.2014, 30.07.2014, 03.09.2014 , 05.11.2014, 04.02.2015 and on 09.03.2015.

**4. Statement on the declaration given by the independent directors as per 149(6):**

Whenever Independent Director is appointed a declaration is given by the Independent Director who has been getting appointed to the Company

**5. Dividend, Fixed Deposits and General Reserves:**

In order to conserve cash, your Directors are not recommending any dividend on equity shares.

Your Company has not accepted any fixed deposits and no amount has been carried to General Reserves during the year.

**6. Contract and Arrangement with Related Parties:**

Company is not entered any contracts/agreements/transactions during the financial year with related parties.

The Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 - Not Applicable.

**7. Explanation/ comments by the Board on every Qualifications, Reservations, Adverse Remarks or Disclaimers made by the Statutory Auditors & the Practicing Company Secretary in their Reports:**

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark on accounts.

Company Secretary, Auditors in their Report have raised few qualifications and the following are the measures we have taken for such qualifications



1. The Company has not found an appropriate Company secretary, Chief Financial Officer & Internal Auditors and the company is of the view that it will appoint company secretary, Chief Financial Officer & Internal Auditors at the earliest
  2. The Company has not filed MGT-10 as required under Section 93 read with rule 13 of the Companies (Management and Administration) Rules, 2014 for changes of 2% in the shareholding of Top Ten Shareholders as compared to their existing shareholding. In this regard the Company has expressed that in their opinion the 2% change is in relation to the total company share capital but not individual shareholding of each shareholder. Hence awaiting the clarification from the MCA for filing the same.
  3. The Company has filed some forms with MCA21 with delay and has paid the additional fee as required under the Act.
- 8. Particulars of Contracts or Arrangements with the Related Parties along with the justification for entering into such transactions as per 188(1) – 134(3)(h) & Rule 8(2):**  
Nil
- 9. Material changes & commitments, if any affecting the financial position of the company, occurred between the end of the financial year to which this financial statements relate and the date of the Report:**
- There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.
- 10. Directors Responsibility Statement:**
- Your Directors state that:
- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
  - b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the profit of the Company for the year ended on that date;
  - c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
  - d) the Directors have prepared the annual accounts on a 'going concern' basis;
  - e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
  - f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



**11. Corporate Governance:**

The Company is committed to maintain the highest standard of corporate governance and adhere to the corporate governance requirements set out by Securities Exchange Board of India. The Report on corporate governance as stipulated under the Listing Agreement forms an integral part of this report.

The requisite certificate from the Statutory Auditors of the Company confirming compliance with the conditions of corporate governance is enclosed as **Annexure-A**

**12. Nomination and Remuneration Policy:**

The Nomination and Remuneration Committee of the Company identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Committee also carries out evaluation of every Director's performance. The Committee has formulated the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

**13. Vigil Mechanism/Whistle Blower Policy:**

Pursuant to Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

**14. Risk Management:**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 and Clause 49 of the listing agreement, the company has formulated a policy on risk management. At present the company has not identified any element of risk which may threaten the existence of the company.

**15. Internal Financial Controls and Management Discussion & Analysis**

The company has Adequate Internal Financial Control System and the Management has Discussed and Analysed time to time on various matters.

**16. Board of Directors and Key Managerial Personnel:**

None of the directors and key managerial personnel of the company are disqualified under the provisions of the Act or under the Listing Agreement with the Stock Exchanges.

**Resignation:**

Mr. Viswanath Dasari, Independent Directors of the company resigned from the office of directorship on 29<sup>th</sup> January, 2015 the same was taken note by the Board of Directors at its meeting held 27<sup>th</sup> May, 2015. Your Board places on record their appreciation for the contribution made by him during his tenure as Director.



**17. Details in respect of the adequacy of Internal Financial Controls with reference to the Financial Statements – Rule 8(5)(viii):**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

**18. Disclosure regarding receipt of commission by a director from the holding or subsidiary of a company, in which such person is a managing or whole-time director:**

None of the Directors have received any commission from any Holding or Subsidiary

**19. In case of listed Company and every other public company having paid-up share capital of twenty five crore rupees or more, calculated at the end of preceding financial year, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Directors:**

Your Companies Directors has evaluated their own performance in one of the Board Meeting conducted during the Year and the Board was satisfied with their performance and that of its Committees and of Individual Directors

**20. Statutory Auditors:**

Pursuant to the provisions of section 139 of the Act and the rules framed thereunder, M/s. P. Murali & Co., Chartered Accountants, were appointed as statutory auditors of the company from the conclusion of the 19<sup>th</sup> Annual General Meeting of the company held on 30<sup>th</sup> September, 2015 till the conclusion of the 20<sup>th</sup> Annual General Meeting to be held in the year 2016, subject to ratification of their appointment at every Annual General Meeting

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**21. Appointment of Internal auditors:**

The Company not appointed Internal Auditors as required under Section 138 of the Companies Act, 2013. However company is finding a Chartered Accountant to appoint as Internal Auditor.

**22. Secretarial Auditor:**

The Board has appointed Mr.S.Chidambaram, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2015 is annexed herewith as **Annexure - B**.

**23. Audit Committee:**

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.





**24. Stakeholders Relationship Committee:**

A Committee of the Board, designated as stakeholders relationship committee to specifically look into the redresses of Shareholder/investor complaints and to strengthen investors relations.

Name of the Non-Executive Director heading the Committee: The Committee functions under the chairmanship of Mr. Sana Satish Babu, a Non-Executive and Independent Director.

The other members of the Committee are:

Name of the Director	Designation
Sri. K. RAVI SHANKAR	Managing Director
Sri K. MALLIKARJUNA RAO	Wholetime Director

**25. Particulars of Loans given, Investments made, Guarantees given and Securities provided:**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement.

**26. Change in the nature of business, if any:**

There is no material change in the nature of business affecting the financial position of the Company for the year ended 31<sup>st</sup> March, 2015.

**27. 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>, 2015 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 foreignis 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 3,27,21,638/- against IT, IT enabled Services and other income

Foreign Exchange outgo: Rs NIL

**28. Extract of Annual Return:**

Extract of Annual Return of the Company is annexed herewith as **Annexure C**



**29. Particulars of Employees and related disclosures**

There are no Related Disclosures

**30. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redress) Act, 2013:**

The Company has in place an Internal Complaints Committee which has been set up to redress complaints regarding sexual harassment. The following is the summary of sexual harassment complaints received and disposed off during the year:

i) No. of complaints received: nil

ii) No. of complaints disposed off: nil

**31. Managing Director Certification pursuant to Clause 49(IX) of the Listing Agreement:**

The Managing Director certification to the board pursuant to clause 49(V) of the listing agreement is annexed herewith as **Annexure-D**

**32. Personnel / Industrial Relations:**

The Company maintained cordial and harmonious relations at all levels at the offices of the Company and its subsidiaries throughout the year under review.

**33. The details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future:**

In terms of sub rule 5(vii) of Rule 8 of Companies (Accounts) Rules, 2014, there are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**Appreciation:**

Your directors take this opportunity to express their appreciation for the co-operation to all the suppliers and customers who have been associated with the Company as partners of growth. The Directors would also like to take this opportunity to thank the financial institution, banks, regulatory and government authorities as well as the shareholders for their continued co-operation and support. The directors also wish to place on record their appreciation of the devoted and dedicated services rendered by all employees of the Company. We look forward to further support.

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

Sd/-

**K Ravi Shankar**  
Managing Director

Place: Hyderabad  
Date: 12-08-2015



**Annexure - A**

**Compliance report on Corporate Governance**

In accordance with Clause 49 of the Listing Agreement with the BSE Limited (BSE) & Ahmedabad Stock Exchange Ltd, the report containing the details of Corporate Governance systems and processes at ObjectOne Information Systems Limited is as follows:

At ObjectOne Information Systems Limited, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximising stakeholders' value, be it shareholders, employees, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

**1. Company's philosophy on Code of Corporate Governance:**

The Company is committed to ethical values and self-discipline through standards of good governance with transparency, efficiency, efficacy, full disclosure in its dealings and appropriate checks and balances directed at sustaining shareholders' interests and overall organisational goals.

**2. Board of Directors:**

**(a) Composition and Category of Directors as of 31<sup>st</sup> March, 2015 is as follows:**

<b>Category</b>	<b>No. of Directors</b>
Non-Executive Directors	1
Non-Executive Independent Directors	2
<b>Total</b>	<b>3</b>

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

The Board of Directors duly met 6 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are as follows:

On 30.05.2014, 30.07.2014, 03.09.2014, 05.11.2014, 04.02.2015 and on 09.03.2015.

**(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
1	Mr. K Ravi Shankar	Managing Director	6	6	Yes
2	Mr .K Mallikarjuna Rao	WholetimeDirector	6	6	Yes
3	Smt. K. Hima Bindu	Executive Director	6	6	Yes
4	Mr Vishwanadh Dasari*	Non-Executive Director	6	2	-
5	Mr. B.S.N Kumar	Independent Director	6	6	Yes
6	Mr. Sana Satish Babu	Independent Director	6	6	Yes
7	Mr. K Mohan	Independent Director	6	2	Yes

- **Mr. Viswanadh Dasari has resigned as Director w.e.f 27.05.2015**

**(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	K. Ravi Shankar	2	2	-	-
2	K. Mallikarjuna Rao	-	-	-	-
3	K. Hima Bindu	-	2	-	-
4	Viswanadh Dasari	-	-	-	-
5	BSN Kumar	-	2	-	-
6	Sana Satish Babu	-	7	-	-
7	K. Mohan	-	-	-	-

**3. Independent Directors:**

The Company has complied with the definition of Independence as per Clause 49 of the Listing Agreement and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

**4. Audit Committee****a) Brief description of the terms of reference**

The terms of reference of the Audit Committee are comprehensive and cover the matters specified for Audit Committees under the Listing Agreements with stock exchanges. The Committee provides the Board with additional assurance as to the adequacy of Company's internal control systems and financial disclosures.

**b) Composition, name 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

**c) Meetings and attendance during the year**

During the year under review, the Committee met four times on 13<sup>th</sup> May, 2014; 11<sup>th</sup> August, 2014; 08<sup>th</sup> November, 2014; and 11<sup>th</sup> February, 2015.

The details of attendance are given below:

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

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

**6. Nomination and Remuneration Committee**

- a) 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 2014-2015, the Committee met on 5<sup>th</sup> November, 2014.

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 31.03.2015**

**7. 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:

Mr K Ravi Shankar, Managing Director

Mr K. Mallikarjuna Rao, Whole Time Director

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

**8. 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,2014 (F.Y. 2013-14)	H.No. 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500073	2.00 P.M.
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.



**(b) Special resolutions**

All resolutions moved at the last Annual General Meeting were passed by a show of hands by the requisite majority of members attending the meeting. The following are the special resolutions passed at the previous General meetings held in the last three years:

<b>AGM/EGM held on</b>	<b>Whether special resolution passed</b>	<b>Summary of the resolution</b>
30 <sup>th</sup> September, 2014	Yes	Re-appointment of Independent Directors – Sri BSN Kumar, Sri Sana Satish Babu & Sri Kallepalli Mohan
30 <sup>th</sup> September, 2013	Yes	Fixation of remuneration to Smt K. Himabindu – Women Director. Delisting of Securities from Ahmedabad Stock Exchange
29 <sup>th</sup> September, 2012	Yes	Fixation of remuneration to Sri K. Mallikarjuna Rao

(c) Whether any special resolution passed last year through postal ballot - details of voting pattern:

No Postal Ballot was conducted during the financial year 2014-15.

