

**19<sup>th</sup>**  
**ANNUAL REPORT**  
**2014-15**



**CYBERSCAPE**  
**MULTIMEDIA LIMITED**

## BOARD OF DIRECTORS

Anand S.K.  
Managing Director

M.S. Sridhar  
Joint Managing Director

Milind Mehta  
Director

Sukirti Sogal  
Director

Prashanth Kamath  
Director

Vijayakumar N.A.  
Director

Swarupa H.S.  
Director

### Auditors

Shabbir & Rita Associates LLP  
Chartered Accountants  
63, Narayan Niwas,  
Aarey Road, Goregaon (West)  
Mumbai - 400 062.  
Tel: 91-22-28739939, 28720555  
Email: shabbir.rita@gmail.com

## COMMITTEES OF THE BOARD

### Audit Committee

Sukirti Sogal, Chairman  
Milind Mehta  
Prashanth Kamath

### Shareholders/Investors Grievances Committee

Vijayakumar N.A., Chairman  
Prashanth Kamath  
Anand S.K.

### Share Transfer Committee

Anand S.K.  
M.S. Sridhar

## Registered & Corporate Office

1456, 23rd Main, 30th Cross  
Banashankari II Stage  
Bengaluru-560 070.  
Tele/Fax: 91-80-26714446 / 26710925  
Email : info@cyberscapeindia.com  
Website : www.cyberscapeindia.com  
CIN : L22130KA1996PLC020728

## Mumbai Branch :

A-302, "A" Wing, Raj Darshan Building  
Dada Patil Wadi, Opp. Platform No. 1  
Thane (W)-400602  
Tel.: 91-22-25450959  
Fax : 91-22-25454742

## Registrars & Share Transfer Agents

Integrated Enterprises (India) Ltd.,  
30, Ramana Residency  
4th Cross, Sampige Road  
Malleswaram  
Bengaluru-560 003.  
Tel: 91-80-23460815 - 818  
Fax: 91-80-23460819  
E-mail: irg@integratedindia.in  
CIN : U65993TN1987PLC014964

## Bankers

Indian Overseas Bank  
ICICI Bank Ltd.

## NOTICE TO SHAREHOLDERS



**NOTICE** is hereby given that the **19<sup>th</sup> Annual General Meeting of the shareholders of Cyberscape Multimedia Limited** will be held at **10:00 a.m. on Wednesday, the 30<sup>th</sup> September 2015** at the Registered Office # 1456, 23<sup>rd</sup> Main, 30<sup>th</sup> Cross, Banashankari 2<sup>nd</sup> Stage, Bengaluru-560070 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2015 and the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sukirti Sogal (DIN 03599551), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Prashanth Kamath (DIN 03596769), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Shabbir & Rita Associates LLP, Chartered Accountants, Mumbai, (Registration No. 109420W) retiring auditors, are eligible for re-appointment. In this connection, to consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED** THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, M/s Shabbir & Rita Associates LLP, Chartered Accountants, Mumbai, (Registration No. 109420W) be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting, on such remuneration as may be determined by the Board of Directors in consultation with the Auditors."

### SPECIAL BUSINESS

5. Appointment of Mrs. Swarupa H.S. as a Director

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

**"RESOLVED** that Mrs. Swarupa H.S., who was appointed as an Additional Director of the Company with effect from 31<sup>st</sup> March, 2015 under Article 84 of the Articles of Association of the Company, and who holds office until this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board

**ANAND S.K.**  
Managing Director

Bengaluru, May 29, 2015

### NOTES:

1. **A member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself/herself. The proxy need not be a member of the Company. Proxies to be effective must be deposited with the Company not later than 48 hours before the commencement of the meeting.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2015 to 30<sup>th</sup> September, 2015 (both days inclusive).
3. Members holding shares in physical form are requested to intimate immediately any change in their address to the Registrar and Share Transfer Agents and the members holding shares in dematerialised form may inform the same to their respective depository participants.
4. Members desirous of getting any information in respect of accounts are requested to send their queries in writing to the Company at the Registered Office so as to reach the Company 7 days before the meeting.
5. As members are aware, equity shares of the Company are traded in electronic form for all shareholders. Members who hold equity shares in physical form may dematerialise the same. ISIN allotted to the Company for this purpose is INE519B01019 (Fully Paid-up) and INE9519B01017 (Partly Paid-up).
6. Members/Proxies are requested to bring their copy of the Annual Report and the Attendance Slip sent herewith duly filled in to the Annual General Meeting.
7. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrars and Share Transfer Agents M/s Integrated Enterprises (India) Limited, for consolidation into a single folio.
8. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or from the Company's Registered Office. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
9. Company will be disclosing to the Stock Exchange(s), as per Clause 35A of the Listing Agreement, the details of results of voting on each of the resolutions proposed in this Notice.
10. Pursuant to Section 101 and Section 136 of the

Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Integrated Enterprises (India) Limited. Members holding shares in demat form are requested to register/update their email address with their Depository Participant(s) directly. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request.

11. Pursuant to Clause 35B of the Listing Agreement, we are providing facility of e-voting to all members as per applicable regulations relating to e-voting. The business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). Mr. Krishnakant Parashar, practicing Company Secretary (CP No. 9734) has been appointed as scrutinizer in this regard. Such e-voting facility is in addition to voting that may take place at the meeting venue on September 30, 2015.

**Voting through electronic means :**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility to exercise their right to vote by electronic means. The facility of casting votes using an electronic voting system from a place other than the AGM venue ('remote e-voting') will be provided to the members by Central Depository Services (India) Limited (CDSL).

The company is providing facility for voting by electronic means and the business may be transacted through such electronic voting. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 27/09/2015 (from 9 a.m.) and ends on 29/09/2015 (upto 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 (record date) of 23/09/2015, may cast their vote electronically. The 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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  * 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 last 8 digits of the demat account/folio number in the PAN field.  * In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN filed.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.  * Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (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 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 e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of Cyberscape Multimedia Limited.
- (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.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
12. A person who has participated in e-voting is not debarred from participating in the meeting physically though he shall not be able to vote in the meeting again and his earlier vote cast electronically shall be treated as final. In terms of the provisions of Section 107 read with Section 109, there will be no voting by show of hands at the meeting. The Chairman of the meeting will regulate the meeting and voting on the resolutions in accordance with the provisions of the Act and the applicable Rules.
13. The results of the e-voting along with the scrutinizer's report shall be placed in Company's website [www.cyberscapeindia.com](http://www.cyberscapeindia.com) and on the website of CDSL within three days of passing of the resolution at the AGM of the Company. The results will also be communicated to Bombay Stock Exchange where the shares of the Company are listed.
14. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative(s) to attend and vote (if casted at the AGM) on their behalf at the meeting.
15. Statement pursuant to Section 102 of the Companies Act, 2013 and brief resume of the Directors proposed to be re-appointed vide Item Nos. 2 & 3 under Ordinary Business in the Notice as required under Clause 49 of the Listing Agreement:
- i. Mr. Sukirti Sogal (57) holds a Diploma in Electrical Engineering and has nearly 34 years' experience. He was involved in design and execution of various projects in industries viz. power plants, grinding mill, vegetable oil refineries, natural gas and oil refineries etc. He has also been involved in software projects, medical transcription, call centre and garment manufacturing units. He has also executed several overseas projects in countries like Iraq and Muscat. In recent years Mr. Sogal has moved over to Banking and NREGA projects in rural Karnataka and

currently has his own business at Bengaluru.  
He is Chairman of the Audit Committee.

Apart from Cyberscape Multimedia Limited he is not holding Directorship in any other company. He does not hold any shares in the Company.

- ii. Mr. Prashanth Kamath (42) holds a Diploma in Electronics and Communication and has also done a Certification Course from Cambridge University specializing in Sales and Marketing. He has over 19 years of experience in various sectors handling CCTV Camera and Remote Surveillance System, Access Control and Time Attendance System, Electronic Security systems etc. He has worked in Oman for nearly 8 years and

presently running his own business set up in Bengaluru.

He is a member of the Audit Committee.

Apart from Cyberscape Multimedia Limited he is not holding Directorship in any other company. He does not hold any shares in the Company.

By Order of the Board

**ANAND S.K.**

Managing Director

Registered Office :  
1456, 23rd Cross, 30th Main,  
Banashankari 2nd Stage  
Bengaluru - 560 070.

