



22nd
Annual Report
2011

ZIGMA SOFTWARE LIMITED

Board of Directors

Shri Neeraj Sachan
Shri Ashok Agarwal
Shri Pankaj Sachan
Shri Pramod Singhi — **Wholetime Director**
Shri Yashwant Rampuria — **Director & Chief Executive**

Registered Office

P-113, Kalindi Housing Estate
Ground Floor, Lake Town
Kolkata - 700089

Auditors

Bijan Ghosh & Associates
Chartered Accountants

Audit Committee

Shri Neeraj Sachan
Shri Pankaj Sachan
Shri Ashok Kumar Agarwal

Remuneration Committee

Shri Neeraj Sachan
Shri Ashok Kumar Agarwal
Shri Pankaj Sachan

**Shareholders'/Investors'
Grievance Committee**

Shri Neeraj Sachan
Shri Pankaj Sachan
Shri Yashwant Rampuria

Bankers

Kotak Mahindra Bank Ltd.
Yes Bank Limited

Registrar & Share Transfer Agents

MCS Limited
77/2A, Hazra Road, Kolkata - 700 029

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Notice to Members

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of Zigma Software Limited will be held at the Seminar Hall of Science City, Topsia, Kolkata - 700 046 on Friday, the 30th September, 2011 at 10.30 a.m. to transact the following business:

1. To consider and adopt the Profit & Loss Account for the year ended 31st March, 2011, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Ashok Agarwal, who retires by rotation and being eligible offers himself for re appointment.
3. To appoint Auditors and to fix their remuneration.

Registered Office

P-113, Kalindi Housing Estate
Ground Floor, Lake Town
Kolkata - 700 089
3rd September, 2011

By Order of the Board
Zigma Software Limited
P. Singhi

Whole time Director

NOTES:

1. **A Member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote instead of himself. A proxy need not to be a member of the Company. Proxies, in order to be effective, must be received at the Company's Registered office not less than forty-eight hours before the commencement of the meeting.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 28th September, 2011 to 30th September, 2011 (both days inclusive)
3. Members are requested to notify change of address, if any, to the Company on or before 28th September, 2011 and Members holding shares in Demat mode are also requested to notify change of address, bank details, etc., to their respective Depository Participants (DP). Any intimation made to the Company without effecting necessary correction with the DP cannot be updated.
4. Members are informed that pursuant to the Circular issued by Depositories & Custodian Division, of Securities & Exchange Board of India (SEBI) for appointment of common agency for share registry work, the Company has appointed M/s. MCS Ltd., as Registrar & Share Transfers Agents for both Physical and Demat modes of securities of the Company.
5. Members, who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2005 are therefore requested to make their claims without any delay.

6. Members desiring any information as regards the Accounts are requested to write to the Company at least seven days prior to the date of the meeting so as to enable the management to keep the information ready at the meeting.
7. **KINDLY BRING YOUR COPY OF THE ANNUAL REPORT TO THE MEETING.**

Registered Office
P-113, Kalindi Housing Estate
Ground Floor, Lake Town
Kolkata - 700 089
3rd September, 2011

By Order of the Board
Zigma Software Limited
P. Singhi

Whole time Director

**A BRIEF RESUME' OF THE DIRECTOR SEEKING RE-APPOINTMENT
IN THE ENSUING ANNUAL GENERAL MEETING.**

[In pursuance to Clause 49 of the Listing Agreement]

Ashok Agarwal, a Commerce Graduate having experience of more than decades in the IT and ITes enabled services has been appointed as an Independent non-executive Director on the Board of Zigma Software Ltd since 1st March, 2004.

He is the member of the Audit Committee and Remuneration Committee of the Board of the Company.
He does not hold any shares in the Company.

REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting their 22nd Annual Report on the operation of the Company together with and Audited Accounts for the financial year ended 31st March, 2011.

FINANCIAL RESULTS:

	Rupees in Lakhs	
	2010-2011	2009-2010
Gross Income	144.61	147.92
Total Expenditure	79.40	39.04
Gross Profit	65.21	108.88
Interest	0.41	0.69
Depreciation	63.76	102.90
Profit Before Taxation	1.04	5.29
Provision for Tax	0.40	0.47
Profit After Tax	0.64	4.82
Balance B/F from pervious year	23.81	18.99
Profit Available for Appropriation	24.45	23.81
Paid-up Equity Capital	4176.00	3816.00
Reserve & Surplus	3572.46	2767.19

REVIEW OF OPERATIONS:

The performance of your Company during the year has not been satisfactory due to slow down of economy in the recent past, though the global/domestic economy has been back on the path of development, your Company could not come over the crisis and it is still facing stiff competition in the domestic market, consequently the sales and profitability of the Company has been dropped during the year under review in comparison to previous year.

There are some positives, which are expected to help your Company to improve its turnover and profitability. The Company has undertaken several consultancies and IT enabled services and also expanded its business in the field of biotech and real state to ensure future growth of the Company.

DIVIDEND:

In view of the requirement of working capital to make the undertaken projects viable and successful, your Directors regret their inability to recommend dividend for the year ended 31st March, 2011.

CHANGE OF REGISTERED OFFICE:

The situation of the Registered Office of the Company has been shifted from Centre Point, 21, H.B. Sarani, 4th floor, Kolkata-700 001 to P-113, Kalindi Housing Estate, Ground Floor, P.S.: Lake Town, Kolkata -700089 with effect from 1st July, 2011.

ACCOUNTING POLICIES:

The major accounting policies of the Company are annexed to the Accounts.

PERSONNEL:

There are no employees in the Company who are in receipt of salary of Rs. 60,00,000/- p.a. or Rs. 5,00,000/- p.m., if employed for part of the year. Hence the Statement of particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended till date is not attached.

PARTICULARS OF CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

The Company being engaged in the business of Consultancy and Information & Technology, the Directors have nothing to report in compliance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

FIXED DEPOSITS:

During the year under review the Company has neither invited nor received any deposit from the Public.

CORPORATE GOVERNANCE:

A Management Discussion and Analysis Report forms part of this report. A separate report on Corporate Governance is also included as a part of the Annual Report. A certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is also attached to this Annual Report.