(d) Person who conducted the postal ballot exercise: Not applicable.

(e) Whether any special resolution is proposed to be conducted through postal ballot: No

(f) Procedure for postal ballot - Not Applicable.

(g) Information on Directors re-appointment as required under Clause 49 VI (G) of the Listing Agreement with stock exchanges is given as a note appended to the explanatory statement of the AGM notice.

**9. Disclosures:**

(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 2014-15 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.

**10. Compliance with Non-Mandatory requirements:**

- (i) Shareholder Rights – The Company publishes its results on its website i.e, www.objectinfo.com which is accessible to the public at large. A half-yearly declaration of financial performance including summary of the significant events is presently not being sent to each household of shareholders. The Company’s results for each quarter are published in an English newspaper having a wide national circulation and also in a Telugu newspaper having a wide circulation in Telangana. Hence, half-yearly results are not sent to the shareholders individually.
- (ii) Audit qualifications – During the period under review, there is audit qualification that Company’s financial statements are on a going basis.
- (iii) Training of Board members – The Company is yet to evolve a plan to train the Board members.
- (iv) Mechanism for evaluating Non-Executive Board members – Yet to evolve

As regards other non-mandatory requirements, the Board has taken cognizance of the same and may consider adopting them in the future.

**11. Means of communication**

The quarterly/half-yearly/annual financial results of the Company are sent to the stock exchanges immediately after they are approved by the Board.

The quarterly/half-yearly/annual financial results of the Company are published in Financial Chronical and Andhra Bhoomi within 48 hours of the conclusion of the Board meeting.

**12. General Shareholders Information:**

Sl. No.	Particulars	Description
1.	Date, time andvenue of AnnualGeneral Meeting	30 <sup>th</sup> September, 2015 at 11:00 A.M. at registered of the company at 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Main Road, Hyderabad – 500 073.
2.	Financialcalendar (Tentativeschedule)	Financial year : 1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016 Board meetings for approval of quarterly results: 1st Quarter ended on 30 <sup>th</sup> June, 2015: within 45 days from the close of quarter. 2nd Quarter ended on 30 <sup>th</sup> September, 2015: within 45 days from the close of quarter.





ObjectOne Information Systems Limited

		3rd Quarter ended on 31 <sup>st</sup> December, 2015: within 45 days from the close of quarter. Annual results for financial year ended 31 <sup>st</sup> March, 2016 (audited): Within 60 days of the close of financial year. Annual general meeting for the year 2015-16 : In accordance with Companies Act, 2013 and amendment if any.
3.	Date of bookclosure (both days inclusive)	24 <sup>th</sup> September, 2015 to 30 <sup>th</sup> September, 2015 (both days inclusive) Record Date : 23.09.2015
4.	Dividend payment due	N.A
5.	Listing on stockExchanges	A) The Bombay Stock Exchange Limited P. J. Towers, Dalal Street, Mumbai – Z400001 B) Ahmedabad Stock Exchange Limited Kamadhenu Complex, Panjarapole, Ahmedabad – 380 015
6.	Stock Code	A) BSE: Equity- 535657 B) ASE: SURCABLES
7.	Electronic connectivity	A) Central Depository Services (India) Ltd Phiroze Jeejeebhoy Towers, 28th Floor Dalal Street, Mumbai – 400023 B) National Securities Depository Limited 4 <sup>th</sup> Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapathi Bapat Marg, Lower Parel, MUMBAI- 400 013
8.	Registered Office (address for correspondence)	# 8-3-988/34/7/2/1&2, Kamalapur Colony, Srinagar Colony Main Road, Hyderabad – 500 073 Phone Nos: 040-23757192, 23757193 Mail ID: <a href="mailto:accountsone@objectinfo.com">accountsone@objectinfo.com</a>
9.	Registrar & Transfer and Agents Communication regarding share transfers other related correspondence	M/s. Aarti Consultants Pvt Ltd 1-2-285, Domalguda, Hyderabad – 500 029. Note: Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants
10.	Share transfer System	Shares lodged for physical transfer at the Registrar's address are normally processed within a period of 15 days from the date of lodging, if the documents are clear in all respects. The shares duly transferred would be dispatched to the concerned shareholders within a week from the date of approval of transfers by the Share Transfer Committee.



The Company has paid Listing fees for the year 2015-16 to all the aforesaid Stock Exchanges.

**13. Distribution of shareholding as on 31<sup>st</sup> March, 2015 was as under:**

Share Holding Nominal Value Rupees	Share Holders		Share Amount	
	Nos	%	Rs.	%
Upto 5000	518	48.59	614700	0.58
5001 10000	126	11.82	1191040	1.13
10001 20000	82	7.69	1394430	1.33
20001 30000	67	6.29	1785870	1.70
30001 40000	39	3.66	1425770	1.36
40001 50000	47	4.41	2313240	2.20
50001 100000	57	5.35	4262720	4.06
100001 And above	130	12.20	92131230	87.64
<b>TOTAL</b>	<b>851</b>	<b>100</b>	<b>105119000</b>	<b>100</b>

**Shareholding Pattern as on 31<sup>st</sup> March, 2015 was as under:**

CATEGORY	No of shares Held	%Age of Shareholding
<b>A. Promoter's Holding</b>		
1. Promoters'		
- Indian promoters	1730840	16.47%
- Foreign Promoters	- Nil -	- Nil -
2. Persons acting in Concern	- Nil -	- Nil -
<b>Sub – Total</b>	<b>1730840</b>	<b>16.47%</b>
<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	2404070	22.87
b. Indian Public:		



Holding upto of Rs.1 lakh	1214706	11.56%
Holding in excess of Rs.1 lakh	4760322	45.29%
c. NRIs/OCBs	300	-Nil-
d. Any other – Clearing Members	401662	3.82%
<b>Sub – Total</b>	<b>8781060</b>	<b>83.53%</b>
<b>GRAND TOTAL</b>	<b>10511900</b>	<b>100.00</b>

**14. Dematerialisation of shares and liquidity:**

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 scrip less trading. The International Securities Identification Number (ISIN) allotted to the Company's scrip is INE 860E01011. 83.99% of equity shares are held in dematerialised form as on March 31, 2015.

**Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.**

During the financial year 2014-15, the Company has not issued any GDRs/ADRs and there are no outstanding warrants or any convertible instruments.

**15. Plant locations:**

Not Applicable

**16. Market price data:**

The Company's shares are traded on The Bombay Stock Exchange.

Monthly high and low quotations and volume of equity shares traded on Bombay Stock Exchange Limited (BSE) for 2014-15 were as follows:

Amount in Rs.

MONTH	HIGH	LOW
Apr-14	31.30	23.70
May-14	22.55	17.15
Jun-14	18.40	12.90
Jul-14	16.20	10.60
Aug-14	13.97	9.93
Sep-14	13.87	10.50
Oct-14	18.79	10.00



Amount in Rs.

MONTH	HIGH	LOW
Nov-14	20.40	13.15
Dec-14	19.40	13.25
Jan-15	21.85	14.55
Feb-15	18.05	10.55
Mar-15	22.32	12.10

(Source: www.bseindia.com )

**17. Reconciliation of Share Capital Audit:**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSIL) and the total issued and paid-up capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is placed before the board of directors of the Company. The audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSIL and the total number of shares in physical form.

**18. Corporate Identity Number (CIN):**

Corporate Identity Number (CIN) of the company, allotted by the Ministry of Corporate Affairs, Government of India is L31300TG1996PLC023119.

**19. Declaration of 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 on 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 2015. A declaration signed by the management director to this effect is enclosed.

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

Place: Hyderabad  
Date: 12-08-2015

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, 2015

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

Sd/-

**K Ravi Shankar**  
Managing Director

Place : Hyderabad  
Date : 12.08.2015



## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To the members,

### **ObjectOne Information Systems Ltd**

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 Governance of M/s ObjectOne Information Systems Limited ("The Company") for the year ended 31<sup>st</sup> March, 2015 as stipulated in clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination, conducted in the manner described in the Guidance Note on Corporate Governance, issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation there of adopted by the Company, for ensuring compliance with the 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 of the above mentioned Listing Agreement.

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

**For P MURALI & Co.,**  
CHARTERED ACCOUNTANTS  
FRN: 007257S

Sd/-

**A Krishna Rao**  
Partner  
M No. 002085

Place : Hyderabad  
Date : 12.08.2015



**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015

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

To,  
The Members,  
Object One Information Systems Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Object One Information Systems Limited. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Employees' State Insurance Act, 1948 and Employees' State Insurance (General) Regulations, 1950;
- (vii) The Employees Provident Funds and Miscellaneous Provisions Act, 1952 and The Employees' Provident Funds Scheme, 1952;
- (viii) The Payment of Bonus Act, 1965 and the Payment of Bonus Rules, 1965;
- (ix) The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;
- (x) Income Tax Act, 1961 and rules made thereunder;
- (xi) Service Tax Act, 1994 and rules made thereunder;
- (xii) A.P. Shops and Establishment Act, 1988;
- (xiii) The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;
- (xiv) The Information Technology Act, 2000
- (xv) The Special Economic Zone Act, 2005
- (xvi) Policy relating to Software Technology Parks of India and its regulations
- (xvii) The Indian Copyright Act, 1957
- (xviii) The Patents Act, 1970
- (xix) The Trade Marks Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and Ahmedabad Stock Exchange Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.,

I further report that The Board of Directors of the Company is duly constituted with proper balance of





Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

1. *The Company don't have Chief Financial Officer and Company secretary as Key managerial Personal as required under section 204 of Companies Act, 2013.*
2. *The Company has not appointed Internal Auditors as required under Section 138 of the Companies Act, 2013*
3. *The Company has not filed MGT-10 as required under Section 93 read with rule 13 of the Companies (Management and Administration) Rules, 2014 for changes of 2% in the shareholding of Top Ten Shareholders as compared to their existing shareholding. In this regard the Company has expressed that in their opinion the 2% change is in relation to the total company share capital but not individual shareholding of each shareholder. Hence awaiting the clarification from the MCA for filing the same.*
4. *The Company has filed some forms with MCA21 with delay and has paid the additional fee as required under the Act.*

Place: Hyderabad  
Date: 12.08.2015

Sd/-  
**S. Chidambaram**  
Practicing Company Secretary:  
FCS No. 3935  
C P No: 2286



## Annexure-C

**Form No. MGT-9  
Extract of Annual Return**

as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. Registration and other details:**

i.	CIN	L31300TG1996PLC023119
ii.	Registration Date	06/02/1996
iii.	Name of the Company	OBJECTONE INFORMATION SYSTEMS LIMITED
iv.	Category / Sub-Category of the Company	IT/ITES, Digital Media Entertainment
v.	Address of the Registered office and contact details	8-3-988/34/7/2/1 & 2, Kamalapuri Colony, Srinagar Colony Main Road, Hyderabad-Telangana- 500073
vi.	Whether listed company (Yes/No)	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Aarathi Consultants Pvt Ltd 1-2-285, Domalguda, Hyderabad – 500 029

**II. Principal business activities of the company:**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	IT/ITES a) Advertisement Revenue b) Manpower Outsource	722/723/724	a) 51.02 b) 28.06