Bengaluru, May 29, 2015

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#### **ANNEXURE TO THE NOTICE**

#### **EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013**

##### **Item No. 5**

Mrs. Swarupa H.S. was appointed by the Board of Directors as an Additional Director of the Company with effect from 31<sup>st</sup> March, 2015 in accordance with Section 161(1) of the Companies Act, 2013 and Article 84 of the Articles of Association to hold office till the date of the ensuing Annual General Meeting.

Mrs. Swarupa H.S. holds a Bachelors degree in Science and a Diploma in Computer Science and in Commercial Art. She has experience as a teacher for over 4 years and as a Human Resources Manager for over 7 years. She has vast experience and knowledge in recruiting, managing and training personnel in hard and soft skills. Having a keen sense of aesthetics, she also has experience in creation, design and refinement of marketing and information catalogues and brochures for the print and online media. She has been instrumental in framing HR policies for the company and advising on human resources related areas.

She is holding 36,700 shares in the Company.

Mr. Anand S.K., Managing Director, being related to her, is interested in the resolution.

# DIRECTORS' REPORT



To the Members,

Your Directors have pleasure in presenting the 19<sup>th</sup> Annual Report together with the audited accounts of the Company for the year ended March 31, 2015.

## FINANCIAL RESULTS

(Rupees in lacs)

PARTICULARS	2014-15	2013-14
Total Income	2.87	3.27
Total Expenses including Depreciation, Financial Cost and other expenses	24.59	65.09
Profit / (Loss) before Tax	(21.72)	(61.82)
Deferred Tax	(4.42)	(1.77)
Profit / (Loss) after Tax	(17.30)	(60.05)

## DIVIDEND

Your Directors do not recommend any dividend for the year in view of the accumulated losses in the Company.

## LISTING PARTICULARS

As required by Clause 32 of the Listing Agreement with the stock exchange, a cash flow statement is appended.

As per the revised Clause 49 of the Listing Agreement, a Report on Corporate Governance is attached to this report.

## INVESTORS RELATIONS

Integrated Enterprises (India) Ltd., a SEBI registered Transfer Agent, is the Company's Share Transfer Agent. All correspondence regarding securities and investor grievances are being attended to at the Registered Office or at the Share Transfer Agent's office located at Malleswaram, Bangalore. The Company, with an objective of friendly investor relations has set up a Shareholders'/Investors' Grievances Committee. The Committee ensures that all the queries and suggestions are properly attended to.

## CORPORATE GOVERNANCE

Your Company adheres to all the mandatory recommendations of Corporate Governance Code laid down under Clause 49 of the Listing Agreement with Bombay Stock Exchange. A report on Corporate Governance is provided in this Report. The Auditors' Certificate on Corporate Governance forms part of this Annual Report.

## PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public during the year under review.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company does not fall under the purview of section 135 of the Companies Act, 2013 during the financial year 2014-15.

## VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

## RELATED PARTY TRANSACTIONS

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors,

Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval. The details are annexed as per Form AOC-2. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Agreement. This Policy was considered and approved by the Board.

## EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is not given in view of the fact that there is no employee in the Company and the wholtime Directors are not drawing any remuneration. The sitting fee paid to independent directors is not significant.

## ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

The information pursuant to 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 on Conservation of energy, Research & Development and Technology Absorption:

### a. Conservation of energy, Research and Development and technology absorption

The Company's operations are not energy intensive. However, adequate measures have been taken to reduce energy consumption by using energy efficient computers with latest technologies. An effort to conserve energy

goes on a continual basis.

**b. Foreign Exchange Earning and outgo**

The information related to foreign exchange earnings and outgo during the year under review is given in notes on accounts.

**GREEN INITIATIVES IN CORPORATE GOVERNANCE**

In line with the changes in law permitting companies to send electronic copies of full Annual Report, notices, quarterly results etc., to the e-mail IDs of shareholders, the Company has arranged to send the soft copies of the documents to the e-mail IDs of shareholders available with us or the depositories. In case any of the shareholder would like to receive physical copy of the Annual Report, the same shall be forwarded on written request to the Registrars M/s Integrated Enterprises (India) Limited.

**DIRECTORS**

Mr. Sukirti Sogal and Mr. Prashanth Kamath retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting (AGM). Brief profile of the Directors is given in the notes to the Notice of the ensuing AGM.

Mrs. Swarupa H.S. was appointed as an Additional Director effective from March 31, 2015. Her brief profile is given in the Explanatory Statement to the Notice convening the Annual General Meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

**DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify

themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**LISTING OF SHARES**

The Equity Shares of the Company are listed on BSE Limited (BSE). The Annual Listing Fee for the financial year 2015-16 has been partly paid to the Stock Exchange.

**AUDITORS**

M/s Shabbir & Rita Associates LLP, Chartered Accountants, Mumbai, Statutory Auditors of the Company retire at the forthcoming AGM and have expressed their willingness to continue as Statutory Auditors for the financial year 2015-16 and accordingly a resolution proposing their appointment is being submitted to the AGM. Members are requested to re-appoint them and fix their remuneration.

**STATUTORY DISCLOSURE**

None of the Directors of the Company is disqualified under the provisions of the Companies Act, 2013. Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis forming part of this Annual Report is attached.

**ACKNOWLEDGEMENTS**

The Directors place on record their gratitude for all the guidance and co-operation received from all its clients, vendors, bankers, advisors, regulatory and Government authorities.

On behalf of the Board of Directors

**M.S. Sridhar**

Joint Managing Director

**Anand S.K.**

Managing Director

Bengaluru

May 29, 2015

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**Form MR-3**

**Secretarial Audit Report**

For the Financial Year ended March 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Board of Directors  
Cyberscape Multimedia Limited  
# 1456, 23<sup>rd</sup> Main, 30<sup>th</sup> Cross  
Banashankari 2<sup>nd</sup> Stage  
Bengaluru-560070

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cyberscape Multimedia Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information



provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on March 31, 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Cyberscape Multimedia Limited ("The Company")** for the period ended on March 31, 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'**) to the extent applicable to the Company :-
  - 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - g. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
  - h. The Memorandum and Articles of Association.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India. (**not yet notified**)
- ii) The Listing Agreements entered into by the Company with the BSE Limited.

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

**2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:**

- a) maintenance of various statutory registers and documents

and making necessary entries therein;

- b) closure of the Register of Members.
- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) notice of Board meetings and Committee meetings of Directors;
- f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the 18th Annual General Meeting held on 25th September 2014;
- h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) approvals of the Members, the Board of Directors, the Committees of Directors and the Government authorities, wherever required;
- j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) appointment and remuneration of Auditors,
- m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n) declaration and payment of dividends;
- o) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p) borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) investment of the Company's funds including investments and loans to others;
- r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s) Directors' report;
- t) contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

**3. 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

The Company has obtained all necessary approvals under the various provisions of the Act; and

There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

**7. I further report that:**

a. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.

b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

8. I further report that the compliance by the company, of the applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit, since the same have been subject to review by the statutory financial audit and other designated professionals.

9. I further report that based on the information received and records maintained 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 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.

Place : Bengaluru  
Date : 29.05.2015

Krishnakant Parashar  
Company Secretary in Practice  
ACS No. 7305  
CP No. 9734

**FORM AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below :

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sl.No.	Particulars	Details
1.	Name (s) of the related party & nature of Relationship	NIL
2.	Nature of contracts/arrangements/transaction	NA
3.	Duration of the contracts/arrangements/transaction	NA
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
5.	Justification for entering into such contracts or arrangements or transactions	NA
6.	Date of approval by the Board	NA
7.	Amount paid as advances, if any	NA
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl.No.	Particulars	Details
1.	Name (s) of the related party & nature of Relationship	NA
2.	Nature of contracts/arrangements/transaction	NA
3.	Duration of the contracts/arrangements/transaction	NA
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
5.	Date of approval by the Board	NA
6.	Amount paid as advances, if any	NA

### Management's View

Last year it was pointed out that the management felt that the only way for company's revival was to look for some interested entities to acquire stakes from the promoters and others and take it forward since there seemed to be no movement on revenue or value generation from any of the assets of the company. There are no employees left and there is no business activity worth the name happening. Without substantial infusion of additional funds, which the promoters are simply not in a position to do, by such an entity the chances of revival appear bleak.