A Code of Conduct, as applicable to the Board Members and Senior Management personnel has been adopted and is practiced and has been put on the website of the Company.

STATUTORY DISCLOSURES:

None of the Directors of the Company are disqualified as per the provisions of Section 274(1) (g) of the Companies Act, 1956.

DIRECTORS:

Shri Ashok Kumar Agarwal retires from the Board by rotation at the ensuing Annual General Meeting and offers himself for reappointment.

DIRECTOR'S RESPONSIBILITY:

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures;
- (ii) appropriate accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as at 31st March, 2011 and of the profit of the Company for the said period;

- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis.

AUDITORS:

Messrs. Bijan Ghosh & Associates, Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and offer themselves for re-appointment for the year ending 31st March, 2012.

AUDITORS REPORT:

The observation made in the Auditors Report read with the Notes on the Accounts are self explanatory and do not require any further clarification.

ACKNOWLEDGEMENT:

Your Directors would like to place on record their appreciation of the support and assistance received from the Central and State Governments of Karnataka, Maharashtra and Bankers.

Your Directors are thankful to the esteemed customers for their continued support. The Directors wish to record their deep appreciation of the hard work, dedication and enthusiastic support by all the employees for the commendable performance of the Company and also thank the shareholders for their unstinted support to the Company.

Kolkata, 3rd September, 2011.

On behalf of the Board
P. Singhi, *Whole time Director*
N. Sachan, *Director*

ANNEXURE TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD LOOKING STATEMENT

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and Readers are cautioned that the opinions expressed by the management may be forward-looking statements in the current scenario, which is extremely dynamic, and increasingly fraught with risks and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed in the statement.

INDUSTRY STRUCTURE AND DEVELOPMENTS

India is a preferred destination for companies looking to offshore their IT and back-office functions. It also retains its low-cost advantage and is a financially attractive location when viewed in combination with the business environment it offers and the availability of skilled people.

The country's domestic market for business process outsourcing (BPO) is projected to grow over 23 per cent to touch US\$ 1.4 billion in 2011, says global research group Gartner. In 2010, the domestic BPO market was worth US\$ 1.1 billion. The firm predicts that the domestic BPO market would reach US\$ 1.69 billion in 2012 and increase to US\$ 2.47 billion by 2014.

With the first quarter of the new fiscal 2011-12 offering positive business outlook, hiring sentiments for sectors like IT, ITeS and telecom have risen by over 20 per cent, says a study by Team Lease Services Pvt. Ltd. As per the Employment Outlook Report for the period April-June 2011, released by Team Lease Services Pvt. Ltd., hiring intent from IT and ITeS was the highest in cities like New Delhi, Mumbai, Hyderabad and Pune.

The software industry being the main component of the IT Industry in India has also helped the IT sector in India to grow at a good pace. As per the proceedings taking place in the software industry the future of the India Software Industry looks promising.

It's the technological revolution that at times brings surprising opportunities for some nations. India, though not among the front runners in terms of economic growth, has successfully utilized such opportunities in the revolution to become an IT hotspot. For the past several years, India has been an increasingly favored destination for customized software development. As a result, a number of software companies in India have come up. Not only the number of players has increased in the Indian IT market, but at the same time, Indian software companies have done considerably well in the global market. Such huge success of software companies in India has given birth to a new speculation - whether other developing countries should imitate Indian example and whether the success of India would constitute a competitive challenge to the software industry of the developed world or not.

OVERVIEW

The Company besides its operations in IT and ITes diversified its business activities in the field of Agriculture in Maharashtra since the last financial year and achieved significant growth. The Company is proactively

trying to seize the opportunity as initiated by the Government of India through Foreign Direct Investment in the Sector. This would be synergistic with the business of the Company and long-term benefits would accrue to the Company once the newly undertaken project scales to its culmination to enhance the value of shareholders with other stakeholders.

INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems for achieving efficiency in operations, optimum utilization of resources, effective monitoring thereof and compliance with applicable laws and regulations. The Audit Department conducts audits at various departments based on an annual audit plan with due weightage to the risk parameters associated with the business processes.

The Company regularly reviews the adequacy and effectiveness of the internal controls and suggests improvements for strengthening them.

HUMAN RESOURCES

In-house training Programme on various technical, attitudinal and supervisory aspects with the help of internal as well as external faculty, were conducted for employees after identifying their specific training needs in consultation with the respective departmental heads. The focus of the training was to create high performance culture as well as bringing an improvement in the organization.

The Company maintained cordial human relations throughout the year under review.

FINANCIAL PERFORMANCE

The details of the financial performance of the Company are appearing in the Balance Sheet and the Profit & Loss Account

OPPORTUNITIES, THREATS & OUTLOOK

The Company has invested in infrastructure development with a view to further cement the existing relationships and securing new customers. The Company maintains a persistent competitive focus with trusting and enduring partnerships with major technology company.

The Company also striving to resorts to strengthen its position by internally realigning its business and streamlining its operations with the definite intents of reducing cost and enhancing stakeholders' value.

On behalf of the Board
P. Singhi, Whole time Director
N. Sachan, Director

Kolkata, 3rd September, 2011.

ANNEXURE TO DIRECTORS' REPORT**Report on Corporate Governance:****1. Philosophy on code of governance**

The Company believes in and supports the principles and practices of good Corporate Governance. Your Company is following the philosophy of good Corporate Governance by focusing on transparency, accountability, professionalism and corporate social responsibility for enhancing shareholder values. Your board believes that the Corporate Governance is a continuous process as such Company will continue its efforts towards raising the standards in Corporate Governance by reviewing its procedures and systems to keep pace with the changing economic environment.

The Company also believes that employees of the Company subscribe to the corporate values and apply them in their conduct by following corporate governance practices.

2. Board of Directors**(i) Composition**

The composition of the Board is compliant in terms of clause 49 of the Listing Agreement. The Board comprised of 5 Directors including 3 Non-Executive Independent Directors and one Executive Director designated as Director & Chief Executive as on 31st March, 2011.

Composition, Category, Other Directorships, Other Committee Positions held by the Directors as on 31st March, 2011.