**III. Particulars of holding, subsidiary and associate companies:**

Sl. No	Name and address of the Company	CIN/GLN Associate	Holding/Subsidiary/ Associate	% of shares Held	Applicable Section
01	ObjectNet Technologies Inc 1117, Perimeter Center, West Suite, # E 104, Georgia, Atlanta, USA	Foreign subsidiary	Subsidiary	100%	Not applicable



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

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 01-04-2014				No. of Shares held at the end of the Year - 31-03-2015				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual / HUF	2080840	0	2080840	19.8	1730840	0	1730840	16.47	3.33
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) bodies corp.	0	0	0	0	0	0	0	0	0
e) any other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>2080840</b>	<b>0</b>	<b>2080840</b>	<b>19.8</b>	<b>1730840</b>	<b>0</b>	<b>1730840</b>	<b>16.47</b>	<b>-3.33</b>
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total shareholding of promoters (A)= (A)(1)+(A)(2)	<b>2080840</b>	<b>0</b>	<b>2080840</b>	<b>19.8</b>	<b>1730840</b>	<b>0</b>	<b>1730840</b>	<b>16.47</b>	<b>-3.33</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1652446	305000	1957446	18.62	2199070	205000	2404070	22.87	4.25
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individualshareholders holding nominalshare capital upto Rs. 1 lakh	693240	327629	1020869	9.71	900567	314139	1214706	11.56	1.85
ii) Individualshareholders holdingnominal share capital in excess of Rs 1lakh	2206147	2900170	5106317	48.58	3596122	1164200	4760322	45.29	-3.29
c) Others									
-Nri,s	0	0	0	0	300	0	300	0	0
-Bodies	0	0	0	0	0	0	0	0	0
Clearingmem	346428	0	346428	3.3	401662	0	401662	3.82	0.52
<b>Sub-total (B)(2):-</b>	<b>4898261</b>	<b>3532799</b>	<b>8431060</b>	<b>80.2</b>	<b>7097721</b>	<b>1683339</b>	<b>8781060</b>	<b>83.53</b>	<b>3.33</b>
Total Public Shareholding(B)= (B)(1)+(B)(2)	4898261	3532799	8431060	80.2	7097721	1683339	8781060	83.53	3.33
C. Shares held by Custodian forGDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total(A+B+C)</b>	<b>6979101</b>	<b>3532799</b>	<b>10511900</b>	<b>100</b>	<b>8828561</b>	<b>1683339</b>	<b>10511900</b>	<b>100</b>	<b>0</b>

**ii) Shareholding of Promoters**

S. No.	Share Holder's Name	Shareholding at the beginning of the year-01.04.2014			Shareholding at the end of the year-31.03.2015			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to total Shares	
1	Himabindu Kantamneni	1063956	10.12	0	713956	6.79	0	3.33
2	Ravishankar Kantamneni	1016884	9.67	0	1016884	9.67	0	0



(iii) **Change in Promoters' Shareholding (please specify, if there is no change):** Change in promoters' shareholding during financial year 2014-15

Sl. No.	Particulars	Shareholding at the beginning of the year-01.04.2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>A)</b>	<b>Himabindu Kantamneni</b>				
1	At the beginning of the year	1063956	10.12		
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	Transfer of Shares	% of Shares	Cumulative	% of Shares
		Date	Decrease		
		19.06.14	50000	0.48	1013956 9.65
		09.01.15	50000	0.48	963956 9.17
		26.02.15	50000	0.48	913956 8.69
		27.02.15	50000	0.48	863956 8.22
		03.03.15	50000	0.48	813956 7.74
		11.03.15	50000	0.48	763956 7.27
		13.03.15	50000	0.48	713956 6.79
3	At the End of the year			713956	6.79

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

Sl. No.	Particulars	Shareholding at the beginning of the year-01.04.2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>A)</b>	<b>Swapriyaraj Holdings Pvt Ltd</b>				
1	At the beginning of the year	14,72,080	14		
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year			957782	9.11



Sl. No.	Particulars	Shareholding at the beginning of the year-01.04.2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>B) Madhuri Sana</b>					
1	At the beginning of the year	574712	5.47		
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year			152664	1.45
<b>C) M. Bharathi</b>					
1	At the beginning of the year	427900	4.07	0	0
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	0	0	0	0
<b>D) Vijaykumar Mallampati</b>					
1	At the beginning of the year	311995	2.97		
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year			241995	2.3
<b>E) Divyesh Rasiklal Shah</b>					
1	At the beginning of the year	190000	1.81	0	0
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	0	0	0	0



Sl. No.	Particulars	Shareholding at the beginning of the year-01.04.2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>F)</b>	<b>Seema D Jhaveri</b>				
1	At the beginning of the year	170000	1.62		
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year			170000	1.62
<b>G)</b>	<b>RinaSinghvi</b>				
1	At the beginning of the year	160000	1.52	0	0
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	0	0	0	0
<b>H)</b>	<b>Sanjay ShantilalSinghvi HUF</b>				
1	At the beginning of the year	130000	1.24	0	0
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	0	0	0	0
<b>I)</b>	<b>PankajPrasoon and HUF</b>				
1	At the beginning of the year	129873	1.24	0	0
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	0	0	0	0



Sl. No.	Particulars	Shareholding at the beginning of the year-01.04.2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>J)</b>	<b>PratibhutiViniyog Ltd</b>				
1	At the beginning of the year	120127	1.14	0	0
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
3	At the End of the year	0	0	0	0

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Particulars	Shareholding at the beginning of the year-01.04.2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>A)</b>	<b>Ravishankar Kantamneni</b>				
1	At the beginning of the year	1016884	9.67		
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
3	At the End of the year			1016884	9.67
<b>B)</b>	<b>HimabinduKantamneni</b>	Date	Decrease		
1	At the beginning of the year	1063956		10.12	
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	19.06.14	50000	0.48	1013956
		09.01.15	50000	0.48	963956
		26.02.15	50000	0.48	913956
		27.02.15	50000	0.48	863956
		03.03.15	50000	0.48	813956
		11.03.15	50000	0.48	763956
		13.03.15	50000	0.48	713956
3	At the End of the year			713956	6.79





<b>C) Viswanadh Dasari</b>					
1	At the beginning of the year	449800	4.28	0	0
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3	At the End of the year	0	0	0	0

**V. INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
Vehicle Loans				
i) Principal Amount	1110558	NIL	NIL	1110558
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	1110558	NIL	NIL	1110558
<b>Change in Indebtedness during the financial year</b>				
• Addition	NIL	NIL	NIL	NIL
• Reduction	615764	NIL	NIL	615764
<b>Net Change</b>	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	494794	NIL	NIL	494794
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	494794	NIL	NIL	494794



**VI. Remuneration of directors and key managerial personnel**

*A. Remuneration to Managing Director, Whole-time Directors and/or Manager:*

AMOUNT IN RUPEES

Name	K. RAVI SHANKAR	K. MALLIKA RJUNA RAO	K. HIMA BINDU	TOTAL
Designation	Managing Director	Wholetime Director	Executive Director	
1. Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1500000	900000	360000	2760000
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
(c) Profits in lieu of salary under section 17(3) IncometaxAct, 1961	NIL	NIL	NIL	NIL
2. Stock Option	NIL	NIL	NIL	NIL
3. Sweat Equity	NIL	NIL	NIL	NIL
4. Commission- as % of profit- others, specify...	NIL	NIL	NIL	NIL
5. Others, pleasespecify	NIL	NIL	NIL	NIL
Total	1500000	900000	360000	2760000
Ceiling as per the Act	42,00,000	42,00,000	42,00,000	126,00,000

*B. Remuneration to other directors: NIL*

Sl. no.	Particulars of Remuneration	Name of Director				Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	Nil	Nil	Nil	Nil	Nil
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission					



Sl. no.	Particulars of Remuneration	Name of Director				Total Amount
	• Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission- as % of profit- others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	<b>Total</b>	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give Details)
Penalty Punishment Compounding <b>C. OTHER OFFICERS IN DEFAULT</b> Penalty Punishment Compounding			-NIL -  -NIL-		



**Annexure - D**

**Managing Director Certification pursuant to Clause 49(IX) of the Listing Agreement**

To,  
The Board of Directors  
M/s. ObjectOne Information Systems Limited

1. We have reviewed financial statements and the cash flow statement of M/s. ObjectOne Information Systems Limited for the year ended 31<sup>st</sup> March, 2015 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

**For ObjectOne Information Systems Limited**

**Sd/-**

**K. Ravi Shankar  
Managing Director**

**Date: 12.08.2015  
Place: Hyderabad**

**Annexure-E****PARTICULARS OF EMPLOYEES**

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

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;
- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

**Rupees in Lakhs**

Sl No.	Name of the Director	Designation	Remuneration paid in		Increase in remuneration from previous year
			2014-15	2013-14	
1.	Mr. K. Ravi Shankar	Managing Director	15	15	0
2.	Mr. K. Mallikarjuna Rao	Whole-Time Director	9	9	0
3.	Mrs K Hima Bindu*	Executive Director	3.6	0	3.6

\* Mrs. K Hima Bindu was appointed as Whole-Time Director in 17<sup>th</sup> AGM conducted on 30.09.2013 and drawing remuneration w.e.f 01.04.2014.

# There was no increase in remuneration the difference is only due to commission on profits.

- (iii) The percentage increase in the median remuneration of employees in the financial year: 10%.
- (iv) The number of permanent employees on the rolls of company: 109 in India & 69 persons in Atlanta
- (v) The explanation on the relationship between average increase in remuneration and company performance: Based on the performance of the company during the Financial Year 2013-14 there was no hike in employee remuneration during the Financial Year 2014-15, and it's due to minimum increment to staff for covering inflation.
- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

Aggregate remuneration of Key Managerial Personnel (KMP) in FY 2014-15 (Rs. in lakhs)	27.6
Revenue (Rs. in lakhs) - Consolidate	2943.37
Remuneration of KMPs (as a % of revenue)	0.93%
Profit Before Tax (Rs. in lakhs)- Consolidate	21.25
Remuneration of KMPs (as a % of Profit before Tax)	130%



- (vii) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	31.03.2014	31.03.2015
Market Capitalization of the Company (in Rs. Lakhs)	2680	2208
Closing Price at the National Stock Exchange Ltd. (in Rs.)	25.50	21.01
Price Earnings Ratio as at the closing date (MPS/EPS)	0.02	0.10

Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Particulars	31.03.2015	06.02.1996	Change
Market Price (BSE)	21.01	10	210%

- (viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: (a) The average annual increase for the Financial Year 2014-15 in salaries of employees was 10% (b) The increase in managerial remuneration for the Financial Year 2014-15 was NIL.

- (ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;

Particulars	K. Ravi Shankar Chairman	K. Mallikarjuna Rao Managing Director	K Hima Bindu Whole-Time Director
Remuneration in FY 2014-15 (Rs. in lakhs)	15	9	3.60
Revenue (Rs. in lakhs)	2943.37 (Consolidated)		
Remuneration as % of revenue	0.51%	0.30%	0.12%
Profit before Tax (PBT) (Rs. in lakhs)	21.25 (Consolidated)		
Remuneration (as % of PBT)	70.58%	42.35%	16.94%



- (x) The key parameters for any variable component of remuneration availed by the directors: There is no other variable component of remuneration availed by the Directors.
- (xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None.
- (xii) Affirmation that the remuneration is as per the remuneration policy of the company: The Company affirms remuneration is as per the remuneration policy of the Company.