Even the expenses of staying alive and compliant with statutory agencies is a challenge and as of now dependent on inflow of personal funds of the promoters. Due to the small holding of the promoters which is only about 16% of the total shares, no potential buyers are coming forward to take over as every such buyer expects at least a controlling stake of over 50% to bring in new capital and take the company forward. The rest of the shareholding is too fragmented and unless all the top 100 shareholders sit together and agree to give a potential buyer a substantial controlling stake as stated above, this is very unlikely to happen.

We appeal to all shareholders to come forward and help frame an exit strategy to prevent a complete shutdown resulting in a total loss of value for everyone. We are seriously contemplating to move a special resolution to wind up the company in case the above suggested rescue by an acquiring entity fails to happen within a reasonable time period because we simply do not have the resource to carry on anymore.

### Diminished Assets:

The only assets remaining in our product IP are severely diminished due to obsolescence in the newly emerging IT scenario which is moving away from desktops to mobile devices and cloud based offerings:

- a. **Multilingual Software:** The **Akruti** product line has already reached its end of life and only completely revamping it to address the mobile device platforms like Apple, Android and Windows 8, and the cloud could prevent it from complete obsolescence and oblivion.
- b. **E-Governance and Office Administration: e-Karyalaya** a product for e-Administration too is virtually obsolete, because when first conceived of it addressed the desktop and client-server environments which have now been replaced by the cloud based and mobile device accessible environments where it has lost its relevance completely.

### Weaknesses:

We are unable to participate in the massive change happening in the IT world without resources for continuous development. With no staff or funds left and no revenues flowing we are left helplessly watching the dissipation of the residual IP of our products. The IT industry is highly unforgiving and even former tech giants like Nokia, Blackberry and Kodak have perished in the rough waters of obsolescence. So we see a similar fate overtaking us in absence of any concrete action. Even the product scene has transformed with products increasingly being available on subscription basis in the SAAS model (Software as a Service)

rather than being licensed. This requires a huge investment in the cloud infrastructure for delivery and is a completely different business model. Only large companies with deep pockets can survive this onslaught especially in a scenario where great products are available virtually free to use in the "freemium" model which is so prevalent now.

### Receding Opportunities:

In our niche area of multilingual software, big players like Apple, Google and Microsoft are carving out major chunks of the market share, using the above "freemium" model with products bundled for free into their operating systems or services and revenue being generated by search based advertising or enterprise licensing. The local language application market with a compounded growth of over 79% worth millions of dollars is being gobbled by these MNCs in absence of any significant challenge by local players.

Businesses are going mobile and online at the same time with the smart phone or a tablet as the access device and the cloud platforms hosting the backend applications. In this scenario our desktop based products stand no chance and have faded away rapidly from the user's mind space or recall.

### Challenges

Unable to adapt to this new scenario, the company's products which are desktop focused have lost relevance. Only big players, who provide products as a pay-per-use service available on cloud platforms or as mobile apps downloadable from various App-Stores for the leading mobile operating systems like the Apple iOS and Google Android and Microsoft Windows Mobile are thriving. Without such offerings the situation is challenging. Only by moving technologies to these platforms and also by switching to online marketing to avoid the high cost of traditional marketing can the company innovate out of the situation. This calls for strategic investment and the right thrust. Only then it may still be possible to regain lost ground.

### Financial scenario

The total income of the company has dropped from Rs. **3.27** lakhs in 2013-2014 to Rs. **2.88** lakhs in 2014-2015 and the company has a net loss of Rs. **21.72** lakhs (after considering a depreciation of Rs. 14.77 lakhs) as compared to a net loss of Rs. **61.82** lakhs in the previous year. The company's bottom line is below the water line due to minimum running costs and inadequate revenue. We have still not devalued the intangible assets hopeful that the potential entity who takes over may still transform the near obsolescent assets into something valuable and have left the call to them to value these assets but if realistically valued in the current context the net worth of the company may be far lesser than what the figures suggest.

### Human resources

The grim scenario of no revenues and lack of growth or any staff has made it difficult to attract any personnel. The two executive directors of the board have stopped drawing salaries since January 2013 and are still trying to salvage the situation by trying for strategic investors to revive the company. Our independent directors have been helping us in combating the situation with their objective and neutral advice and we really appreciate and are extremely thankful for their moral support in this moment of crisis.

## EXTRACT OF ANNUAL RETURN

### FORM MGT 9

(Pursuant to Section 92 (3) of the Companies Act, 2013 and  
Rule 12(1) of the Company (Management & Administration) Rules, 2014)

**Financial Year Ended on 31-03-2015**

#### I. REGISTRATION & OTHER DETAILS:

1. CIN	L22130KA1996PLC020728
2. Registration Date	01-07-1996
3. Name of the Company	CYBERSCAPE MULTIMEDIA LIMITED
4. Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5. Address of the Registered office & Contact Details	# 1456, 23rd Main, 30th Cross, Banashankari 2nd Stage Bangalore-560070.
6. Whether listed company	YES (LISTED WITH BSE)
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>INTEGRATED ENTERPRISES (INDIA) LTD</b> CIN NO: U65993TN1987PLC014964 No. 30, Ramana Residency, 4th Cross Sampige Road, Malleswaram, Bangalore-560003 Tel: +080-23460815-818 Fax: +91-80-23460819 Email: irg@integratedindia.in

#### 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 Product/service	NIC Code of the products/services	% to total turnover of the company
1	COMPUTER SOFTWARE	4911	100 %

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

(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 Product/service	NIC Code of the products/services	% to total turnover of the company
NIL			

**IV. SHARE HOLDING PATTERN  
A) (Equity Share Capital Breakup as % of Total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31-March-2014)				No. of Shares held at the end of the year (As on 31-March-2015)				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoter's</b>										
(1) Indian and Foreign										
a) Individual/HUF	1817600	0	1817600	18	1817600	0	1817600	18	-	-
b) Central Govt.	0	0	0	0	0	0	0	0	-	-
c) State Govt.(s)	0	0	0	0	0	0	0	0	-	-
d) Bodies Corp.	0	0	0	0	0	0	0	0	-	-
e) Banks / FI	0	0	0	0	0	0	0	0	-	-
f) Any other (Foreign)	0	0	0	0	0	0	0	0	-	-
<b>Total Shareholding of Promoter (A)</b>	<b>1817600</b>	<b>0</b>	<b>1817600</b>	<b>18</b>	<b>1817600</b>	<b>0</b>	<b>1817600</b>	<b>18</b>	<b>-</b>	<b>-</b>
<b>B. Public Shareholding</b>										
(1) Institutions										
a) Mutual Funds	0	0	0	0	0	0	0	0	-	-
b) Banks / FI	0	0	0	0	0	0	0	0	-	-
c) Central Govt.	0	0	0	0	0	0	0	0	-	-
d) State Govt.(s)	0	0	0	0	0	0	0	0	-	-
e) Venture Capital Funds	0	0	0	0	0	0	0	0	-	-
f) Insurance Companies	0	0	0	0	0	0	0	0	-	-
g) FIs	0	0	0	0	0	0	0	0	-	-
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-	-
i) Others (specify)	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>-</b>	<b>-</b>
<b>2. Non-Institutions</b>										
a) Bodies Corp.										
i) Indian	5557679	0	5557679	55.05	5409368	0	5409368	53.58	-	-1.47
ii) Overseas	0	0	0	0	0	0	0	0	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1684467	112000	1796467	17.79	1699587	111800	1811387	17.94	-	0.15
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	847653	-	847653	8.40	989847	-	989847	9.80	-	1.40
c) Others (specify)										
Non Resident Indians	14801	36300	51101	0.51	14801	36300	51101	0.51	-	-
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	-	-
Foreign Nationals	0	0	0	0	0	0	0	0	-	-
Clearing Members	25400	-	25400	0.46	16597	-	16597	0.16	-	-0.30
Trusts	0	0	0	0	0	0	0	0	-	-
Foreign Bodies - D R	0	0	0	0	0	0	0	0	-	-
<b>Sub-total (B)(2):-</b>	<b>8130000</b>	<b>148300</b>	<b>8278300</b>	<b>82.00</b>	<b>8130200</b>	<b>148100</b>	<b>8278300</b>	<b>82.00</b>	<b>-</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>8130000</b>	<b>148300</b>	<b>8278300</b>	<b>82.00</b>	<b>8130200</b>	<b>148100</b>	<b>8278300</b>	<b>82.00</b>	<b>-</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>										
<b>Grand Total (A+B+C)</b>	<b>9947600</b>	<b>148300</b>	<b>10095900</b>	<b>100.00</b>	<b>9947800</b>	<b>148100</b>	<b>10095900</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