Name	Category	Other Directorships in Public Limited Companies incorporated in India	Other Committee* Positions as	
			Chairman	Member
Shri Yashwant Rampuria	Whole Time Director	—	—	—
Shri Pramod Singhi	Whole Time Director	—	—	—
Shri Neeraj Sachan	Non- Executive Independent Director	—	—	—
Shri Ashok Agarwal	— do —	—	—	—
Shri Pankaj Sachan	— do —	—	—	—

* Only the other Committee positions held in Audit and Shareholders Grievance Committee in Indian Public Limited Companies are considered.

(ii) Board Meeting:

The Board of Directors of the Company met nine times during the year 2010-2011.

The Board meetings during the financial year 2010-2011 were held on 30th April, 2010; 31st July, 2010; 3rd September, 2010; 28th September, 2010; 14th October, 2010; 15th October, 2010; 30th October, 2010; 2nd December, 2010 and 29th January, 2011. The gap between any two meetings did not exceed four months.

(iii) Attendance of Directors:

Attendance of Directors at the Board Meetings held during 2010-2011 and at the last Annual General Meeting.

Name of Directors	Meetings attended out of 9 Board Meetings held during (2010-2011)	Whether Attended last AGM held on 28th September, 2010
Yashwant Rampuria	9	Yes
Shri Neeraj Sachan	9	Yes
Shri Ashok Agarwal	4	Yes
Shri Pankaj Sachan	6	No
Shri Pramod Singhi	7	Yes

- (iv) The Company has laid down the code of conduct for all its Board Members and Senior Management Personnel and necessary declarations affirming compliance thereto has received from all of them. The code of conduct is available on the website of the Company.

3. Audit Committee**Constitution of the Committee:**

The Audit Committee of the Company has been constituted as per Section 292A of the Companies Act, 1956 and in terms of Clause 49 of the Listing Agreement. The Audit Committee is responsible for effective supervision of the financial reporting process, ensuring financial and accounting controls and also ensuring compliance with the financial policies of the Company. The Audit Committee may also review such matters as considered appropriate as per the terms of reference stipulated in Clause 49 II (C) and (D) of the Listing Agreement.

Composition and Meetings of the Committee:

The Audit Committee of the Company comprises with Shri Neeraj Sachan as Chairman, Shri Pankaj Sachan and Shri Ashok Agarwal as Members.

Attendance of Members at the Meetings of the Audit Committee held during 2010-2011.

Five meetings were held during the period on 30th April, 2010; 31st July, 2010; 3rd September, 2010; 30th October, 2010 and 29th January, 2011.

Members	Meeting Attended
Shri Neeraj Sachan	5
Shri Ashok Agarwal	2
Shri Pankaj Sachan	5

4. Remuneration Committee:

The broad terms of reference of the Committee is to determine and recommend to the Board the remuneration payable to the Executive Directors in terms of Schedule XIII of the Companies Act, 1956. The Committee comprises three non-executive independent Directors viz., Shri Neeraj Sachan as Chairman, Shri Ashok Agarwal and Shri Pankaj Sachan as Members.

Non- Executive Directors do not draw any remuneration except sitting fees and do not have any material pecuniary relationship/ transactions with the Company in their personal capacity at large. Executive Director were paid as a part of his remuneration.

The Committee met once on 3rd September, 2010 during the year. Shri Neeraj Sachan, Shri Ashok Agarwal and Shri Pankaj Sachan were attended the Meetings.

5. Shareholders/ Investors' Grievance Committee.

The Company has a Shareholders/ Investors' Grievance Committee (the Committee). The Committee deals with various matters relating to transfer/transmission of Shares/debentures, issue of duplicate shares/debentures, issue and allotment of rights/bonus shares, review of shares dematerialized and all other related matters.

The Committee comprises of three members. viz., Shri Pankaj Sachan, Shri Yashwant Rampuria as Members and Shri. Neeraj Sachan as Chairman.

The Committee met once on 3rd September, 2010 during the year and all the members were present at the meeting.

During the year 16 letters were received from shareholders out of which 6 were of the nature of complaints/grievances and the rest relate to application for transfers/transmission of shares. The complaints had been attended to the satisfaction of the shareholders. No share transfer pending as on 31st March, 2011.

None of the Directors of the Company holding shares/ convertible Instruments of the Company either by self or on behalf of others as beneficiary during the year under review.

6. General Body Meetings.

The last 3 Annual General Meetings of the Company were held on the following dates:

Dates	Time	Venue	Special Resolution/s
27th September, 2008	10.30 a.m.	Science City, Seminar Hall Kolkata - 700 046	No
19th September, 2009	10.30 a.m.	Science City, Seminar Hall Kolkata - 700 046	No
28th September, 2010	10.30 a.m.	Science City, Seminar Hall Kolkata - 700 046	No

There were no special resolutions passed by the Company through Postal Ballot during the year and no resolution is proposed to be conducted by means of Postal Ballot at present.

Resume' and other information regarding the directors seeking appointment/ reappointment as required by sub clause (i) of Clause 49 (IV) (G) of the Listing Agreement has been given in the Notice of the Annual General Meeting annexed to this Annual Report.

7. Disclosures:

The Company has not entered into any related party transactions of material nature with its promoters, the Directors or the Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large during the year 2010-2011.

There have been generally no instances of non-compliance on any matters by the Company.

8. Other Disclosures

Non- Mandatory Requirement: The Company has not yet adopted the Whistle Blower Policy and other non-mandatory requirement.

Mandatory Requirement: The CEO and CFO Certificate as required has been placed before the Board at its Meeting 3rd September, 2011 and that forms part of this Annual Report. All other mandatory requirements have been duly complied with, as far as practicable.

The Board Members and Senior Management Personnel have affirmed the compliance of Code of Conduct.

9. Means of Communication.

- a) Half yearly report sent to each household of shareholders: No
- b) Quarterly Results: Published in Newspapers: Business Standard/ Pratidin
- c) Website, where displayed : www.zigmasoftware.com
- d) whether it also displays official news releases : Yes
- e) The Presentation made to institutional investors or to the analyst: yes
- f) The Management Discussion and Analysis is a part of the Annual Report.