**Statement under Section 134 of the Companies Act 2013 read with Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- a) Employed throughout the Financial Year and in receipt of remuneration aggregating Rs. 60,00,000 or more: NIL
- b) Employed for part of the financial year and in receipt of remuneration aggregating Rs. 5,00,000 per month or more: - NIL



## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of ObjectOne Information Systems Limited**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone Financial Statements of **M/s ObjectOne Information Systems Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.





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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2015, its profit and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Standalone Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The company has no pending litigations as at March 31, 2015 on its financial position in its financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For P. Murali & CO.,  
Chartered Accountants  
FRN - 007257S  
Sd/-  
A Krishna Rao  
Partner  
M.No. 020085

Place: Hyderabad  
Date: 27/05/2015



**Annexure referred to in paragraph 1 of Our Report of even date to the members of ObjectOne Information Systems Limited on the accounts of the company for the year ended 31st March, 2015 Under “Report on other Legal & Regulatory Requirements”**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification.
- ii. (a) The Inventory has been physically verified during the year by the Management and in our opinion, the frequency of verification is reasonable.  
(b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of stocks as compared to book records.
- iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- vi. The Central Government has not prescribed for maintenance of cost records under sub-section (1) of Section 148 of the Act, 2013.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Service Tax, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India ;  
(b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues in arrears as at 31<sup>st</sup> March 2015 for a period of more than 6 months for the date they became payable.



- (c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax and Sales Tax.
- (d) There are no amounts that are due to be transferred to the Investors Education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956 [1 of 1956] and rules made there under.
- viii. The Company does not have accumulated losses at the end of the financial year and the company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion, and according to the information and explanations given to us, the company has not availed any Limits from Banks / Financial Institutions, hence default in repayment of dues to financial institution / banks does not arise. The company has not issued any debentures.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from bank or financial institutions; hence this clause is not applicable.
- xi. In our opinion, and according to the information and explanations given to us, the Company has not obtained any terms loans, and hence, the applicability of term loans for the purpose for which they were obtained, is not applicable.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

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

**Sd/-**

**A Krishna Rao**  
Partner  
M.No. 020085

Place: Hyderabad  
Date: 27/05/2015



<b>OBJECTONE INFORMATION SYSTEMS LIMITED</b>			
<b>BALANCE SHEET AS AT 31ST MARCH, 2015</b>			
<b>PARTICULARS</b>	<b>NOTE No.</b>	<b>AS AT 31-03-2015 (Rupees)</b>	<b>AS AT 31-03-2014 (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	24,275,724	25,952,776
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	4,210,796	4,705,589
(c) Long term provisions	4	1,760,770	1,458,200
<b>(3) Current Liabilities</b>			
(a) Trade payables	5	2,060,617	1,554,143
(b) Other current liabilities	6	494,794	615,765
(c) Short-term provisions	7	1,015,174	6,676,220
<b>Total</b>		<b><u>138,936,876</u></b>	<b><u>146,081,693</u></b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	8		
(i) Tangible assets		12,464,488	18,060,259
(ii) Intangible assets		63,024,019	64,547,751
(iii) Capital WIP		-	-
(b) Non-current investments	9	10,705,347	10,705,347
(c) Deffered tax assets (net)	10	1,861,158	2,330,364
(d) Long term loans and advances	11	11,763,358	11,763,358
(e) Other non-current assets	12	2,856,517	1,706,293
<b>(2) Current assets</b>			
(a) Inventories	13	3,055,320	4,330,820
(b) Trade receivables	14	22,156,702	23,741,311
(c) Cash and cash equivalents	15	5,030,625	3,094,450
(d) Short-term loans and advances	16	6,019,342	5,801,740
<b>Total</b>		<b><u>138,936,876</u></b>	<b><u>146,081,693</u></b>
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., Firm Registration No: 007257S Chartered Accountants Sd/ A. Krishna Rao Partner Membership No. 020085 Place : Hyderabad Date : 27-05-2015			
For and on behalf of the Board For <b>OBJECTONE INFORMATION SYSTEMS LIMITED</b> Sd/ K. RAVISHANKAR Managing Director			
Sd/ K. MALLIKARJUNA RAO WHOLETIME DIRECTOR			

**OBJECTONE INFORMATION SYSTEMS LIMITED**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
Revenue from operations	17	57,890,880	54,099,032
Other Income	18	247,322	1,467,440
<b>Total Revenue</b>		<b>58,138,202</b>	<b>55,566,472</b>
Expenses:			
Changes in Inventories	19	1,275,500	(2,145,200)
Employee benefit expense	20	25,048,048	25,481,506
Other operating expenses	21	13,522,756	18,221,718
Administrative Expenses	22	11,206,883	6,791,997
Financial costs	23	126,664	335,089
Depreciation and amortization expense	8	5,439,878	6,612,537
<b>Total Expenses</b>		<b>56,619,729</b>	<b>55,297,647</b>
Profit Before Tax		1,518,473	268,825
Tax Expense:			
(1) Current tax		289,345	51,225
(2) Deferred tax Liability		469,208	83,067
(3) Mat Credit		289,345	51,225
Profit After Tax		1,049,265	185,758
Earning per Equity Share:			
Basic & Diluted (Refer Note No. 25)		0.10	0.02

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.,  
Firm Registration No: 007257S  
Chartered Accountants

Sd/  
A. Krishna Rao  
Partner

Membership No. 020085  
Place : Hyderabad  
Date : 27-05-2015

For and on behalf of the Board  
For **OBJECTONE INFORMATION SYSTEMS LIMITED**

Sd/  
K. RAVISHANKAR  
Managing Director

Sd/  
K. MALLIKARJUNA RAO  
WHOLETIME DIRECTOR



**OBJECTONE INFORMATION SYSTEMS LIMITED  
CASH FLOW STATEMENT OF THE YEAR ENDED 31-03-2015**

PARTICULARS	As at 31-03-2015	As at 31-03-2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	1,518,473	268,825
Adjustments for:		
Depreciation	5,439,878	6,612,537
Loss on sale of Fixed Assets	-	-
Loss on sale of Investments	-	-
Interest Income	(213,109)	(41,093)
Interest expenses	96,267	162,456
<b>Operating Profit before working capital changes</b>	<b>6,841,509</b>	<b>7,002,725</b>
Adjustments for:		
(Increase)/Decrease Trade and other receivables	1,584,609	(3,927,808)
(Increase)/Decrease in Inventories	1,275,500	(2,145,200)
Increase/(Decrease) Trade Payables and others	506,474	701,560
Increase/(Decrease) Other Current Liabilities	(120,971)	7,999
Increase/(Decrease) Short Term Provisions	(5,661,046)	3,935,830
(Increase)/Decrease Short Term Loans and Advances	(217,602)	(876,262)
<b>Net Cash Flow from Operating Activities</b>	<b>4,208,473</b>	<b>4,698,844</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets Incl. CWIP	(1,046,691)	(2,830,845)
Sale of Fixed Assets	-	-
Sale of Investments	-	-
Interest Income	213,109	41,093
<b>Net Cash used in Investment Activities</b>	<b>(833,582)</b>	<b>(2,789,752)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) Long Term Borrowings	(494,793)	(690,161)
Increase/(Decrease) Long Term Provisions	302,570	686,180
Increase/(Decrease) Long Term liability	-	(3,000,000)
(Increase)/Decrease Long Term Loans and Advances	-	(27,200)
(Increase)/Decrease Other Non Current Assets	(1,150,224)	(91,664)
Interest and Finance charges paid	(96,267)	(162,456)
<b>Net Cash used in Financing Activities</b>	<b>(1,438,714)</b>	<b>(3,285,301)</b>
<b>NET INCREASE \ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,936,177</b>	<b>(1,376,209)</b>
Cash and Cash equivalents ( Opening Balance)	3,094,450	4,470,659
Cash and Cash equivalents ( Closing Balance)	5,030,625	3,094,450

For P Murali & Co.,  
Chartered Accountants  
Firm Regn No. 007257S  
Sd/-  
A. Krishna Rao  
PARTNER  
Membership No:020085  
Place : Hyderabad, Date: 27-05-2015

FOR AND ON BEHALF OF THE BOARD  
**ObjectOne Information Systems Limited**  
Sd/- Sd/-  
**K. RAVISHANKAR** **K. MALLIKARJUNA RAO**  
MANAGING DIRECTOR WHOLETIME DIRECTOR

**AUDITORS CERTIFICATE**

We have examined the attached Cash Flow Statement of M/s. Objectone Information Systems Limited for the year ended 31st March, 2015. 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.

PLACE: HYDERABAD  
DATE : 27-05-2015

for **P. MURALI & CO.,**  
CHARTERED ACCOUNTANTS  
FRN:007257S  
Sd/  
A. Krishna Rao  
PARTNER, M.No. 020085



## OBJECT ONE 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, 2013.

##### 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.



**f) 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.

**g) 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.

**h) 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.

**i) Depreciation**

Depreciation is provided on straight-line method at the rates specified in Schedule II to the Companies Act, 2013. Depreciation on assets added, sold or discarded is provided for on pro-rata basis.

**j) 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.

**k) 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.

**l) Related Party Disclosure:-**

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

**m) Segment Reporting:-**

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

**n) 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.

**o) 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.

**p) Earnings per Share:**

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

**q) 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 31-03-2015 (Rupees)	AS ON 31-03-2014 (Rupees)
I	Share Capital ( For each class of capital )		
	(a) Authorised (1,40,00,000 Equity Shares of Rs10/- 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:	<b>No of shares</b>	<b>No of shares</b>
	Equity Shares of Rs.10/-Each, Fully paid up :		
	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:	% of Share Holding	
	Equity Shares of Rs. 10/- each Held By		
	<b>Name of the Share Holder No. of Shares No.of Shares</b>		
	(a) Swapriya Raj Holdings Pvt Ltd 957782 1472080	9.11	14.00
	(b) K. Ravi Shankar 1016884 1016884	9.67	9.67
(c) Himabindu Kantamneni 713956 1063956	6.79	10.12	
(d) Madhuri Sana 152664 574712	1.45	5.47	
(e) Rudra Shares & Stock Brokers Ltd 560307 0	5.33	-	

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

S.No.	PARTICULARS	AS ON 31-03-2015 (Rupees)	AS ON 31-03-2014 (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	-	-
	Sub Total	23,814,000	23,814,000
	b) Surplus :		
	Opening Balance - Profit and Loss Account	2,138,776	1,953,018
	Less: Amount transferred to retained earnings pursuant to Schedule II of Companies Act, 2013	2,726,316	
	Add: Transfer from Profit & Loss Account	1,049,265	185,758
	Sub Total	461,724	2,138,776
	<b>Total Reserves and Surplus</b>	<b>24,275,724</b>	<b>25,952,776</b>