**B) Shareholding of Promoter:**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	Anand Shankara Kananahalli	610900	6.05	-	610900	6.05	-	No Change
2.	Madurai Somasubramanian Sridhar	732500	7.26	-	732500	7.26	-	
3.	Avinash Keshan	90100	0.89	-	90100	0.89	-	
4.	Bimal Prakash Keshan	50000	0.50	-	50000	0.50	-	
5.	Swarupa Hunsur Satyanarayana	36700	0.36	-	36700	0.36	-	
6.	Usha Sridhar	250100	2.48	-	250100	2.48	-	
7.	Bina Devi Keshan	47300	0.47	-	47300	0.47	-	
	<b>Total</b>	<b>1817600</b>	<b>18.00</b>	<b>-</b>	<b>1817600</b>	<b>18.00</b>	<b>-</b>	

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total shares of the company
1.	At the beginning of the year	No changes in Promoters Shareholding during the year			
2.	Date wise Increases / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No changes in Promoters Shareholding during the year			
3.	At the end of the year	No changes in Promoters Shareholding during the year			

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total shares of the company
1	MICRO CLOUD COMPUTING PVT. LTD. (formerly MICRO CAPITALS PVT. LTD.)	1266370	12.54	1245658	12.34
2.	AMRIT SALES PROMOTION PVT. LTD.	495601	4.91	495601	4.91
3.	TCK FINANCE & LEASING PVT. LTD.	490000	4.85	490000	4.85
4.	AUGUST TRADING PRIVATE LIMITED	377042	3.73	377042	3.73
5.	YASHODHAM MERCHANTS PVT LTD.	336680	3.33	336680	3.33
6.	LINEAR COMMERCIAL PVT. LTD.	316000	3.13	316000	3.13
7.	ARCH FINANCE LTD.	277000	2.74	277000	2.74
8.	SWETA TRADING & INVESTMENT PVT. LTD.	254100	2.52	254100	2.52
9.	ETISHA FINANCE & INVESTMENT PVT. LTD.	221295	2.19	221295	2.19
10.	A.M. SHARE BROKERS PVT. LTD.	192501	1.91	192501	1.91

**E) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total shares of the company
1.	Anand S. K.	610900	6.05	610900	6.05
2.	M. S. Sridhar	732500	7.26	732500	7.26
3.	Swarupa H. S.	36700	0.36	36700	0.36

**V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding / accrued but not due for payment.**

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Change in indebtedness during the financial year</b>				
* Addition	0.00	0.00	0.00	0.00
* Reduction	0.00	0.00	0.00	0.00
<b>Net Change</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**
**A. Remuneration to Managing Director, Whole-time Directors and / or Manager**

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD / ETD / Manager	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income tax act, 1961	No Remuneration was paid to any Whole Time Director / Key Managerial Personnel	
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission		
	- as % of profit		
	- others, specify		
5.	Others - Annual benefits		
	<b>Total (A)</b>		

**B. Remuneration to other directors**

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				
		Milind Mehta	Sukirti Sogal	Prashanth Kamath	Vijayakumar N.A.	Swarupa H.S.
1.	<b>Independent Directors</b>	0.00	0.07	0.07	0.04	
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	<b>Total (1)</b>	0.00	0.07	0.07	0.04	
2.	<b>Other Non-Executive Directors</b>					0.00
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	<b>Total (2)</b>					0.00
	<b>Total (B)=(1+2)</b>	0.00	0.07	0.07	0.04	0.00

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
1.	Gross Salary	No Key Managerial Personnel Other than MD / Manager / WTD
	(a) Salary as per provisions contained in section 17(1) of the Income tax act, 1961	
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	
2.	Stock Option	
3.	Sweat Equity	
4.	Commission	
	- as % of profit	
	- others, specify	
5.	Others - Annual benefits	
	<b>Total (A)</b>	

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NNCLT/ COURT)	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					



Corporate Governance is about commitment to values and ethical business conduct. It is about how an organization is managed viz. its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial situation of the Company, its performance and ownership forms part of the Corporate Governance.

The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. It is firmly believed that good corporate governance practices would ensure efficient conduct of the affairs of the Company and help the Company achieve its goal of maximizing value for all its stakeholders. The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited.

### **CORPORATE GOVERNANCE PHILOSOPHY**

The corporate governance philosophy of the Company is driven by the following fundamental principles:

- i. Adhere to corporate governance standards beyond the letter of law.
- ii. Maintain transparency and high degree of disclosure levels.
- iii. Maintaining a clear distinction between the personal interest and corporate interest.
- iv. Transparent corporate structure driven by business needs and
- v. Ensuring compliance with applicable laws.

### **BOARD OF DIRECTORS**

The corporate governance principles of the Company ensure that the Board remains informed, independent and involved in the company and that there are ongoing efforts towards better corporate governance to mitigate "non business" risks. The Board is fully aware of its fiduciary responsibilities and recognizes its responsibilities to stakeholders to uphold the highest standards in all matters concerning Cyberscape and has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review process.

Cyberscape's commitment to ethical and lawful business conduct is a fundamental shared value of the Board of Directors, the senior management and all other

employees of the Company. Consistent with its values and beliefs, the Company has formulated a Code of Conduct applicable to the Board and senior management. Further, the Company has also adopted an insider trading code for prevention of insider trading.

- i) As on March 31, 2015, the Company has 7 Directors. Mr. Anand S.K. is the Managing Director and Mr. M.S. Sridhar is the Joint Managing Director of the Company. The rest of the Directors are non-executive Directors.
- ii) All major policy decisions are taken at the Board Meetings. The Board Meetings constitute a very important and significant aspect of Company's functioning. The meetings are governed by a detailed agenda. All issues included in the agenda are backed by comprehensive background information to enable the Board to take decisions. All decisions are arrived after due deliberations by the members of the Board. The Board plans, monitors and controls the business of the Company and ensures compliance with applicable laws and regulations.
- iii) None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2015 have been made by the Directors.
- iv) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting and number of directorships and Committee Chairmanships/Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanship/Membership of Board Committees includes only Audit and Shareholders/Investors Grievance Committees.
- v) Five Board Meetings were held during the financial year and the time gap between any two consecutive meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:
  - 1) 26-05-2014
  - 2) 29-07-2014
  - 3) 12-11-2014
  - 4) 09-02-2015
  - 5) 31-03-2015

Name of the Director	Category	No. of Board Meetings attended	Whether attended last AGM	Directorships in other Public Companies	No. of Committee positions held in other public companies
1. Mr. Anand S.K.	Promoter, Executive	5	Yes	None	None
2. Mr. M.S. Sridhar	Promoter, Executive	5	Yes	None	None
3. Mr. Milind Mehta	Independent, Non-Executive	0	No	None	None
4. Mr. Sukirti Sogal	Independent, Non-Executive	5	Yes	None	None
5. Mr. Prashanth Kamath	Independent, Non-Executive	5	Yes	None	None
6. Mr. Vijayakumar N.A.	Independent, Non-Executive	4	Yes	None	None
7. Mrs. Swarupa H.S. (Appointed on 31-03-2015)	Promoter, Non-Executive Woman Director	1	NA	None	None

None of the Independent Directors has any material pecuniary relationship or transactions with the Company.

#### **DISCLOSURE REGARDING APPOINTMENT / RE-APPOINTMENT OF DIRECTORS**

Mr. Sukirti Sogal, Director and Mr. Prashanth Kamath, Director retiring at the ensuing Annual General Meeting, being eligible offers themselves for re-appointment. Mrs. Swarupa H.S. is being appointed as Director, who was appointed as an Additional Director on 31-03-2015.

#### **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.

#### **COMMITTEES OF THE BOARD**

The Board Committees form an integral part of the Management of the Company. The Board has constituted its committees delegating some of its powers, which would also help in specialization. Board Committees are also constituted as required under the provisions of Corporate Governance Code of the Listing Agreement.

#### **PERFORMANCE EVALUATION OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS**

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and

administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

#### **AUDIT COMMITTEE**

The role and reference of the present Audit Committee continue to cover the areas mentioned under Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors from time to time.

The Committee consists of three members. All the members of the Audit Committee are non-executive independent directors including the Chairman. The Committee has met 5 times during the financial year.

The Audit Committee meetings are usually held at the Registered Office of the Company and are usually attended by the Managing Director/Joint Managing Director.