10. General Shareholder Information.

I) Annual General Meeting	Date & Time : Friday 30th September, 2011 At 10.30 a.m. Venue : Science City, Topsia, Kolkata- 700 046	
II) Financial Year	1st April 2010 to 31st March 2011	
III) Book Closure Date	28th September, 2011 to 30th September, 2011 (both days inclusive)	
IV) Dividend	No dividend during the year	
V) Listing on Stock Exchange	The Calcutta Stock Exchange Association Ltd., (CSEA) The Bombay Stock Exchange Ltd, (BSE) Listing fees have been paid and there is no fee outstanding as on date.	
VI) Stock Code	CSEA	: 1001249
	BSE	: 532177
	DEMAT ISIN Number	: INE746C01032
VII) Stock Price:		
Monthly	High	Low
April 2010	10.8	8.26
May 2010	9.6	6.85
June 2010	8.39	6.6
July 2010	7.4	6.5
August 2010	10.61	6.3
September 2010	11.14	8.1
October 2010	8.9	7.42
November 2010	8.52	5.33
December 2010	6.6	5.07
January 2011	6.8	4.7
February 2011	5.2	4.18
March 2011	4.56	3.72

VIII) Registrar & Share Transfer Agents	<p>M/s. MCS Limited acting as Registrar & Share Transfer Agent (RTA) for both Physical and Demat modes of Securities.</p> <p>Address: MCS Limited, 77/2A, Hazra Road, Kolkata - 700 029</p> <p>Ph. No. (033) 2454 1892/93, Fax (033) 2454 1961</p>
IX) Share Transfer System	<p>The transfer of shares in Demat mode need not be approved by the Company. The transfers of Physical Shares, which are complete in all respects, are taken up for approval and the transferred securities are dispatched to the transferee within the stipulated time.</p>

X) Distribution of shareholding as on 31st March, 2011.

	Category	No. of Share(s) held	Percentage (%) to Total
A	Promoter(s) Holding		
	1. Promoters		
	a. Indian Promoters	110	0.00
	b. Foreign Promoters	—	—
	2. Persons Acting in Concert	—	—
	Sub Total	110	0.00
B.	Public Share Holding		
	3. Institutional Investors		
	a. Mutual Funds and UTI	—	—
	b. Bank/ Financial Institutions/ Insurance companies	1500	0.00
	c. FIIs	—	—
	Sub Total	1500	0.00
	4. Others		
	a. Bodies Corporate	13204490	31.62
	b. Indian Public	28472038	68.19
	c. Non Resident Indians	80862	0.19
	d. Foreign Company	1000	0.00
	Sub Total	41758390	100.00
	Grand Total	41760000	100.00

Shareholding (Range)	No. of shares	%	No. of Shareholders	%
1 — 500	3054805	7.32	18350	82.90
501 — 1000	1474189	3.53	1739	7.85
1001 — 2000	1285382	3.08	823	3.72
2001 — 3000	807321	1.93	307	1.39
3001 — 4000	556298	1.33	151	0.68
4001 — 5000	799769	1.92	166	0.75
5001 — 10000	1749674	4.19	223	1.01
10001 — 50000	5883083	14.09	267	1.21
50001 — 100000	1818363	4.35	27	0.12
100001 — Above	24331116	58.26	82	0.37
Total	41760000	100.00	22135	100.00

XI) Dematerialization of Shares as on 31st March, 2011	<p>The Company has entered into arrangements with National Securities Depository Ltd., and Central Depository Services (India) Ltd. whereby Shareholders have an option to dematerialize their shares with either of the depositories.</p> <p>As regards the shares held in depository 41683099 shares have been dematerialized as on 31st March 2011, which accounts for 99.82 % of the total Shares.</p>
XII) Outstanding GDRs /ADRs/ Warrants or any Convertible instruments, conversion dates	NIL
XIII) Address for Correspondence	<p>Registered Office P-113, Kalindi Housing Estate Ground Floor, Lake Town, Kolkata -700089</p>

Kolkata, 3rd September, 2011.

On behalf of the Board
P. Singhi, Whole time Director
N. Sachan, Director

Declaration

The Board Members and Senior Management Personnel have given declaration relating to the Code of Conduct for the Year 2010-11 as per the Clause 49 of the Listing Agreement.

For Zigma Software Limited

P. Singhi

Whole time Director

Kolkata, 3rd September, 2011

Auditors' Certificate on Compliance with the Conditions of Corporate Governance under Clause 49 of the Listing Agreement(s)

To the Members of Zigma Software Ltd.

We have examined the compliance of conditions of corporate governance by Zigma Software Limited for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

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

For Bijan Ghosh & Associates

(Chartered Accountants)

(BIJAN GHOSH)

Partner

Place: Kolkata

Date: 3rd September, 2011

AUDITOR'S REPORT

To,

THE MEMBERS OF ZIGMA SOFTWARE LIMITED.

1. We have audited the attached Balance Sheet of **M/s. ZIGMA SOFTWARE LTD.** as at 31st March 2011 and Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principle used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order 2003 as amended by the companies (Auditor Report) (Amendment) order 2004 issued by the Central Government of India in terms of Section 227(4A) of the companies Act, 1956 we enclose in the Annexure a statement of the matters specified in Paragraphs 4 & 5 of the said order.
4. Further to our comments in Annexure referred to in paragraph 3 above we report that: -
 - (i) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of account as required by the law have been kept by the company so far as appears from our examination of those books and proper returns certified by the Branch Manager adequate for the purpose of our audit have been received from some of the branches which have not been visited by us.
 - (iii) The Balance Sheet and Profit and Loss Account dealt with in this report are in agreement with the Books of Account.
 - (iv) In our opinion the Balance Sheet and Profit and Loss Account of the Company dealt with in this report complied with the Accounting Standard referred to in sub Section (3C) of Section 211 of the Companies Act, 1956;

(v) As per the information and explanations given to us, none of the Directors of the Company is disqualified from being appointed as a Director under clause (g) of sub-section (i) of section 274 of the Companies Act, 1956;

5. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with schedules thereon and subject to Significant Accounting Policies and notes on account given in Schedule "M" give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view.