<b>NOTE No. 3 : LONG TERM BORROWINGS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (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	494,794	1,110,558
	Less: Current maturities of finance lease obligation (Refer Note)	4,705,590 494,794	5,321,354 615,765
	<b>Note : Financie Lease obligations are secured by hyphotication Vehicles and personal guaranteed by the directors</b>		
	<b>Total long term borrowings</b>	<b>4,210,796</b>	<b>4,705,589</b>
<b>NOTE No. 4 : LONG TERM LIABILITES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Provisions for employee benefits - Provision for Gratuity	1,760,770	1,458,200
	<b>Total long term provisions</b>	<b>1,760,770</b>	<b>1,458,200</b>
<b>NOTE No. 5 : TRADE PAYABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	a) Sundry Creditors	760,431	1,199,681
	b) Creditors for Expenses	1,300,186	354,462
	<b>Total Trade Payables</b>	<b>2,060,617</b>	<b>1,554,143</b>
<b>NOTE No. 6 : OTHER CURRENT LIABILITES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	a) Current maturities of finance lease obligation	494,794	615,765
	b) Advances from Customers	-	-
	<b>Total other current liabilites</b>	<b>494,794</b>	<b>615,765</b>



<b>NOTE No. 07 : SHORT TERM PROVISIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	a) Provisions for employee benefits		
	PF Payable	128,222	37,327
	ESI Payable	21,021	3,768
	Salaries Payable	-	1,659,415
	b) Others		
	Statutory Liabilities	576,586	209,615
	Provision for Income Tax	289,345	51,225
	Provision for Expenses	-	4,714,870
	<b>Total short term provisions</b>	<b>1,015,174</b>	<b>6,676,220</b>
<b>NOTE No. 9 : NON- CURRENT INVESTMENTS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Non- Current Investments		
	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  
FIXED ASSETS AS ON 31ST MARCH, 2015**

**NOTE No. : 8 : Fixed Assets - Tangible & Intangible Assets as at 31-03-2015**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS AT 01-04-2014	Additions during the year	Sale/ Deletions during the year	AS AT 31-03-2015	DEP. AS ON 01.04.2014	Dep. For the Year 2014-2015	Transferred to retained Earning	Total Depre- ciation	Net Block as on 31.03.2015	Net Block as on 31.03.2014
Tangible Fixed Assets:										
1 LEASED BUILDING	8,850,687	-	-	8,850,687	3,453,523	206,331	-	3,659,854	5,190,833	5,397,164
2 HARDWARE & SOFTWARE	31,463,250	248,625	-	31,711,875	27,946,042	1,511,859	922,527	30,380,428	1,331,447	3,517,208
3 FURNITURE & FIXTURES	6,672,236	-	-	6,672,236	4,398,649	641,474	101,690	5,141,813	1,530,423	2,273,587
4 OFFICE EQUIPMENT	8,678,586	16,457	-	8,695,043	6,080,038	150,801	1,702,099	7,932,938	762,105	2,598,548
5 VEHICLES	4,917,150	52,610	-	4,969,760	688,236	663,819	-	1,352,055	3,617,705	4,228,914
6 ELECTRICAL EQUIPMENTS	125,000	-	-	125,000	80,162	12,863	-	93,025	31,975	44,838
Intangible Assets:										
7 KIDSONE CONTENT	2,601,242	-	-	2,601,242	1,312,735	231,816	-	1,544,551	1,056,691	1,288,507
8 RIGHTS	54,860,700	-	-	54,860,700	-	-	-	-	54,860,700	54,860,700
9 RIGHTS	31,146,031	728,999	-	31,875,030	22,747,487	2,020,915	-	24,768,402	7,106,628	8,398,544
<b>TOTAL</b>	<b>149,314,882</b>	<b>1,046,691</b>	<b>-</b>	<b>150,361,573</b>	<b>66,706,872</b>	<b>5,439,878</b>	<b>2,726,316</b>	<b>74,873,066</b>	<b>75,488,507</b>	<b>82,608,010</b>
Previous Year	146,484,037	3,324,521	493,676	149,314,882	60,094,335	6,612,537	-	66,706,872	82,608,010	86,389,702



<b>NOTE NO. 10 : DEFERRED TAX ASSET</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	Opening Deferred tax Liability	5,418,230	4,692,448
	Add:		
	Deferred Tax Liability for the year	1,020,025	725,783
	<b>Gross Deferred tax Liability</b>	<b>6,438,255</b>	<b>5,418,231</b>
	Opening Deferred tax Asset	7,748,596	7,105,879
	Provision for Gratuity and Compensated Absences and doubtful debts	550,817	642,717
	<b>Gross Deferred tax Asset</b>	<b>8,299,413</b>	<b>7,748,596</b>
	<b>Deferred Tax Asset - Net</b>	<b>1,861,158</b>	<b>2,330,364</b>
<b>NOTE NO. 11 : LONG TERM LOANS AND ADVANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	Long term loans and advances:		
	a) Security Deposit		
	Unsecured	189,383	189,383
	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>11,763,358</b>
<b>NOTE NO. 12 : OTHER NON - CURRENT ASSETS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Receivable form Revenue Authorities		
	Service Tax	-	450,280
	TDS	2,856,517	1,255,888
	VAT	-	125
	<b>Total other non - Current Assets</b>	<b>2,856,517</b>	<b>1,706,293</b>



<b>NOTE NO. 13 : INVENTORIES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Inventories :		
	Work In Process	3,055,320	4,330,820
	<b>Total Inventories</b>	<b>3,055,320</b>	<b>4,330,820</b>
<b>NOTE NO. 14 : TRADE RECEIVABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
	Unsecured, Considered Good	7,784,853	5,115,717
	<b>Other Receivables:</b>		
	Unsecured, Considered Good	14,371,849	18,625,594
	<b>Total Trade Receivables</b>	<b>22,156,702</b>	<b>23,741,311</b>
<b>NOTE NO. 15 : CASH AND BANK BALANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Cash and cash equivalents :		
	a) Balances with banks :		
	On Current Accounts	2,791,127	1,335,987
	b) Cash on hand	363,687	19,249
	c) Bank Deposits	1,730,000	1,730,000
	Sub Total	<b>4,884,814</b>	<b>3,085,236</b>
	<b>Other Bank Balances</b>		
	On Deposit Accounts		
	Interest Accrued On Deposits	145,811	9,214
	Sub Total	145,811	9,214
	<b>Total Cash and Cash Equivalents</b>	<b>5,030,625</b>	<b>3,094,450</b>





<b>NOTE NO. 16 : SHORT TERM LOANS AND ADVANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Short - term loans and advances:		
	a) Security Deposit Unsecured	249,000	1,010,000
	b) Other loans And advances Unsecured	4,454,646	3,765,389
	c) MAT Credit	1,315,697	1,026,352
	<b>Total short term loans &amp; advances</b>	<b>6,019,343</b>	<b>5,801,740</b>
<b>NOTE NO. 17 : REVENUE FROM OPERATIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
(i)	Revenue from operations		
	(a) Revenue from Services	57,886,077	52,994,357
	(b) Other Operating Revenues	4,803	1,104,675
	<b>Total Revenue from Operations</b>	<b>57,890,880</b>	<b>54,099,032</b>
<b>NOTE NO. 18: OTHER INCOME</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	(a) Interest income	213,109	41,093
	(b) Net gain/loss on foreign currency fluctuation	34,213	1,426,347
	<b>Total Other Income</b>	<b>247,322</b>	<b>1,467,440</b>
<b>NOTE NO. 19 : CHANGE IN INVENTORIES &amp; WIP.</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	<b>Finished Goods</b>		
	Finished goods at the beginning of the year	4,330,820	2,185,620
	Less : Finished goods at the end of the year	3,055,320	4,330,820
	<b>Decrease in Stock</b>	<b>1,275,500</b>	<b>(2,145,200)</b>



<b>NOTE NO. 20: EMPLOYEE BENEFIT EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	(a) Salaries & Wages	20,616,680	21,193,918
	(b) Contribution to Provident & Other Funds	437,630	307,610
	(c) Gratuity	302,570	686,180
	(d) Staff Welfare Expenses	931,168	893,798
	(e) Managerial Remuneration	2,760,000	2,400,000
	<b>Total Employee Benefit Expenses</b>	<b>25,048,048</b>	<b>25,481,506</b>
<b>NOTE NO. 21 : OTHER OPERATING EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
I	(a) E-Commerce Expenses	2,213,023	3,081,644
	(b) Power & Fuel	1,723,867	1,843,997
	(c) Rent	1,844,500	1,976,840
	(d) Repairs to Machinery	2,136,227	1,333,406
	(e) Insurance	303,227	317,499
	(f) Server Hosting Expenses	216,371	264,847
	(g) Internet Radio Expenses	1,250,309	3,242,217
	(h) Purchases	282,116	1,483,114
	(i) BECIL Project Expenses	829,254	
	(j) Services - BECIL	2,723,862	<b>4,678,154</b>
	<b>Total Other Operating Expenses</b>	<b>13,522,756</b>	<b>18,221,718</b>
<b>NOTE NO.22 : ADMINSTRATIVE EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	(a) Telephone, Postage and Others	1,913,177	1,792,270
	(b) Business Promotion Expenses	197,281	211,494
	(c) Conveyance	411,549	275,088
	(d) Office Maintenance	1,873,621	1,193,650
	(e) Printing & Stationery Expenses	108,743	253,400
	(f) Rates & Taxes (excluding Income Tax)	496,485	519,137
	(g) Consultancy Charges	309,954	664,500
	(h) Travelling Expenses	514,584	793,440
	(i) Media Production Expenses	4,370,461	543,077
	(j) Other Expenditure	961,028	489,761
	(k) Payment to Auditors:		
	(i) As Auditor	50,000	56,180
	(ii) For Taxation Matters	-	-
	<b>Total Administrative Expenses</b>	<b>11,206,883</b>	<b>6,791,997</b>



<b>NOTE NO. 23 : FINANCE COST</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	Interest Expenses :		
	- Interest on Car Loan	96,267	162,456
	- Bank Charges	30,397	172,633
	<b>Total Finance Cost</b>	<b>126,664</b>	<b>335,089</b>



24. The Company has not obtained Actuarial Valuation report for Gratuity and leave encashment for the financial year 2014-2015. However the provision for Gratuity made as per accrual method.

**25. Related Party Disclosures**

List of related parties are given below:

Relation	Party Name
Subsidiary Company	ObjectNet Technologies Inc
Director	1) Ravu Shankar (MD) 2) Mallikarjun Rao K (Whole time Director)

**26. Managerial Remuneration:**

Particulars	2014-15	2013-14
Directors Remuneration	27,60,000	24,00,000
Other Fee	Nil	Nil
Total	27,60,000	24,00,000

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

Particulars	2014-15	2013-14
Profit after tax during the year ( Rs. )	10,49,265	1,85,578
Earnings available to Equity Shareholders for Basic & Diluted EPS ( Rs.)	10,49,265	1,85,578
Weighted Average Number of Shares taken for computation of EPS	1,05,11,900	1,05,11,900
Earning per Share		
- Basic	0.10	0.02
- Diluted	0.10	0.02
Face Value of the Share	10	10

**28. Auditor's Remuneration:**

Particulars	2014-15	2013-14
Audit Fee	30,000	36,180
Tax Audit fee	20,000	20,000
Other Services	Nil	Nil
<b>Total</b>	<b>50,000</b>	<b>56,180</b>



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

There are no overdue principal amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2015.

**30.** The Company has not appointed the Company Secretary (Compliance Officer) and CFO for the Financial year 2014-2015.

**31.** The Company has not appointed internal auditors as required under section 138 of the Companies Act, 2013 for the financial year 2014-2015.