The previous Annual General Meeting of the Company was held on 25<sup>th</sup> September, 2014 and it was attended by Mr. Sukirti Sogal, Chairman of the Audit Committee.

#### **SHAREHOLDERS / INVESTORS GRIEVANCES COMMITTEE**

The Committee is formed under the Chairmanship of a non-executive Director to look into the redressing of the shareholders and investors complaints like transfer of shares, non-receipt of Annual Report, dematerialization of shares etc. As on March 31, 2015, the Committee consists of two non-executive Directors Mr. Vijayakumar N.A. (Committee Chairman) and Mr. Prashanth Kamath (Member) besides Mr. Anand S.K., Managing Director, who is also a member.

During the year the Committee met one time and all the members attended the meeting.

### Shareholding Pattern as at March 31, 2015

Category	No. of Holders	No. of Shares	% Shareholding
Promoters *	8	18,17,600	18.00
NRIs	23	51,101	0.51
Clearing Members	12	25,400	0.25
Bodies Corporate	101	55,57,679	55.05
Public - Individuals	3,288	26,44,120	26.19
Total	3,432	1,00,95,900 **	100.00

\* Promoters include all individuals in the promoter group.

\*\* Excluding 6600 partly paid-up shares.

### Summary of Share Transfers etc.

	No. of Transfer Deeds	No. of shares
Transfer Requests Received	2	150
Accepted for Transfer	2	150
Change of Address	-	-

### DETAILS OF GENERAL MEETINGS

Meeting	Venue	Date	Time
16th Annual General Meeting	Suchitra Main Hall, Suchitra Film Society, 36, 9th Main Road, BSK 2nd Stage, Bangalore-560070	September 26, 2012	10:00 a.m.
17th Annual General Meeting	Registered Office # 1456, 23rd Main, 30th Cross, Banashankari 2nd Stage, Bangalore-560070	September 30, 2013	10:00 a.m.
18th Annual General Meeting	Registered Office # 1456, 23rd Main, 30th Cross, Banashankari 2nd Stage, Bangalore-560070	September 25, 2014	10:00 a.m.

### POSTAL BALLOT

No resolution was passed during the financial year through postal ballot and at present there is no proposal to pass special resolution through postal ballot. The provisions relating to postal ballot will be complied as per the provisions of the Companies Act, 2013 as and when situation may arise.

### DISCLOSURES

- During the year under review there were no materially significant transactions by the Company with its promoters, directors or their relatives that may have potential conflict with the interests of the Company. Transactions with related parties as per Accounting Standard-18 issued by the Institute of Chartered Accountants of India are disclosed in Item No. 24 of Notes to Financial Statements.
- There were no instances of non-compliance of any

matter relating to the capital market and no penalties were imposed on the Company by Stock Exchanges or Securities & Exchange Board of India or any other statutory authority on any matter relating to capital markets.

- The Company has established the necessary mechanism for employees to report concerns about unethical behaviour. No person has been denied access to the Audit Committee.
- The Company has complied with mandatory requirements of Clause 49 of the Listing Agreement, the details of which are given at relevant places in this annual report.

### MEANS OF COMMUNICATION

The quarterly, half-yearly and annual results of the Company are normally published in leading newspapers Business Standard (English) and Hosadigantha (Kannada). The unaudited/audited financial results in the prescribed proforma of the Stock Exchange are sent to

the stock exchange immediately after the Board Meetings. The results are also displayed on the Company's website [www.cyberscapeindia.com](http://www.cyberscapeindia.com). A Management Discussion and Analysis statement is a part of Company's Annual Report.

During the year there were no official press release presentations made to institutional investors or to the analysts.

#### GENERAL SHAREHOLDERS' INFORMATION

##### 19<sup>th</sup> Annual General Meeting

Date and Time : 30<sup>th</sup> September, 2015 at 10:00 a.m.

Venue: **Registered Office of the Company**  
# 1456, 23<sup>rd</sup> Main, 30<sup>th</sup> Cross  
Banashankari 2<sup>nd</sup> Stage  
Bengaluru-560070

Last date for lodging proxy : 10:00 a.m. on 28<sup>th</sup> September, 2015.

#### FINANCIAL YEAR

The Company follows April-March financial year i.e. 1<sup>st</sup> April to 31<sup>st</sup> March.

#### Period of Book Closure

The Share Transfer Books and the Members' Register will be closed from 24<sup>th</sup> September 2015 to 30<sup>th</sup> September 2015 (both days inclusive).

#### Listing on Stock Exchange

The Company's shares are listed at

Bombay Stock Exchange Ltd (BSE)  
(Stock Code 532364)  
25<sup>th</sup> Floor, P.J. Towers, Dalal Street  
Mumbai-400 023  
Phone: 022-22721233-34 Fax: 022-22722082

#### REGISTRARS AND SHARE TRANSFER AGENTS AND ADDRESS FOR CORRESPONDENCE

Your Company has appointed M/s Integrated Enterprises (India) Ltd. as the Share Transfer Agents of the Company. Shareholders are requested to address the correspondence relating to Share Transfers, Transmission, Demat, Remat, Change of Address and Change of Bank Mandates etc. to

M/s INTEGRATED ENTERPRISES (INDIA) LIMITED  
Unit: Cyberscape Multimedia Ltd  
30, Ramana Residency, 4<sup>th</sup> Cross  
Sampige Road, Malleswaram  
Bengaluru-560 003

Phone: 080-23460815-818  
Fax: 080-23460819  
Email: [irg@integratedindia.in](mailto:irg@integratedindia.in)

#### Address for Correspondence

The Corporate Secretarial Department is located at the Company's Registered Office at

1456, 23<sup>rd</sup> Main, 30<sup>th</sup> Cross,  
Banashankari 2<sup>nd</sup> Stage  
Bengaluru-560 070  
Telephone/Fax: 080-26710925, 26714446  
Email: [info@cyberscapeindia.com](mailto:info@cyberscapeindia.com)  
Website: [www.cyberscapeindia.com](http://www.cyberscapeindia.com)  
CIN: L22130KA1996PLC020728

#### SHARE TRANSFER SYSTEM

Transfer of shares in electronic form is done through the depositories with no involvement of the Company. As regards shares held in physical form, the Board has delegated powers to approve transfers, transmissions etc., to the Share Transfer Committee which meets as often as may be necessary to ensure that the transfer process is completed without any delay. Shares sent for transfer in physical form are generally registered and returned within 15 days from the date of receipt, if the documents are clear in all respects.

#### DEMATERIALISATION OF SHARES

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

International Securities Identification Number (ISIN)

Fully Paid-up INE519B01019  
Partly Paid-up IN9519B01017

Details of the dematerialization of shares completed upto 31<sup>st</sup> March, 2015 and modes of holdings as on that date are as follows:

	Physical	Electronic NSDL	Electronic CDSL	Total
No. of Shares	1,48,100	82,77,546	16,70,254	1,00,95,900
No. of Shareholders	523	2,238	672	3,433 *
Percentage	1.47	81.99	16.54	100

\* Excluding 6600 partly paid up shares

Dematerialisation of shares has now become shareholder friendly and economical. Those shareholders who wish to know more about the same may contact the Company's Registrars and Share Transfer Agents or the Corporate Secretarial Department of the Company.

**DISTRIBUTION SCHEDULE (As on 31st March, 2015)**

Range No. of Shares	Shareholders		Shares	
	Number	% to Total	Number	% to Total
1-500	2635	76.76	520330	5.15
501-1000	327	9.53	282643	2.80
1001-2000	178	5.18	289217	2.86
2001-3000	94	2.74	245938	2.44
3001-4000	31	0.90	111781	1.11
4001-5000	40	1.17	189381	1.88
5001-10000	47	1.37	337245	3.34
10001 and above	81	2.36	8119365	80.42
<b>TOTAL</b>	<b>3433</b>	<b>100.00</b>	<b>10095900 *</b>	<b>100.00</b>

\* Excluding 6600 partly paid of shares

**MARKET PRICE DATA (Bombay Stock Exchange Ltd)**

Month	High (Rs.)	Low (Rs.)	No. of shares	No. of Trades
April 2014	0.33	0.33	1000	2
May 2014	0.54	0.34	8352	40
June 2014	0.77	0.56	70929	106
July 2014	1.02	0.78	24152	68
August 2014	1.08	0.90	18315	49
September 2014	1.17	0.86	5597	62
October 2014	1.73	1.13	6494	45
November 2014	1.90	1.48	11337	37
December 2014	1.48	1.21	13005	65
January 2015	1.27	0.87	2578	41
February 2015	0.99	0.87	1352	16
March 2015	0.83	0.66	6570	30

**Risk Management**

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedure. The Board periodically discusses the significant business risks identified by the management and mitigation process being taken up.