- a) In the case of the Balance Sheet, of the State of affairs of the company as at 31st March, 2011 and
- b) In the case of the Profit & Loss account, of the Profit of the Company for the year ended on that date.

For BIJAN GHOSH & ASSOCIATES
Chartered Accountants
(BIJAN GHOSH)
Proprietor

Membership No. 009491
Firm Regtn. No. 323214E

The 3rd day of September, 2011
Kolkata

ANNEXURE TO THE AUDITOR'S REPORT OF ZIGMA SOFTWARE LIMITED

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
Fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regards of the size of the Company and the nature of its fixed assets.
There was no substantial disposal of fixed assets during the year, which would affect the going concern of the Company.
2. (a) Physical Verification of Inventory has been conducted by the Management of the Company at a reasonable interval.
(b) The procedure of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company.
(c) The Company maintains proper records of inventory and no material discrepancies were noticed on such physical verification.
3. As informed to us, the Company has not granted any loan, secured or unsecured to/from companies, firms or other parties covered in the registered maintained under Section 301 of the companies Act, 1956 and as such clause (iii) (a) to (iii) (d) are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and sale of goods and services. There is no continuing failure to correct major weaknesses in the internal control.
5. (a) Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions with the aforesaid parties with whom transaction exceeding value of Rupees five lacs have been entered into during the financial year are at price which are reasonable having regard to the prevailing market price at the relevant time.
6. In our opinion and according to the information and explanations given to us the Company has not accepted any deposit from public within the meaning of Section 58A and 58AA or any other provision of the companies Act, 1956.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under Section 209(I) (d) of the Act, 1956 for these types of companies.
9. According to the record of the Company, the Company is generally regular in depositing undisputed statutory dues such as Income-tax, sales-tax, wealth tax, customs Duty, Excise Duty, Cess, Service Tax and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amount payable in respect of Income Tax, wealth tax, sales tax, customs duty, excise duty and service tax which were

outstanding, at the year end for a period or more than six months from the date they become payable.

10. The Company's accumulated Loss at the end of the financial year are less than of its net worth. The Company has not incurred cash losses in current year as well as in the immediately preceding financial year.
11. As per books and records maintained by the company and according to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
12. According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and others securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/societies.
14. As informed and explained to us, the company has not dealt / traded in securities or debentures during the year. In our opinion and according to the information and explanation given to us, proper records have been maintained of the transactions and contracts relating to dealing/tradings in shares and other investments and timely entries have been made therein. The shares and other investments have been held by the company, in its own name.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by its associates from bank or financial institutions.
16. There are term loans outstanding as at the end of the year.
17. On the basis of information received from the management and based on our examination of the balance sheet of the Company as at March 31, 2011 we find that the funds raised on a short-term basis have not been used for long term investment.
18. The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The company did not have any outstanding debentures during the year.
20. The company has not raised any money through a public issue during the year.
21. Based on information and explanations furnished by the management, which have been relied upon by us, there were no frauds, on or by the company, noticed or reported during the year.

For **BIJAN GHOSH & ASSOCIATES**

Chartered Accountants

(BIJAN GHOSH)

Proprietor

Membership No. 009491

Firm Regtn. No. 323214E

The 3rd day of September, 2011
Kolkata

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	AS ON 31.03.2011 ₹	AS ON 31.03.2010 ₹
SOURCE OF FUNDS :			
SHAREHOLDERS FUNDS			
Share Capital	A	417,600,000	381,600,000
Reserves & Surplus	B	357,245,766	276,719,090
LOAN FUNDS :			
Secured Loans	C	143,146	330,763
		<u>774,988,912</u>	<u>658,649,853</u>
APPLICATION OF FUNDS			
FIXED ASSETS :			
Gross Block	D	464,488,126	465,074,039
Less: Depreciation		<u>264,120,090</u>	<u>258,150,577</u>
Net Block		200,368,036	206,923,462
Capital Work-in-Progress		<u>21,189,442</u>	<u>21,189,442</u>
		221,557,478	228,112,904
INVESTMENTS:	E	44,364,341	44,364,341
CURRENT ASSETS, LOANS & ADVANCES:			
Inventories	F	—	—
Sundry Debtors		26,606,075	29,358,375
Cash & Bank Balances		7,895,084	6,176,669
Loans & Advances		<u>474,529,363</u>	<u>355,640,273</u>
		509,030,522	391,175,317
Less: Current Liabilities & Provisions	G	<u>2,288,429</u>	<u>7,327,709</u>
NET CURRENT ASSETS		506,742,093	383,847,608
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)	H	<u>2,325,000</u>	<u>2,325,000</u>
		<u>774,988,912</u>	<u>658,649,853</u>
Significant Accounting Policy and Notes on Account			
	M		

As per our separate report attached
For BIJAN GHOSH & ASSOCIATES
Chartered Accountants
(BIJAN GHOSH)
Proprietor
Membership No. 009491
Firm Regtn. No. 323214E
 The 3rd day of September, 2011
 Kolkata

For and on behalf of Board of Director

NEERAJ SACHAN **PRAMOD SINGHI**
Director *Director*

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	AS ON 31.03.2011 ₹	AS ON 31.03.2010 ₹
INCOME			
Sales	I	11,502,180	14,607,754
Other Income	J	2,959,077	184,222
		<u>14,461,257</u>	<u>14,791,976</u>
EXPENDITURE			
Software Development Expenses	K	2,879,347	515,064
Agariculture Expenses		—	956,638
Interest		40,575	68,723
Administrative & Other Expenses	L	5,060,675	2,432,397
Depreciation	D	6,376,484	10,290,068
		<u>14,357,081</u>	<u>14,262,890</u>
Profit/(Loss) before Tax		104,176	529,086
Less: Provision for Tax		40,000	47,000
Profit/(Loss) after Tax		64,176	482,086
Profit Available for Appropriation		<u>64,176</u>	<u>482,086</u>
Balance of Profit/Loss from earlier year		2,380,918	1,898,832
Add: Bal. of Profit Current year		64,176	482,086
Balance Carried to Balance Sheet		<u>2,445,094</u>	<u>2,380,918</u>
Signaificant Accounting Policy and Notes on Account	M		