**32.** Figures have been rounded off to the nearest rupee.

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

**As per our Report attached  
For P Murali and Co.  
Chartered Accountants  
Firm Regn No. 007257S**

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

**Sd/-  
A Krishna Rao  
Partner  
Membership No. 020085  
Place: Hyderabad  
Date: 27-05-2015**

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

**Sd/-  
K. Mallikarjuna Rao  
Whole time Director**



**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 ON CONSOLIDATED FINANCIAL STATEMENTS**

**To the Members of**

**ObjectOne Information Systems Limited**

**Report on the consolidated Financial Statements**

**We** have audited the accompanying consolidated financial statements of M/s **ObjectOne Information Systems Limited** ("herein after referred to as Holding Company"), and its subsidiary, (the Holding Company and its Subsidiary together referred to as "The Group"), comprising of Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, herein after referred to as the "Consolidated Financial Statements".

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

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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



consolidated financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view. In order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at 31<sup>st</sup> March, 2015, and their consolidated profit, and their consolidated cash flows for the year ended on that date.

### **Other Matters**

We did not audit the financial statements of its subsidiary, whose financial statement reflect total Tangible Assets of Rs. 36,25,980/- as at 31<sup>st</sup> March 2015, and total revenue of Rs. 23,61,98,497/- for the year ended on that date, as considered in the Consolidated Financial Statements.

The consolidated Financial Statements also include the Net Profit of Rs. 6,07,103/-, as considered in the consolidated Financial Statements, in respect of its subsidiary, whose Financial Statements are unaudited and have been furnished to us by the Management, and our opinion the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, our report in terms of sub-section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited Financial Statements.

**For P. Murali & CO.,**  
Chartered Accountants  
F RN - 007257S

Sd/-

**A Krishna Rao**  
Partner  
M.No. 020085

Place: Hyderabad  
Date: 27/05/2015





<b>OBJECTONE INFORMATION SYSTEMS LIMITED</b>			
<b>BALANCE SHEET</b>			
<b>Consolidated Balance Sheet as at 31st March, 2015</b>			
<b>PARTICULARS</b>	<b>Note No.</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (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	55,732,680	56,802,629
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	7,818,955	4,705,589
(b) Other Long term liabilities		-	-
(c) Long term provisions	4	1,760,770	1,458,200
<b>(3) Current Liabilities</b>			
<b>(a) Short Term loans and Advances</b>			
(b) Trade payables	6	20,675,631	5,581,247
(c) Other current liabilities	7	494,794	615,765
(d) Short-term provisions	8	1,015,174	6,676,220
<b>Total</b>		<b>213,321,868</b>	<b>180,958,650</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	9	16,090,468	18,060,259
(ii) Intangible assets		63,024,019	64,547,751
(iii) Capital work-in-progress		-	-
(iv) Good Will	10	6,705,347	6,705,347
<b>(b) Non-current investments</b>			
<b>(c) Deffered tax assets (net)</b>			
<b>(d) Long term loans and advances</b>			
<b>(e) Other non-current assets</b>			
<b>(2) Current assets</b>			
<b>(a) Inventories</b>			
(b) Trade receivables	15	56,464,326	49,916,189
(c) Cash and cash equivalents	16	15,992,466	5,687,087
(d) Short-term loans and advances	17	10,185,367	5,801,740
<b>Total</b>		<b>213,321,868</b>	<b>180,958,650</b>
Summary of Significant Accounting Ploicies			
The accomanying Notes are an Integral Part of the Financial Statements			
<b>AS PER OUR REPORT OF EVEN DATE</b>			
<b>For P MURALI &amp; CO</b>		<b>FOR AND ON BEHALF OF THE BOARD</b>	
CHARTERED ACCOUNTANTS		<b>ObjectOne Information Systems Limited</b>	
FRN No: 007257S			
Sd/-	Sd/-	Sd/-	
<b>A. KRISHNA RAO</b>	<b>K. RAVISHANKAR</b>	<b>K. MALLIKARJUNA RAO</b>	
PARTNER	MANAGING DIRECTOR	WHOLETIME DIRECTOR	
<b>M.No: 020085</b>			
PLACE : HYDERABAD			
DATE : 27-05-2015			



<b>OBJECTONE INFORMATION SYSTEMS LIMITED</b>			
<b>STATEMENT OF PROFIT AND LOSS</b>			
<b>Consolidated Profit and Loss statement for the year ended 31st March, 2015</b>			
<b>PARTICULARS</b>	<b>Note No.</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
<b>Income</b>			
Revenue from operations	18	294,089,377	359,643,276
Other Income	19	247,322	1,467,440
<b>Total Revenue</b>		<b>294,336,699</b>	<b>361,110,716</b>
<b>Expenses:</b>			
Changes in Inventories	20	1,275,500	(2,145,200)
Employee benefit expenses	21	227,926,039	302,295,405
Other operating expenses	22	16,501,744	20,812,290
Administrative Expenses	23	38,205,909	29,630,130
Financial cost	24	883,013	454,151
Depreciation and amortization expense	9	7,418,918	6,612,537
<b>Total Expenses</b>		<b>292,211,123</b>	<b>357,659,313</b>
Profit Before Tax		2,125,576	3,451,403
Tax expense:			
(1) Current tax		471,477	1,005,999
(2) Deferred tax		469,208	83,067
(3) MAT Credit		289,345	51,225
Profit After Tax		1,474,236	2,413,562
Earning per equity share:			
Basic & Diluted		0.14	0.23
Significant Accounting Policies The accompanying Notes are an Integral Part of the Financial Statements <b>AS PER OUR REPORT OF EVEN DATE</b>			
<b>For P MURALI &amp; CO</b> CHARTERED ACCOUNTANTS FRN No: 007257S		FOR AND ON BEHALF OF THE BOARD <b>ObjectOne Information Systems Limited</b>	
Sd/- <b>A. KRISHNA RAO</b> PARTNER M.No: 020085		Sd/- <b>K. RAVISHANKAR</b> MANAGING DIRECTOR	Sd/- <b>K. MALLIKARJUNA RAO</b> WHOLETIME DIRECTOR
PLACE : HYDERABAD DATE : 27-05-2015			



<b>OBJECTONE INFORMATION SYSTEMS LIMITED</b>		
<b>CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2015</b>		
<b>PARTICULARS</b>	<b>As at 31-03-15</b>	<b>As at 31-03-14</b>
	<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	2,125,576	3,451,403
Adjustments for:		
Depreciation	7,418,918	6,612,537
Loss on sale of Fixed Assets	-	-
Loss on sale of Investments	-	-
Interest Income	(213,109)	(41,093)
Interest expenses	96,267	162,456
<b>Operating Profit before working capital changes</b>	<b>9,427,652</b>	<b>10,185,303</b>
Adjustments for:		
(Increase)/Decrease Trade and other receivables	(6,548,137)	(16,345,699)
(Increase)/Decrease in Inventories	1,275,500	(2,145,200)
Increase/(Decrease) Trade Payables and others	15,094,384	725,847
Prior Period Adjustments	-	-
Increase/(Decrease) Other Current Liabilities	(120,971)	7,999
Increase/(Decrease) Short Term Provisions	(5,661,046)	2,531,465
(Increase)/Decrease Short Term Loans and Advances	(4,383,627)	(876,262)
<b>Net Cash Flow from Operating Activities</b>	<b>9,083,755</b>	<b>(5,916,547)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets Incl. CWIP	(6,651,711)	(2,830,845)
Proceeds from Sale of Fixed Assets	-	-
Decrease in Goodwill	-	-
Interest Income	213,109	41,093
Proceeds from Sale of Investments	-	-
<b>Net Cash used in Investment Activities</b>	<b>(6,438,602)</b>	<b>(2,789,752)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) Long Term Borrowings	3,113,366	(690,161)
Increase/(Decrease) Long Term Provisions	20,704,863	686,180
Increase/(Decrease) Other Long Term Liabilities	302,570	(3,000,000)
(Increase)/Decrease Long Term Loans and Advances	(15,214,080)	2,013,358
(Increase)/Decrease Other Non Current Assets	(1,150,224)	(91,664)
Interest and Finance charges paid	(96,267)	(162,456)
<b>Net Cash used in Financing Activities</b>	<b>7,660,228</b>	<b>(1,244,743)</b>
<b>NET INCREASE \ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>10,305,381</b>	<b>(9,951,043)</b>
Cash and Cash equivalents ( Opening Balance)	5,687,088	15,638,129
Cash and Cash equivalents ( Closing Balance)	15,992,466	5,687,088
For P Murali & Co., Chartered Accountants Firm Regn No. 007257S Sd/- A. Krishna Rao PARTNER Membership No:020085 Place : Hyderabad, Date: 27-05-2015	FOR AND ON BEHALF OF THE BOARD <b>ObjectOne Information Systems Limited</b> Sd/- <b>K. RAVISHANKAR</b> MANAGING DIRECTOR Sd/- <b>K. MALLIKARJUNA RAO</b> WHOLETIME DIRECTOR	
<b>AUDITORS CERTIFICATE</b>		
We have examined the attached Consolidated Cash Flow Statement of M/s. Objectone Information Systems Limited for the year ended 31st March, 2015. 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.		
PLACE: HYDERABAD DATE : 27-05-2015	for <b>P. MURALI &amp; CO.,</b> CHARTERED ACCOUNTANTS FRN:007257S Sd/ A. Krishna Rao PARTNER, M.No. 020085	



## OBJECT ONE INFORMATION SYSTEMS LIMITED

### Significant Accounting Policies on Consolidated Financial Statements

#### Significant accounting policies:

##### a) Basis of Preparation:

The consolidated financial statements relate to OBJECTONE INFORMATION SYSTEMS LIMITED have been prepared by consolidating its accounts with that of its subsidiary OBJECT NET TECHNOLOGIES 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 its 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 far as possible, the consolidated 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 TECHNOLOGIES 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 recognised 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 their location. Finished goods at the factory are valued at cost in all applicable cases.

**f) 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.

**g) 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.

**h) 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 period cost and are expensed in the year of occurrence.

**i) Depreciation:**

Depreciation is provided on straight-line method at the rates specified in Schedule II to the Companies Act, 2013. Depreciation on assets added, sold or discarded is provided for on pro-rata basis.

**j) 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.

**k) Provisions and Contingent Liabilities:**

The Company creates a provision when there is a present obligation as 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 resource embodying event, based on a reliable estimate of such obligation.

**l) Related party Disclosure:**

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

**m) Segment Reporting:**

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

**n) Cash Flow Statement:**

The Company has prepared Cash Flow Statement as per the AS-3. Cash Flows are reported using 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.