**Declaration on compliance with the Code of Conduct**

All the Directors and senior management personnel have as on 31<sup>st</sup> March, 2015 affirmed compliance of their

respective Codes of Conduct adopted by the Company and confirmation to that effect has been given by them.

On behalf of the Board of Directors

Bengaluru  
May 29, 2015

**Anand S.K.**  
Managing Director

## CEO/CFO CERTIFICATION

I, Anand S.K., Managing Director of Cyberscape Multimedia Limited to the best of my knowledge and belief, certify that:

I have reviewed the balance sheet and profit and loss account, and all its schedules and notes on accounts, as well as the cash flow statement and the Directors Report:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. 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.
3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. I accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

Further, I have indicated to the auditors and the Audit Committee:

1. Significant changes in internal control during the year ;
2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system.

Place : Bengaluru

**Anand S.K.**

Date : May 29, 2015

Managing Director/CEO/CFO

## AUDITORS' CERTIFICATE

### CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To  
The Members of  
Cyberscape Multimedia Limited

We have examined the compliance of conditions of Corporate Governance by **Cyberscape Multimedia Limited**, for the year ended on March 31, 2015 as stipulated in the Listing Agreement of the said company with the Stock Exchanges in India.

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

In our opinion and according to the information and explanations given to us we certify that the company has complied with the requirement of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending as per the records maintained by the Shareholders/Investor Grievances Committee.

We further state that our examination of 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 **SHABBIR & RITA ASSOCIATES LLP**  
Chartered Accountants  
Firm Regn. No. 109420W

Mumbai  
May 29, 2015

**Shabbir S. Bagasrawala**  
Partner  
Membership No. 39865

**To the Members of  
CYBERSCAPE MULTIMEDIA LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of CYBERSCAPE MULTIMEDIA LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for Financial Statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Standards notified under the Companies Act, 2013 (the Act) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

**Auditors' Responsibility**

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

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 misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's presentation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in

conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2015;
- b) In the case of the Statement of Profit and loss, of the loss of the Company for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company of 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 Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the company as far as appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the Books of account.
  - d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) In our opinion, company has adequate internal financial control system in place and the operating effectiveness of such controls.

For **SHABBIR & RITA ASSOCIATES LLP**  
Chartered Accountants  
Firm Regn. No. 109420W

**Shabbir S. Bagasrawala**  
Partner  
Membership No: 39865

Mumbai,  
May 29, 2015

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Cyberscape Multimedia Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2015.**

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

1. In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
2. In respect of its inventories:
  - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) The company has taken unsecured loans, covered in the register maintained under section 189 of the Companies Act, 2013. Balance outstanding as on March 31, 2015 and maximum amount outstanding during the year are as follows:
 

Name of the Lender	Balance Outstanding as on March 31, 2015	Maximum Outstanding during the year (In ₹)
Anand S K	2,43,116/-	2,43,116/-
Smart Solution.	65,000/-	65,000/-
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us the company has not granted any loans to companies and parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.

6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of records with a view to determine whether they are accurate or complete.
7. In respect of statutory dues:
  - (a) Based on the records produced before us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, wherever applicable except in case of cess tax. There are no arrears as at March 31, 2015 which were due for more than six months from the date they became payable except Rs. 6,49,019/- on account of Cess Tax.
  - (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
  - (c) As per information & explanation given by the management, the company do not required to transfer any amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under.
8. The accumulated loss of the company exceed fifty percent of its net worth as on March 31, 2015 and it has incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
11. In our opinion and according to the information and explanation given to us, the company has not raised any term loan during the period.
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **SHABBIR & RITA ASSOCIATES LLP**  
Chartered Accountants  
Firm Regn. No. 109420W

**Shabbir S. Bagasrawala**  
Partner  
Membership No: 39865

Mumbai, May 29, 2015



**BALANCE SHEET AS AT 31st MARCH 2015**

PARTICULARS	NOTES	AS AT 31.03.2015 ₹	AS AT 31.03.2014 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	2	101,025,000	101,025,000
(b) Reserves & Surplus	3	(45,999,669)	(44,327,768)
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities		418,847	860,728
<b>(3) Current Liabilities</b>			
(a) Short - Term Borrowings	4	308,116	126,600
(b) Other Current Liabilities	5	1,024,225	925,347
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>56,776,519</b>	<b>58,609,907</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	6	-	1,166,910
(ii) Intangible Assets	6	38,670,611	38,980,472
		<b>38,670,611</b>	<b>40,147,382</b>
(b) Non - Current Investments	7	-	-
(c) Long Term Loans and Advances	8	545,645	530,835
<b>(2) Current Assets</b>			
(a) Trade Receivables	9	16,893,723	17,129,933
(b) Cash and Bank Balances	10	602,839	614,192
(c) Short-Term Loans and Advances	11	63,700	187,565
<b>TOTAL ASSETS</b>		<b>56,776,519</b>	<b>58,609,907</b>

**Significant Accounting Policies****1**

Notes 1 to 25 are an integral part of the financial statements

As per our Report of even date attached  
For and on behalf of  
**SHABBIR & RITA ASSOCIATES LLP**  
Chartered Accountants  
Firm Regn. No. 109420W

For and on behalf of the Board

**ANAND S.K.**  
Managing Director

**M.S. SRIDHAR**  
Joint Managing Director

**Shabbir S. Bagasrawala**  
Partner  
Membership No: 39865  
Bengaluru, May 29, 2015

Directors { **SUKIRTI SOGAL**  
**VIJAYAKUMAR N.A.** **PRASHANTH KAMATH**  
**SWARUPA H.S.**

PARTICULARS	NOTES	Year Ended 31.03.2015 ₹	Year Ended 31.03.2014 ₹
<b>INCOME</b>			
Revenue from Operations	12	263,519	322,971
Other Income	13	24,262	4,074
<b>TOTAL INCOME</b>		<b>287,781</b>	<b>327,045</b>
<b>EXPENSES</b>			
Cost of Material Consumed	14	40,927	-
Employee Benefit Expenses	15	12,450	15,870
Financial Costs	16	20,766	17,906
Depreciation and Amortization Expenses	17	1,476,772	631,339
Other Expenses	18	908,671	5,843,935
<b>TOTAL EXPENSES</b>		<b>2,459,585</b>	<b>6,509,050</b>
Profit / (Loss) Before Tax		(2,171,805)	(6,182,005)
<b>TAX EXPENSES</b>			
Deferred Tax Assets		(441,881)	(176,569)
<b>Profit / (Loss) for the year</b>		<b>(1,729,924)</b>	<b>(6,005,436)</b>
<b>EARNING PER EQUITY SHARE of Face Value of ₹ 10 each</b>			
Basic and Diluted (in ₹)		(0.17)	(0.59)
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>1</b>		
<i>Notes 1 to 27 are an integral part of the financial statements</i>			

As per our Report of even date attached  
For and on behalf of  
**SHABIR & RITA ASSOCIATES LLP**  
Chartered Accountants  
Firm Regn. No. 109420W

**Shabbir S. Bagasrawala**  
Partner  
Membership No: 39865  
Bengaluru, May 29, 2015

For and on behalf of the Board

**ANAND S.K.**  
Managing Director

**M.S. SRIDHAR**  
Joint Managing Director

Directors { **SUKIRTI SOGAL**  
**VIJAYAKUMAR N.A.** **PRASHANTH KAMATH**  
**SWARUPA H.S.**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**