As per our separate report attached
For BIJAN GHOSH & ASSOCIATES
Chartered Accountants
(BIJAN GHOSH)
Proprietor
Membership No. 009491
Firm Regtn. No. 323214E
The 3rd day of September, 2011
Kolkata

For and on behalf of Board of Director

NEERAJ SACHAN **PRAMOD SINGHI**
Director Director

**SCHEDULES FORMING PART OF THE BALANCE SHEET
AS ON 31ST MARCH, 2011**

	AS ON 31.03.2011 ₹	AS ON 31.03.2010 ₹
SCHEDULE - A		
SHARE CAPITAL :		
AUTHORISED		
6,30,00,000 Equity Shares of Rs. 10/- each	<u>630,000,000</u>	<u>630,000,000</u>
(6,30,00,000) Equity Shares of Rs.10/- each		
ISSUED, SUBSCRIBED & PAID UP		
4,17,60,000 Equity Shares of Rs. 10/- each	417,600,000	381,600,000
(3,81,60,000) Equity Shares of Rs. 10/- each	<u>417,600,000</u>	<u>381,600,000</u>
SCHEDULE - B		
RESERVES & SURPLUS		
Share Premium Account	268,805,400	268,805,400
General Reserve	5,532,772	5,532,772
1,26,45,000 Full Convertible Warrants	12,64,50,000	
Less : Call-in-arrears	<u>4,59,87,500</u>	—
Balance as per Profit and Loss A/c.	80,462,500	—
	2,445,094	2,380,918
	<u>357,245,766</u>	<u>276,719,090</u>
SCHEDULE - C		
SECURED LOANS:		
Term Loan :		
Secured against hypothecation of Cars	143,146	330,763
	<u>143,146</u>	<u>330,763</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET. AS ON 31ST MARCH, 2011
SCHEDULE - D
FIXED ASSETS:

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31.03.2010	Additions during the year	Sales/Adj.	As on 31.03.2011	As on 31.03.2010	Adjust- ments	For the year	As on 31.03.2011	As on 31.03.2011	As on 31.03.2010
Furniture & Fixtures	12,802,769	—	—	12,802,769	10,308,730	—	448,927	10,757,657	2,045,112	2,494,039
Motor Car	1,967,145	—	585,913	1,381,232	1,359,940	406,971	110,877	1,063,846	317,386	607,205
Office Equipment	729,108	—	—	729,108	531,673	—	27,463	559,136	169,972	197,435
Computers	257,597,098	—	—	257,597,098	243,857,336	—	5,495,905	249,353,241	8,243,857	13,739,762
Agriculture Land Development	187,776,380	—	—	187,776,380	—	—	—	—	187,776,380	187,776,380
Plant & Machinery	4,140,539	—	—	4,140,539	2,062,431	—	289,065	2,351,496	1,789,043	2,078,108
Air Conditions	61,000	—	—	61,000	30,467	—	4,247	34,174	26,286	30,533
TOTAL	465,074,039	—	585,913	464,488,126	258,150,577	406,971	6,376,484	264,120,090	200,368,036	206,923,462
Previous year	465,039,451	34,588	—	465,074,039	247,860,509	—	10,290,068	258,150,577	206,923,462	217,178,942

Notes :-

Capital Working Progress includes

- 1) ₹ 99,50,000/- (Previous Period ₹ 99,50,000/-) on accounts of advance against project contracts
- 2) ₹ 1,12,39,442/- (Previous Period ₹ 80,58,442/-) on accounts of project development expenses A/c.

**SCHEDULES FORMING PART OF THE BALANCE SHEET
AS ON 31ST MARCH, 2011**

	AS ON 31.03.2011 ₹	AS ON 31.03.2010 ₹
SCHEDULE - E		
Investments : (At Cost - long term)		
UNQUOTED		
75000 Perfect Gold (India) Ltd. (Partly Paid) (Previous year 75000)	4,185,106	4,185,106
39000 Sh. Sphinx Worldbiz Ltd.(Prev. Yr. 39000)	3,900,000	3,900,000
16000 Sh.Glob Soya Products (P) Ltd. (Prev. 16000)	800,000	800,000
40000 Sh. Mayank Tieoup Pvt.Ltd. (Prev. 40000)	2,000,000	2,000,000
15000 Sh. Maheshwary Ispat (P) Ltd. (Prev. 15000)	1,500,000	1,500,000
35000 Sh. Nirdesh Trading (P) Ltd. (Prev. 35000)	3,500,000	3,500,000
30000 Sh.Astiva Sales (P) Ltd. (Prev. 30000)	3,000,000	3,000,000
20000 Sh. Umra Propraties & Fin (P) Ltd. (Prev. 20000)	2,000,000	2,000,000
75000 Sh. R. Marble Palace (P) Ltd. (Prev. 75000)	15,750,000	15,750,000
4000 Sh. Mumbadevi Fin.&Inv co. (P) Ltd. (Prev. 4000)	4,000,000	4,000,000
105000 Sh.Waylink Mercantile (P) Ltd.(Prev. Nil)	420,000	420,000
14500 Pref.Sh.Vegetable Products Ltd (Prev. Nil)	1,450,000	1,450,000
QUOTED		
127900 Coral News Print Ltd. (Prev. year 127900)	1,142,489	1,142,489
35000 Sh Kirti Finves (Prev. 35000 Sh.)	716,746	716,746
	<u>44,364,341</u>	<u>44,364,341</u>
AGGREGATE VALUE OF UNQUOTED INVESTMENTS	42,505,106	42,505,106
AGGREGATE VALUE OF QUOTED INVESTMENTS	1,859,235	1,859,235
AGGREGATE MARKET VALUE OF QUOTED INVESTMENTS	895,700	1,520,200
SCHEDULE - F		
CURRENT ASSETS, LOANS & ADVANCES		
Sundry Debtors:		
(Unsecured, considered good)		
Over six months	24,570,375	24,343,019
Others	2,035,700	5,015,356
	<u>26,606,075</u>	<u>29,358,375</u>
Cash & Bank Balance:		
Cash-in hand (As certified by the Management)	7,314,460	5,602,575
With Schedule Banks		
In Current Accounts	82,324	75,794
Unpaid Dividend A/c.	498,300	499,300
	<u>7,895,084</u>	<u>6,177,669</u>