**o) 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.

**p) Earnings per share:**

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

**q) 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 flows, 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.



<b>OBJECTONE INFORMATION SYSTEMS LIMITED</b>			
<b>NOTE NUMBERS TO BALANCE SHEET</b>			
<b>NOTE No. 1 : SHARE CAPITAL</b>		<b>CONSOLIDATED</b>	
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
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>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period: Equity Shares of Rs.10Each, Fully paid up :</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	<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</b>	<b>No. of Shares</b>	
	(a) Swapriya Raj Holdings Pvt Ltd	957782	1472080
	(b) K. Ravi Shankar	1016884	1016884
	(c) Himabindu Kantamneni	713956	1063956
	(d) Madhuri Sana	152664	574712
	(e) Rudra Shares & Stock Brokers Ltd	560307	0
		9.11	14.00
		9.67	9.67
		6.79	10.12
		1.45	5.47
		5.33	-
<b>NOTE No. 2 : RESERVES AND SURPLUS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
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	32,988,629	30,575,067
	Less: Amount transferred to retained earnings pursuant to Schedule II of Companies Act, 2013	2,726,316	-
	Add: Transfer from Profit & Loss Account	1,656,368	2,413,562
		<b>31,918,680</b>	<b>32,988,629</b>
	<b>Total Reserves and Surplus</b>	<b>55,732,680</b>	<b>56,802,629</b>





<b>NOTE NO. 3: LONG TERM BORROWINGS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	a) Loans and advances from related parties Un Secured: Swapriya Raj Holding Private Limited	7,818,955	4,210,796
	b) long term maturities of finance lease obligations Secured Vehicle loan from Banks	494,794	1,110,558
	<b>Less:</b> Current Maturities of Finance lease obligation	8,313,749	5,321,354
	Note: Finance Lease obligations are secured by hypothecation Vehicles and personal guaranteed by the directors	494,794	615,765
	<b>Total long term borrowings</b>	<b>7,818,955</b>	<b>4,705,589</b>
<b>NOTE NO.4 : LONG TERM PROVISIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	a) Provisions for employee benefits - Provision for Gratuity	1,760,770	1,458,200
	<b>Total other long term Provisions</b>	<b>1,760,770</b>	<b>1,458,200</b>
<b>NOTE No. 5 : SHORT TERM BORROWINGS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	a) Bank of America Credit Line	15,190,000	-
	b) Others	5,514,863	-
	<b>Total Short Term Borrowings</b>	<b>20,704,863</b>	<b>-</b>
<b>NOTE NO. 06: TRADE PAYABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	a) Sundry Creditors	3,741,081	5,226,785
	b) Creditors for Expenses	16,934,550	354,462
	<b>Total Trade Payables</b>	<b>20,675,631</b>	<b>5,581,247</b>



<b>NOTE No. 07 : OTHER CURRENT LIABILITES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Current maturities of finance lease obligation	494,794	615,765
	<b>Total other current liabilities</b>	<b>494,794</b>	<b>615,765</b>
<b>NOTE No. 08 : SHORT TERM PROVISIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	a) Provisions for employee benefits		
	PF Payable	128,222	37,327
	ESI Payable	21,021	3,768
	Salaries Payable	-	1,659,415
	b) Others ( Specify the nature )		
	Statutory Liabilities	576,586	209,615
	Provision for Income Tax	289,345	51,225
	Provision for Expenses	-	4,714,870
	<b>Total short term provisions</b>	<b>1,015,174</b>	<b>6,676,220</b>
<b>NOTE NO. 10 : GOODWIL</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
	ObjectNet Technologies Inc Investment - 100% holding	10,705,347	10,705,347
	Total Equity	4,000,000	4,000,000
	<b>Total Good Will</b>	<b>6,705,347</b>	<b>6,705,347</b>



**OBJECTONE INFORMATION SYSTEMS LIMITED  
FIXED ASSETS AS ON 31ST MARCH, 2015**

**NOTE No. : 9 : Fixed Assets - Consolidated - Tangible & Intangible Assets as at 31-03-2015**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	ASAT 01-04-2014	Additions during the year	Sale/ Deletions during the year	ASAT 31-03-2015	DEP. AS ON 01.04.2014	Dep. For the Year 2014-2015	Transferred to retained Earning	Total Depre- ciation	NetBlock as on 31.03.2015	NetBlock as on 31.03.2014
<b>Tangible Fixed Assets:</b>										
1 LEASED BUILDING	8,850,687	-	-	8,850,687	3,453,523	206,331	-	3,659,854	5,190,833	5,397,164
2 HARDWARE & SOFTWARE	31,463,250	5,853,645	-	37,316,895	27,946,042	3,490,899	922,527	32,359,468	4,957,427	3,517,208
3 FURNITURE & FIXTURES	6,672,236	-	-	6,672,236	4,398,649	641,474	101,690	5,141,813	1,530,423	2,273,587
4 OFFICE EQUIPMENT	8,678,586	16,457	-	8,695,043	6,080,038	150,801	1,702,099	7,932,938	762,105	2,598,548
5 VEHICLES	4,917,150	52,610	-	4,969,760	688,236	663,819	-	1,352,055	3,617,705	4,228,914
6 ELECTRICAL EQUIPMENTS	125,000	-	-	125,000	80,162	12,863	-	93,025	31,975	44,838
<b>Intangible Assets:</b>										
7 KIDSONE CONTENT	2,601,242	-	-	2,601,242	1,312,735	231,816	-	1,544,551	1,056,691	1,288,507
8 RIGHTS	54,860,700	-	-	54,860,700	-	-	-	-	54,860,700	54,860,700
9 RIGHTS	31,146,031	728,999	-	31,875,030	22,747,487	2,020,915	-	24,768,402	7,106,628	8,398,544
<b>TOTAL</b>	<b>149,314,882</b>	<b>6,651,711</b>	<b>-</b>	<b>155,966,593</b>	<b>66,706,872</b>	<b>7,418,918</b>	<b>2,726,316</b>	<b>76,852,316</b>	<b>79,114,487</b>	<b>82,608,010</b>
Previous Year	146,484,037	3,324,521	493,676	149,314,882	60,094,335	6,612,537	-	66,706,872	82,608,010	86,389,702



<b>NOTE NO. 11 : DEFERRED TAX ASSET ( NET )</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Opening Deferred tax Liability	5,418,230	-
	Add:	-	
	Deferred Tax Liability for the year	1,020,025	725,783
	-		
	<b>Gross Deferred tax Liability</b>	<b>6,438,255</b>	<b>725,783</b>
	Opening Deferred tax Asset	7,748,596	2,413,431
	Deferred Tax Assets on account of Losses as per IT Act		-
	Provision for Gratuity and Compensated Absences and doubtful debts	550,817	642,717
	<b>Gross Deferred tax Asset</b>	<b>8,299,413</b>	<b>3,056,148</b>
	<b>Deferred Tax Asset - Net</b>	<b>1,861,158</b>	<b>2,330,364</b>
<b>NOTE NO. 12 : LONG TERM LOANS AND ADVANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Long - term loans and advances:		
	a) Security Deposit		
	Unsecured	189,383	189,383
	b) Other loans And advances ( Specify the nature )		
	Unsecured	36,897,497	21,683,417
	Total Long term loans & advances	37,086,880	21,872,800
	Less : Provision for Doubtfull Debts	-	-
	Total Long term loans & advances( net )	<b>37,086,880</b>	<b>21,872,800</b>
<b>NOTE NO. 13 : OTHER NON - CURRENT ASSETS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Receivable form Revenue Authorities		
	Service Tax	-	450,280
	TDS	2,856,517	1,255,888
	VAT	-	125
	<b>Total non - current assets( net )</b>	<b>2,856,517</b>	<b>1,706,293</b>



<b>NOTE NO. 14 : INVENTORIES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Inventories : Work in progress	3,055,320	4,330,820
	<b>Total Inventories</b>	<b>3,055,320</b>	<b>4,330,820</b>
<b>NOTE NO. 15 : TRADE RECEIVABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
	Secured, Considered Good		
	Unsecured, Considered Good	7,784,853	5,115,717
	<b>Other Receivables:</b>		
	Unsecured, Considered Good	48,679,473	44,800,472
	<b>Total Trade Receivables(net)</b>	<b>56,464,326</b>	<b>49,916,189</b>
<b>NOTE NO. 16 : CASH AND BANK BALANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	13,752,968	3,928,624
	b) Cash on hand	363,687	19,249
	c) Bank Deposit	1,730,000	1,730,000
	Sub Total	15,846,655	5,677,873
	<b>Other Bank Balances</b>		
	On Deposit Accounts		
	Interest Accrued On Deposits	145,811	9,214
	Sub Total	145,811	9,214
	<b>Total Cash and Cash Equivalents</b>	<b>15,992,466</b>	<b>5,687,087</b>



<b>NOTE NO. 17 : SHORT TERM LOANS AND ADVANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>As on 31-03-2015 (Rupees)</b>	<b>As on 31-03-2014 (Rupees)</b>
1.	short - term loans and advances:		
	a) Security Deposit Unsecured	379,556	1,010,000
	b) Other loans And advances Unsecured	8,490,115	3,765,389
	c) MAT Credit	1,315,696	1,026,351
	<b>Total short term loans &amp; advances( net )</b>	<b>10,185,367</b>	<b>5,801,740</b>
<b>NOTE NO. 18: REVENUE FROM OPERATIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
(i)	(a) Revenue from Services	293,053,452	355,406,055
	(b) Other Operating Revenues	1,035,925	4,237,221
	<b>Total Revenue from Operations</b>	<b>294,089,377</b>	<b>359,643,276</b>
<b>NOTE NO. 19 : OTHER INCOME</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	(a)Interest income	213,109	41,093
	(b) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)	34,213	1,426,347
	<b>Total Other Income</b>	<b>247,322</b>	<b>1,467,440</b>
<b>NOTE NO. 20: CHANGE IN INVENTORIES &amp; WIP.</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	<b>Finished Goods</b>		
	Finished goods at the beginning of the year	4,330,820	2,185,620
	Less: Finished Goods at the end of the year	3,055,320	4,330,820
	<b>Increase / (Decrease) in Stock</b>	<b>1,275,500</b>	<b>(2,145,200)</b>



<b>NOTE NO. 21 : EMPLOYEE BENEFIT EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	(a) Salaries & Wages	221,718,394	298,007,817
	(b) Contribution to Provident & Other Funds	437,630	307,610
	(c) Gratuity	302,570	686,180
	(d) Staff Welfare Expenses	2,707,445	893,798
	(e) Managerial Remuneration	2,760,000	2,400,000
	<b>Total Employee Benefit Expenses</b>	<b>227,926,039</b>	<b>302,295,405</b>
<b>NOTE NO.22 : OTHER OPERATING EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	(a) E-Commerce Expenses	2,213,023	3,081,644
	(b) Power & Fuel	1,723,867	1,843,997
	(c) Rent	4,823,488	4,567,412
	(d) Channel Expenses	-	-
	(e) Repairs to Machinery	2,136,227	1,333,406
	(f) Insurance	303,227	317,499
	(g) Server Hosting Expenses	216,371	264,847
	(h) Interent Net Radio	1,250,309	3,242,217
	(i) Purchases	282,116	1,483,114
	(i) BECIL Project Expenses	829,254	-
	(j) Services-BECIL	2,723,862	4,678,154
	<b>Total Other Expenses</b>	<b>16,501,744</b>	<b>20,812,290</b>
<b>NOTE NO. 23 : ADMINSTRATIVE EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
1.	(a) Telephone, Postage and Others	6,836,081	7,334,553
	(b) Business Promotion Expenses	197,281	211,494
	(c) Conveyance	411,549	275,088
	(d) Office Maintenance	10,702,935	7,741,470
	(e) Printing & Stationery Expenses	108,743	253,400
	(f) Rates & Taxes (excluding Income Tax)	496,485	519,137
	(g) Consultancy Charges	5,228,954	10,381,269
	(h) Travelling Expenses	6,359,483	1,824,701
	(i) Media Production Expenses	4,370,461	543,077
	(k) Advertisement	2,482,909	-
	(k) Other Expesnes	961,028	489,761
	(l) Payment to Auditors		
	(i) As Auditor	50,000	56,180
	(ii) For Taxation Matters		
	<b>Total Administrative Expenses</b>	<b>38,205,909</b>	<b>29,630,130</b>



**NOTE NO. 24 : FINANCE COST**

S.No.	PARTICULARS	YEAR ENDED 31-03-2015 (Rupees)	YEAR ENDED 31-03-2014 (Rupees)
1.	Interest Expenses : - Interest on Car Loan - Bank Charges	96,267 786,746	162,456 291,695
	<b>Total Finance Cost</b>	<b>883,013</b>	<b>454,151</b>

25. The Company has not obtained Actuarial Valuation report for Gratuity and leave encashment for the financial year 2014-2015. However the provision for Gratuity made as per accrual method.