	31-03-2015		31-03-2014
	Amount ₹	Amount ₹	Amount ₹
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>			
<b>Net Profit before Tax and extraordinary items</b>		- (2,171,805)	(6,182,005)
<b>Adjustment for :</b>			
Depreciation	1,476,772	-	631,339
Interest Received	23,262	1,500,034	4,074
<b>Operating Profit Before Working Capital Changes</b>		- (671,771)	(5,546,593)
<b>Adjustments For :</b>			
Increase / Decrease in Trade & Other Receivables	236,210	-	1,132,067
Increase / Decrease in Loans & Advances and Other Assets	109,055	-	(11,321)
Increase / Decrease in Trade Payables and Other Liabilities	98,878	444,143	(507,068)
<b>Cash Generated From Operations</b>		- (227,628)	(4,932,916)
Income Tax Refund	58,022	58,022	-
<b>Net Cash From Operating Activities</b>		- (169,607)	(4,932,916)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Diminishing of Investment	-	-	4,252,800
Interest Received	(23,262)	(23,262)	(4,074)
<b>Net Cash Used In Investing Activities</b>		(23,262)	4,248,726
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Proceeds from long term / short term borrowings Unsecured	181,516	181,516	(79,400)
<b>Net Cash From Financing Activities</b>		181,516	(79,400)
<b>Net Increase/Decrease in Cash &amp; Cash Equivalents</b>		(11,353)	(763,591)
<b>Cash and Cash Equivalents as at 1st April 2014 (Opening Balance)</b>		614,192	1,377,783
<b>Cash and Cash Equivalents as at 31st March 2015 (Closing Balance)</b>		602,839	614,192

As per our Report of even date attached  
For and on behalf of

**SHABBIR & RITA ASSOCIATES LLP**  
Chartered Accountants  
Firm Regn. No. 109420W

**Shabbir S. Bagasrawala**  
Partner  
Membership No: 39865  
Bengaluru, May 29, 2015

For and on behalf of the Board

**ANAND S.K.**  
Managing Director

**M.S. SRIDHAR**  
Joint Managing Director

Directors { **SUKIRTI SOGAL**  
**VIJAYAKUMAR N.A.**

**PRASHANTH KAMATH**  
**SWARUPA H.S.**

**1) STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES:**
**(a) Basis of Preparation of Financial Statements:**

These financial statements are prepared and presented under the historical cost conventions, on accrual basis of accounting to comply in all material respects, with the mandatory Accounting Standards as notified by the Companies (Accounts) Rules, 2014 ('the Rules') and other relevant provisions of the Companies Act, 2013 ('the Act'). The accounting policies have been consistently applied by the Company and the Accounting Policies not referred to otherwise are in conformity with Generally Accepted Accounting Principles in India ('India GAAP').

The preparation of financial statements in conformity with GAAP requires that the management of the Company make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of financial statements. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized. Wherever changes in presentation are made, comparative figures of the previous year are regrouped accordingly.

**(b) Revenue Recognition:**
**i) Sales of Goods:**

Revenue is recognized only when the significant risks and rewards in respect of ownership of products are transferred by the company. Sales are recorded net of returns, Value Added Tax and applicable trade discount and allowances but included central sales tax.

**ii) Interest:**

Interest income is recognized on time proportionate basis taking into account the amount outstanding and rate applicable.

**(c) Fixed Assets:**
**Intangibles**

Intangible Asset Intended for long term use and is recorded at their acquisition cost.

**Tangibles**

All Tangible assets are stated at cost of acquisition, less accumulated depreciation and impairment loss, if any. Cost include all expenses incurred to bring the asset to its present location and condition including finance cost till commencement of commercial production, and adjustments arising from foreign exchange rate variations attributable to fixed assets are capitalized.

**(d) Depreciation:**
**Intangibles**

Intangibles are being amortized over the lower of their estimated useful life and period of ownership on written down value method.

**Tangibles**

Depreciation on tangible assets has been provided on written down value method over the useful lives of the assets estimated by the management.

**(e) Employee Benefits:**
**i) Provident Fund:**

Employees receive benefits from a provident fund. The employee and employer each make monthly contributions to the plan. A portion of the contribution

is made to the provident fund trust managed by the Company, while the remainder of the contribution is made to the Government's provident fund.

**ii) Gratuity:**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company.

**(f) Inventories:**

i) Raw Materials are valued at Cost or Net Realizable value which ever is lower as per FIFO method followed.

ii) Manufactured finished goods are valued at lower of estimated cost or net realizable value as per **FIFO method followed.**

iii) Traded goods are valued at lower of cost or net realizable value as per **FIFO method followed.**

**(g) Purchases:**

i) Purchases are recognized net of Value Added Tax.

**(h) Taxes on Income:**

i) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on expected outcome of assessment / appeals.

ii) Deferred Tax is quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

iii) Minimum Alternative Tax (MAT) credit is recognized as an assets only when and to the extent there is convincing evidence that company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognized as an assets in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of credit to the profit and loss account and show as MAT Credit Entitlement. The Company review the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the company will pay income tax higher than MAT during the specified period.

**(i) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement except where virtual certainty is there.

**(j) Events occurring after the date of Balance Sheet:**

Where material, events occurring after the date of the Balance Sheet are considered upto the date of approval of accounts by the Board of Directors.

**(k) Cash Flow Statement:**

The Cash Flow Statement is prepared by the "Indirect Method" set out in Accounting Standard 3 on "Cash Flow Statement" and presents the cash flows by Operating, Investing and Financing activities of the Company.

PARTICULARS	AS AT 31.03.2015 ₹	AS AT 31.03.2014 ₹
<b>2. SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL</b>		
1,10,00,000 (1,10,00,000) Equity Shares of ₹ 10/- each	110,000,000	110,000,000
<b>TOTAL</b>	<b>110,000,000</b>	110,000,000
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
1,01,02,500 (1,01,02,500)		
Equity shares of ₹ 10/- each Fully paid	101,025,000	101,025,000
<b>TOTAL</b>	<b>101,025,000</b>	101,025,000

2.1 The Reconciliation of the number of shares outstanding is set out below

Name of the Shareholder	As at 31st March 2015	As at 31st March 2014
Equity Shares at the beginning of the year	10102500	10102500
Add: Fresh Issue	0	0
<b>Equity Shares at the end of the year</b>	<b>10102500</b>	<b>10102500</b>

2.2 The Details of Shareholders holding more than 5% shares

Name of the Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	% held	No. of Shares	% held
Micro Cloud Computing	1245658	12.34	1266370	12.54
Madurai Somasubramanian Sridhar	732500	7.26	732500	7.26
Anand Shankara Kananahalli	610900	6.05	610900	6.05

2.3 Terms / Rights attached to equity shares

The Company has only one class of shares having at par value at ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

**3. RESERVES & SURPLUS**

	As at 31.03.2015	As at 31.03.2014
Profit & Loss Account		
As per last Balance Sheet	(44,327,768)	(38,322,331)
Add: Profit / (Loss) for the year	(1,729,924)	(6,005,436)
Less: Appropriation		
Income Tax for Earlier Years	58,022	-
<b>TOTAL</b>	<b>(45,999,669)</b>	<b>(44,327,768)</b>

PARTICULARS	AS AT 31.03.2015 ₹	AS AT 31.03.2014 ₹
<b>4. SHORT TERM BORROWINGS</b>		
<b>UNSECURED LOANS</b>		
From Related Parties		
From Directors	243,116	75,600
Intercorporate Deposits	65,000	51,000
<b>TOTAL</b>	<b>308,116</b>	<b>126,600</b>
<i>Note: Unsecured Loan from related parties are interest free and repayable on demand</i>		
<b>5. OTHER CURRENT LIABILITIES</b>		
Expenses Payable	934,317	856,551
Other Payables	89,908	68,796
<b>TOTAL</b>	<b>1,024,225</b>	<b>925,347</b>
<b>7. NON-CURRENT INVESTMENTS</b>		
<b>Non-Trade Investments</b>		
<b>In Equity Shares - Unquoted fully paid-up</b>		
200000 (200000) Equity Shares of Micro Associates Consultancy (I) Pvt. Ltd. of Rs. 10/- each fully paid	2,000,000	2,000,000
40000 (40000) Equity Shares of Forethought Technologies Pvt. Ltd. of Rs.100/- each fully paid	2,252,800	2,252,800
Less : Provision for Diminishing of Investment	(4,252,800)	(4,252,800)
<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>8. LONG TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Security Deposits	425,835	425,835
Loans & Advances	119,810	105,000
<b>TOTAL</b>	<b>545,645</b>	<b>530,835</b>
<b>9. TRADE RECEIVABLES</b>		
(Unsecured and Considered Good)		
Outstanding for more than six months	18,690,783	18,939,653
Others	12,660	-
Less : Provision for Doubtful Debts	(1,809,720)	(1,809,720)
<b>TOTAL</b>	<b>16,893,723</b>	<b>17,129,933</b>