**SCHEDULES FORMING PART OF THE BALANCE SHEET
AS ON 31ST MARCH, 2011**

	AS ON 31.03.2011 ₹	AS ON 31.03.2010 ₹
SCHEDULE- F Contd. ...		
Loans & Advances:		
(Unsecured, considered good otherwise stated)		
Advance (recoverable in cash or in kind or for value to be received)	443,624,393	331,930,633
Loans	27,824,970	20,677,640
Deposits	3,080,000	3,032,000
	<u>474,529,363</u>	<u>355,640,273</u>
SCHEDULE - G		
CURRENT LIABILITIES & PROVISIONS:		
Current Liabilities:		
Sundry Creditors for Goods	—	—
Share Applications (Pending Allotment)	—	4,788,000
Sundry Creditors for Expenses	183,582	520,182
Unpaid Dividend	498,300	499,300
	<u>681,882</u>	<u>5,807,482</u>
Provisions:		
Provision for Income Tax	1,606,547	1,521,227
	<u>1,606,547</u>	<u>1,521,227</u>
	<u>2,288,429</u>	<u>7,328,709</u>
SCHEDULE - H		
MISCELLANEOUS EXPENDITURE:		
Preliminary Expenses	2,325,000	2,325,000
	<u>2,325,000</u>	<u>2,325,000</u>

**SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE
YEAR ENDED 31ST MARCH, 2011**

	AS ON 31.03.2011 ₹	AS ON 31.03.2010 ₹
SCHEDULE - I		
SALES :		
Sale of Software	11,502,180	9,495,044
Sales of Agarculture	—	5,112,710
	<u>11,502,180</u>	<u>14,607,754</u>
SCHEDULE - J		
OTHER INCOME :		
Interest	2,923,019	184,222
Profit on Sale of Car	36,058	—
	<u>2,959,077</u>	<u>184,222</u>
SCHEDULE - K		
SOFTWARE DEVELOPMENT EXPENSES		
Purchase	132,830	25,960
Consumable	125,697	10,322
Development Expenses	2,620,820	478,782
	<u>2,879,347</u>	<u>515,064</u>
SCHEDULE - L		
ADMINISTRATIVE & OTHER EXPENSES :		
Salary & Wages	820,574	503,170
Staff Welfare Expenses	30,332	27,175
Repairs & Maintenance	5,010	11,817
Listing Fees	107,458	54,395
Travelling & Conveyance expenses	2,574,263	61,970
Communication Expenses	204,550	102,874
Bank Charges	72,933	43,772
Miscellaneous Expenses	357,221	308,399
Advertisement	10,715	14,197
Rent Account	225,000	363,500
Vehicle Maintenance	124,022	60,532
Audit Fees	20,000	20,000
Power and Fuel Charges	53,596	57,745
Directors Sitting Fees/ Remuneration	422,500	562,000
Legal and Professional Charges	18,060	14,500
Printing & Stationery	14,441	25,351
Donation	—	201,000
	<u>5,060,675</u>	<u>2,432,397</u>

NOTES ON ACCOUNTS : SCHEDULE – 'M'**SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT****SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS.****A. SIGNIFICANT ACCOUNTING POLICIES:****1. Accounting Convention & Revenue Recognition:**

The accounts have been prepared in accordance with historical cost convention and following mercantile basis of accounting except bonus, which is accounted for on cash basis. Income & Expenditure have been accounted for on mercantile basis.

2. Investments:

Long-term investments are stated at Cost. In case there is diminution in the value of Investments the same has not been accounted for.

3. Inventory:

(i) Raw Material : At cost.

(ii) Work-in-progress : At estimated cost.

(iii) Finished Goods : At cost or market price whichever is lower.

4. Fixed Assets:

1) Fixed Assets are stated at cost of acquisition including freight, taxes, duties and other incidental expenses related to acquisition and installation.

2) Depreciation on Fixed Assets is provided in accordance with the rates specified in Schedule XIV of the Companies Act, 1956 as amended on written down value method.

5. The Company has performed some Agricultural Business during the year of the nature of Bia-Tech and Agricultural Products.

6. Sales:

Sales is accounted for on raising of Bills.

7. Amortization of Miscellaneous Expenditure:

Preliminary and Share Issue expenses are amortised over a period of Ten years.

B. NOTES ON ACCOUNTS:

1. Gratuity provision not made due to none of the employee has worked for 5 years or more.

2. The maximum amount due by Directors or other of the Company at any time during the year Rs.Nil.

3. The Outstanding balance of Debtors, Creditors and Loans & Advance are subject to confirmation and reconciliation.

4. In the opinion of the Board and to the best of their knowledge and belief, the realisable value of Current Assets, Loans and Advance, in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required except the reservations mentioned above.
8. Additional information pursuant to the provision of paragraph 3 & 4 Part II of the Schedule V. of the Companies Act, 1956.
- (a) Annual Production, Sales & Opening and Closing Stock : Nil
- (b) Consumption of Raw Material and Stores: Nil
9. Remuneration to Executive Director :-
- | | <u>2010-2011</u> | <u>2009-2010</u> |
|----------------------|------------------|------------------|
| Salary and Allowance | 4,22,500/- | 5,00,000/- |
10. Earning in foreign exchange and expenditure in foreign currency is Nil. (Previous year Nil)
11. Employees drawing ₹ 24,00,000/- or more per annum in aggregate as remuneration if employed for the whole of the year or ₹ 2,00,000/- or more per month if the employed for the part of the year – None.
12. Figures have been rounded off to the nearest rupee.
13. Previous year figures have been regrouped / rearranged whenever found necessary.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	<u>Year ended</u> <u>31.03.2011</u>		<u>Year ended</u> <u>31.03.2010</u>	
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax and extraordinary items		104,176		529,086
Adjustment for :				
Depreciation	6,376,484		10,290,068	
Miscellaneous Expenditure Written Off	—		—	
(Profit)/Loss on sale of Fixed Assets sold/discarded	(36,058)		—	
(Profit)/Loss on sale of Investment	—		—	
Dividend Income	—		—	
Interest Expenses	40,575		68,723	
Interest Income	(2,923,019)		(184,222)	
		<u>3,457,982</u>		<u>10,174,569</u>
		3,562,159		10,703,655
Operating Profit before working capital changes				
Increase in Trade and other receivables	(116,136,790)		(9,394,340)	
Increase in Inventories	—		—	
Increase/Decrease in Trade payable	(5,039,280)	(121,176,070)	(396,203)	(9,790,543)
Cash Generation from operation		(117,613,911)		913,112
Direct Taxes Paid		(40,000)		(47,000)
Cash flow before extra ordinary items		(117,653,911)		866,112
Extraordinary items		—		—
NET CASH FLOW FROM OPERATING ACTIVITIES		(117,653,911)		866,112
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets (including interest capitalised)	—		(3,215,588)	
Sales of fixed assets	178,942		—	
Acquisition of companies	—		—	
Purchase of Investment	—		—	
Sale of Investments	—		—	
Miscellaneous Expenditure (Preliminary)	—		—	
Interest Received	2,923,019		184,222	
Dividend received	—		—	
Net cash used in investing activities		3,101,961		(3,031,366)