**26. Managerial Remuneration:**

Particulars	2014-15	2013-14
Directors Remuneration	27,60,000	24,00,000
Other Fee	Nil	Nil
<b>Total</b>	<b>27,60,000</b>	<b>24,00,000</b>

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

Particulars	2014-15	2013-14
Profit after tax during the year ( Rs. )	14,74,236	24,13,562
Earnings available to Equity Shareholders for Basic & Diluted EPS ( Rs.)	14,74,236	24,13,562
Weighted Average Number of Shares taken for computation of EPS	1,05,11,900	1,05,11,900
Earning per Share		
- Basic	0.14	0.23
- Diluted	0.14	0.23
Face Value of the Share	10	10

**28. Auditor's Remuneration:**

Particulars	2014-15	2013-14
Audit Fee	30,000	36,180
Tax Audit fee	20,000	20,000
Other Services	Nil	Nil
<b>Total</b>	<b>50,000</b>	<b>56,180</b>





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

There are no overdue principal amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2015.

**30.** The Company has not appointed the Company Secretary (Compliance Officer) and CFO for the Financial year 2014-2015.

**31.** The Company has not appointed internal auditors as required under section 138 of the Companies Act, 2013 for the financial year 2014-2015.

**32.** Figures have been rounded off to the nearest rupee.

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

**As per our Report attached  
For P Murali and Co.  
Chartered Accountants  
Firm Regn No. 007257S**

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

**Sd/-  
A Krishna Rao  
Partner  
Membership No. 020085  
Place: Hyderabad  
Date: 27-05-2015**

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

**Sd/-  
K. Mallikarjuna Rao  
Whole time Director**



**SUBSIDIARY COMPANY  
FINANCIAL STATEMENT**

**OBJECTNET TECHNOLOGIES INC.**

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



<b>OBJECTNET TECHNOLOGIES INC</b>			
<b>BALANCE SHEET</b>			
<b>Balance Sheet as at 31st March, 2015</b>			
<b>PARTICULARS</b>	<b>Note No.</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
<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	31,456,956	30,849,853
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	3,608,159	-
(b) Other Long term liabilities		-	-
(c) Long term provisions		-	-
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	4	20,704,863	-
(b) Trade payables	5	18,615,014	4,027,104
(c) Other current liabilities		-	-
(d) Short-term provisions		-	-
<b>Total</b>		<b>78,384,992</b>	<b>38,876,957</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	6	3,625,980	
(i) Tangible assets - Hardware & Software			
(ii) Intangible assets			
iii) Capital work-in-progress			
(b) Long term loans and advances	7	25,323,522	10,109,442
<b>(2) Current assets</b>			
(a) Trade receivables	8	34,307,624	26,174,878
(b) Cash and cash equivalents	9	10,961,841	2,592,637
(c) Short-term loans and advances	10	4,166,025	-
<b>Total</b>		<b>78,384,992</b>	<b>38,876,957</b>
<b>For Object Net Technologies Inc</b>			
Place: ATLANTA Date: 20.05.2015		<b>Sd/-</b> <b>Viswanath Dasari</b> Chief Executive Officer	



<b>OBJECTNET TECHNOLOGIES INC</b>			
<b>STATEMENT OF PROFIT AND LOSS</b>			
<b>Profit and Loss statement for the year ended 31st March, 2015</b>			
<b>PARTICULARS</b>	<b>Note No.</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
<b>INCOME</b>			
Revenue from operations	11	236,198,497	305,544,244
Other Income		-	-
<b>Total Revenue</b>		<b>236,198,497</b>	<b>305,544,244</b>
<b>Expenses:</b>			
Employee benefit expense	12	202,877,991	276,813,899
Other operating expenses	13	2,978,988	2,590,572
Administrative Expenses	14	26,999,026	22,838,133
Financial costs	15	756,349	119,062
Depreciation	6	1,979,040	-
<b>Total Expenses</b>		<b>235,591,394</b>	<b>302,361,666</b>
Profit before exceptional and extraordinary items and tax		607,103	3,182,578
Exceptional Items		-	-
Profit before extraordinary items and tax		607,103	3,182,578
Extraordinary Items		-	-
Profit before tax		607,103	3,182,578
Tax expense:			
(1) Current tax		182,131	954,774
(2) Deferred tax			-
Profit(Loss) from the period from continuing operations		424,972	2,227,804
Profit/(Loss) for the period		424,972	2,227,804
Earning per equity share:			
Basic & Diluted		1.06	5.57
<b>For Object Net Technologies Inc</b>			
Place: ATLANTA Date: 20.05.2015		<b>Sd/-</b> <b>Viswanath Dasari</b> Chief Executive Officer	



**NOTE NUMBERS TO BALANCE SHEET**

**NOTE No. 1 : SHARE CAPITAL**

S.No.	PARTICULARS	AS ON 31-03-2015 (Rupees)	AS ON 31-03-2014 (Rupees)
1.	Share Capital ( For each class of capital)	4,000,000	<b>4,000,000</b>
		<b>4,000,000</b>	<b>4,000,000</b>

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

S.No.	PARTICULARS	AS ON 31-03-2015 (Rupees)	AS ON 31-03-2014 (Rupees)
I	<b>RESERVES AND SURPLUS</b>		
	a) Surplus :		
	i) Opening Balance - Profit and Loss Account	30,849,853	28,622,049
	Add: Transfer from Profit & Loss Account	607,103	2,227,804
		<b>31,456,956</b>	<b>30,849,853</b>

**NOTE NO. 3 : LONG TERM BORROWINGS**

S.No.	PARTICULARS	AS ON 31-03-2015 (Rupees)	AS ON 31-03-2014 (Rupees)
I	a) Unsecured Loan from Directors	3,608,159	4,027,104
	<b>Total Long Term Borrowings</b>	<b>3,608,159</b>	<b>4,027,104</b>

**NOTE NO. 4 : SHORT TERM BORROWINGS**

S.No.	PARTICULARS	AS ON 31-03-2015 (Rupees)	AS ON 31-03-2014 (Rupees)
I	a) Bank of America Credit Line	15,190,000	-
	b) Others	5,514,863	-
	<b>Total Short Term Borrowings</b>	<b>20,704,863</b>	<b>-</b>



<b>NOTE NO. 5 : CURRENT LIABILITIES AND PROVISIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	a) Others	15,634,364	
	b) Creditors for Expenses	2,980,650	4,027,104
	<b>Total Current Liabilities and Provisions</b>	<b>18,615,014</b>	<b>4,027,104</b>
<b>NOTE NO. 6 : Fixed Assets - Tangible Asset</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	a) Hardware & Software	5,605,020	-
	b) Less - Depreciation	1,979,040	-
	<b>Total Tangible Assets</b>	<b>3,625,980</b>	<b>-</b>
<b>NOTE NO. 7 : LONG TERM LOANS AND ADVANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	Long - term loans and advances:		
	b) Security Deposit		
	Unsecured		
	d) Other loans And advances ( Specify the nature )		
	Unsecured	25,323,522	10,109,442
	Total Long term loans & advances	25,323,522	10,109,442
	Less : Provision for Doubtfull Debts		-
	Total Long term loans & advances( net )	25,323,522	10,109,442
<b>NOTE NO. 8 : TRADE RECEIVABLES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (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	34,307,624	26,174,878
	Doubtful	-	-
	<b>Total trade receivable</b>	<b>34,307,624</b>	<b>26,174,878</b>
	Less : Allowance for bad & doubtful debts	-	-
	<b>Total Trade Receivables(net)</b>	<b>34,307,624</b>	<b>26,174,878</b>



<b>NOTE NO. 9 : CASH AND BANK BALANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
1.	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	10,961,841	2,592,637
	<b>Total Cash and Cash Equivalents</b>	<b>10,961,841</b>	<b>2,592,637</b>
<b>NOTE NO. 10 : SHORT TERM LOANS AND ADVANCES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>AS ON 31-03-2015 (Rupees)</b>	<b>AS ON 31-03-2014 (Rupees)</b>
I	a) Rent Deposit	130,556	
	b) Others	4,035,469	-
	<b>Total Short Term Loans and Advances</b>	<b>4,166,025</b>	<b>-</b>
<b>NOTE NO. 11 : REVENUE FROM OPERATIONS</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
I	Revenue from operations in respect of non-finance company		
	(a) Sale of Services	235,167,375	302,411,698
	(c) Other Operating Revenues	1,031,122	3,132,546
	<b>Total Revenue from Operations</b>	<b>236,198,497</b>	<b>305,544,244</b>
<b>NOTE NO. 12 : EMPLOYEE BENEFIT EXPENSES (AGGREGATE EXPENDITURE)</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
I	(a) Salaries & Wages	201,101,714	276,813,899
	(b) Insurance & Welfare	1,776,277	-
	<b>Total Employee Benefit Expenses</b>	<b>202,877,991</b>	<b>276,813,899</b>



<b>NOTE NO. 13 : OTHER OPERATING EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
I	(a)Repairs to Machinery	-	-
	(b) Rent & Maintenace	2,978,988	2,590,572
	<b>Total Other Operating Expenses</b>	<b>2,978,988</b>	<b>2,590,572</b>
<b>NOTE NO. 14 : ADMINISTRATIVE EXPENSES</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
I	(a) Telephone, Postage and Others	4,922,904	5,542,283
	(b) Office Maintenance	8,829,314	6,547,820
	(c) Consultancy Charges	4,919,000	9,716,769
	(d) Travelling Expenses	5,844,899	1,031,261
	€ Advertising & Promotion	2,482,909	-
	<b>Total Administrative Expenses</b>	<b>26,999,026</b>	<b>22,838,133</b>
<b>NOTE NO. 15 : FINANCE COST</b>			
<b>S.No.</b>	<b>PARTICULARS</b>	<b>YEAR ENDED 31-03-2015 (Rupees)</b>	<b>YEAR ENDED 31-03-2014 (Rupees)</b>
	Bank Charges	756,349	119,062
	Bank Interest	<b>109667</b>	
	<b>Total Finance Cost</b>	<b>756,349</b>	<b>119,062</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 19<sup>th</sup> Annual General Meeting of the  
Company to be held on Wednesday 30<sup>th</sup> September, 2015 at 11.00 A.M. or at adjourned thereof.

AS WITNESS my/our hand (s) this ..... day of ..... 2015 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 19<sup>th</sup> Annual General Meeting of the Company held on Wednesday 30<sup>th</sup>  
September, 2015 at 11.00 A.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.