ZIGMA SOFTWARE LIMITED



(C) CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from issue of Share Capital	36,000,000	—	—
(Calls in arrears received	80,462,500	—	—
Net Proceeds from long term borrowings	(187,617)	(159,469)	—
Net Proceeds from short term borrowings	—	—	—
(Profit)/Loss on sale of Fixed Assets	36,058	—	—
(Profit)/Loss on sale of Invstment	—	—	—
Dividend paid	—	—	—
Interest paid	(40,575)	(68,723)	—
NET CASH USED IN FINANCING ACTIVITIES		<u>116,270,366</u>	<u>(228,192)</u>
Net increase/(decreases) in cash and cash equivalents		1,718,415	(2,393,446)
Cash and cash equipment as at year opening		6,176,669	8,570,115
Cash and cash equivalents as at the year end		<u><u>7,895,084</u></u>	<u><u>6,176,669</u></u>

We have examined the attached Cash Flow statement of **ZIGMA SOFTWARE LIMITED** for the year ended 31st March, 2011.

The Statement has been prepared by the Company in accordance with the listing agreements with the Stock Exchanges and is based on and are 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.

As per our separate report attached
For BIJAN GHOSH & ASSOCIATES
Chartered Accountants
(BIJAN GHOSH)
Proprietor
Membership No. 009491
Firm Regtn. No. 323214E
The 3rd day of September, 2011
Kolkata

For and on behalf of Board of Director

NEERAJ SACHAN **PRAMOD SINGHI**
Director Director

ZIGMA SOFTWARE LIMITED



BALANCE SHEET ABSTRACT AND COMPANY GENERAL BUSINESS PROFILE [AS PER SCHEDULE VI PART(IV) OF THE COMPANIES ACT,1956]

I. REGISTRATION DETAILS	46922
Registration No.	21
State Code	31.03.2011
Balance Sheet Date	
II. CAPITAL RAISED DURING THE YEAR	—
Public Issue	—
Right Issue Including premium	—
Private placement	—
Bonus Issue	—
III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS	774,988,912
Total Liabilities	774,988,912
Total assets	
SOURCES OF FUND	417,600,000
Paid up Capital	357,245,766
Reserve & Surplus	143,146
Secured Loans	—
Unsecured Loans	—
APPLICATION OF FUNDS	221,557,478
Net Fixed Assets	44,364,341
Investments	506,742,093
Net. Current Assets	2,325,000
Misc. Expenditure	—
Accumulated Losses	—
VI. PERFORMANCE OF THE COMPANY	14,461,257
Turnover including other income	14,357,081
Total expenditure	104,176
Profit/(Loss) Before Tax	—
Earning per Share(Rs.)	—
Dividend Rate (%)	—
V. GENERIC NAMES OF PRINCIPAL PRODUCTS OF THE	N.A.
ITEMS CODE NO (ITC CODE)	

As per our separate report attached
For **BIJAN GHOSH & ASSOCIATES**
Chartered Accountants
(**BIJAN GHOSH**)
Proprietor
Membership No. 009491
Firm Regtn. No. 323214E
The 3rd day of September, 2011
Kolkata

For and on behalf of Board of Director

NEERAJ SACHAN **PRAMOD SINGHI**
Director Director



ZIGMA SOFTWARE LIMITED

Registered Office: P-113, Kalindi Housing Estate, Ground Floor, Lake Town, Kolkata - 700089

PROXY FORM

Folio No. DPID-CLID_____ No. of Shares Held_____

I/We _____

of _____ in the district of _____

being a Member / Members of **ZIGMA SOFTWARE LIMITED**, hereby appoint _____

_____ of _____ in the district

of _____ or failing him _____

of _____ in the district of _____

as my/our proxy to vote for me/us, on my/our behalf at the 22nd Annual General Meeting of the company to be held on Friday, 30th September, 2011 at 10.30 A.M. at the Seminar Hall of Science City, JBS Haldane Avenue, Kolkata - 700 046 and the any adjournment there of.

Signed _____ day of _____ 2011.

Affix
₹ 1/-
Revenue
Stamp

NOTES :

1. The instrument of Proxy Form shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting. A proxy need not be a Member of the Company
2. The forms should be signed across the stamp as per the specimen signature registered with the Company.



ZIGMA SOFTWARE LIMITED

Registered Office: P-113, Kalindi Housing Estate, Ground Floor, Lake Town, Kolkata - 700089

ATTENDANCE SLIP

Please complete the attendance slip and hand over at the entrance of the Meeting Hall.

I hereby record my presence at the 22nd Annual General Meeting of the Company being held on Friday, 30th September 2011.

Folio No. DPID-CLID_____ No. of Shares Held_____

Name of the Shareholders (in Block Letters) _____

Name of the Proxy (in Block Letters) to be filled, if the Proxy attends instead if the Members

Member's / Proxy Signature* _____

*To be signed at the of handing over this slip.

BOOK POST



If undelivered please return to :

ZIGMA SOFTWARE LIMITED

P-113, Kalindi Housing Estate
Ground Floor, Lake Town
Kolkata - 700089