**NOTE : 6**

**FIXED ASSETS STATEMENT AS AT 31st MARCH 2015**

Description	GROSS BLOCK		DEPRECIATION BLOCK			NET BLOCK
	Rate of Depreciation	As on 01.04.2014	As on 31.03.2015	As on 01.04.2014	During the Year	As on 31.03.2015
<b>Tangible Assets</b>						
Computer Peripherals	40.00%	6,466,325	6,466,325	6,426,631	39,694	-
Portals & Websites	16.21%	12,000,000	12,000,000	10,991,044	1,008,957	-
Office Equipments	13.91%	10,500	10,500	2,847	7,653	-
Vehicles	25.89%	1,594,614	1,594,614	1,484,007	110,607	-
<b>Total of Tangible Assets (A)</b>		<b>20,071,439</b>	<b>20,071,439</b>	<b>18,904,529</b>	<b>1,166,910</b>	<b>-</b>
<b>Intangible Assets</b>						
Computer Software	16.21%	49,736,789	49,736,789	11,354,600	212,880	38,169,310
Development Work in Progress	16.21%	6,024,000	6,024,000	5,425,717	96,982	501,301
<b>Total of Intangible Assets (B)</b>		<b>55,760,789</b>	<b>55,760,789</b>	<b>16,780,317</b>	<b>309,861</b>	<b>38,670,611</b>
<b>Total (A+B)</b>		<b>75,832,228</b>	<b>75,832,228</b>	<b>35,684,846</b>	<b>1,476,772</b>	<b>38,670,611</b>
Previous Year		75,832,228	75,832,228	35,053,507	631,339	40,147,382

PARTICULARS	AS AT 31.03.2015 ₹	AS AT 31.03.2014 ₹
<b>10. CASH AND BANK BALANCES</b>		
<b>Balances with Banks</b>		
In Current Accounts	325,939	276,466
In Deposit Accounts	25,000	25,000
Cash in Hand	251,900	312,726
<b>TOTAL</b>	<b>602,839</b>	<b>614,192</b>
10.1 The deposits with banks comprise time deposits, which can be withdrawn at any time without prior notice and without any penalty on the principal.		
<b>11. SHORT TERM LOANS AND ADVANCES</b> (Unsecured and Considered Good)		
Other Loans & Advances	45,435	61,256
Balance with Income Tax Authorities	18,265	126,309
<b>TOTAL</b>	<b>63,700</b>	<b>187,565</b>
<b>12. REVENUE FROM OPERATIONS</b>		
Sales of Products	263,519	52,721
Software Development / Installation Charges	-	270,250
<b>TOTAL</b>	<b>263,519</b>	<b>322,971</b>
<b>13. OTHER INCOME</b>		
Other Income	1,000	-
Interest on FDR	23,262	4,074
<b>TOTAL</b>	<b>24,262</b>	<b>4,074</b>
<b>14. COST OF MATERIAL CONSUMED</b>		
Opening Stock of Raw Materials	-	-
Purchases	40,927	-
Less: Closing Stock of Raw Materials	-	-
<b>TOTAL</b>	<b>40,927</b>	<b>-</b>



PARTICULARS	AS AT 31.03.2015 ₹	AS AT 31.03.2014 ₹
<b>15. EMPLOYMENT BENEFIT EXPENSES</b>		
Salaries & Wages	10,000	13,000
Contribution to Provident and Other Funds	270	84
Staff Welfare Expenses	2,180	2,786
<b>TOTAL</b>	<b>12,450</b>	<b>15,870</b>
<b>16. FINANCIAL COST</b>		
Bank Charges & Commission	20,766	17,906
<b>TOTAL</b>	<b>20,766</b>	<b>17,906</b>
<b>17. DEPRECIATION &amp; AMORTISED COST</b>		
Depreciation	1,476,772	631,339
<b>TOTAL</b>	<b>1,476,772</b>	<b>631,339</b>
<b>18. OTHER EXPENSES</b>		
Conveyance Charges	4,999	12,085
Vehicle Running Expenses	22,770	55,198
Postage, Telegram & Courier Charges	1,685	1,411
Telephone & Mobile Charges	66,907	68,292
Printing & Stationery	549	206,691
Auditors Remuneration	28,090	28,090
Membership, Fees & Subscription	46,593	106,281
Office Expenses	28,361	7,332
Rent, Rates & Taxes	248,819	137,607
Repairs & Maintenance	16,454	8,549
Insurance Charges	9,923	11,107
Professional & Consultancy Charges	204,116	135,785
Commission	19,339	22,681
Listing Fees	181,250	113,368
Bad Debts	-	660,462
Miscellaneous Expenses	28,816	16,195
Provision for Diminishing of Investment	-	4,252,800
<b>Total</b>	<b>908,671</b>	<b>5,843,935</b>

As per our Report of even date attached  
For and on behalf of  
**SHABBIR & RITA ASSOCIATES LLP**  
Chartered Accountants  
Firm Regn. No. 109420W

For and on behalf of the Board

**ANAND S.K.**  
Managing Director

**M.S. SRIDHAR**  
Joint Managing Director

**Shabbir S. Bagasrawala**  
Partner  
Membership No: 39865  
Bengaluru, May 29, 2015

Directors { **SUKIRTI SOGAL**  
**VIJAYAKUMAR N.A.** **PRASHANTH KAMATH**  
**SWARUPA H.S.**

**19. CONTINGENT LIABILITIES**

There are no known contingent liabilities not provided for including claims against the company acknowledged as debts.

**20. AUDITORS' REMUNERATION**

(Amount in ₹)

<b>Auditors' Remuneration</b>	<b>2014-15</b>	<b>2013-14</b>
Audit Fees	28,090	28,090
<b>Total</b>	<b>28,090</b>	<b>28,090</b>

**21. MANAGERIAL REMUNERATION**

(Amount in ₹)

<b>Director's Remuneration</b>	<b>2014-15</b>	<b>2013-14</b>
Salary	Nil	Nil
Perquisites	Nil	Nil
PF Contribution	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**22. DISCLOSURE OF RELATED PARTIES TRANSACTIONS**

i) List of Related Parties:

<b>Sl. No.</b>	<b>Names</b>	<b>Nature of Relationship</b>
(a)	<b>Key Management Personnel</b>	
	1) Anand S K	Managing Director
	2) M S Sridhar	Joint Managing Director
	3) Swarupa Hunsur Satyanarayana	Key Management Personnel
	4) Usha Sridhar	Key Management Personnel
(b)	<b>Others</b>	
	1) Sridhar Securities Pvt. Ltd.	Enterprises over which key Managerial Personnel are able to exercise Significant Influence
	2) Smart Solutions	Enterprises over which key Managerial Personnel are able to exercise Significant Influence

ii) Name of the Related Parties with whom transactions were carried out during the year and description of Relationship.

<b>Sl. No.</b>	<b>Names</b>	<b>Nature of Relationship</b>
(a)	<b>Key Management Personnel</b>	
	1) Anand S K	Managing Director
	2) M S Sridhar	Joint Managing Director
	3) Swarupa Hunsur Satyanarayana	Key Management Personnel
	4) Usha Sridhar	Key Management Personnel
(b)	<b>Others</b>	
	1) Sridhar Securities Pvt. Ltd.	Enterprises over which key Managerial Personnel are able to exercise Significant Influence
	2) Smart Solutions	Enterprises over which key Managerial Personnel are able to exercise Significant Influence

Sl. No.	Nature of Transaction	2014-15	2013-14
1.	Remuneration & Perquisites / Salary to Key Management Personnel Anand S K M S Sridhar Swarupa H S Usha Sridhar	Nil Nil Nil Nil	Nil Nil Nil Nil
2.	Loan taken from related party Anand S K	1,92,016	35,600
3.	Loan repaid to related party Anand S K	24,500	Nil
4.	Intercorporate Deposit taken Sridhar Securities Pvt. Ltd. Smart Solutions	Nil 65,000	Nil 3,55,000
5.	Intercorporate Deposits Repaid Sridhar Securities Pvt. Ltd. Smart Solutions	51,000 Nil	1,15,000 3,55,000

**23. ACCOUNTING FOR TAXES ON INCOME TAX**

Income Tax expenses comprise of current tax being amount of tax determined in accordance with Income Tax Law. A provision is made for income tax annually, based on the tax liability computed after considering tax allowances and exemptions.

(i) No provision for current tax is made during the financial year 2014-15 as the company has incurred loss.

(ii) The components of the deferred tax are as follows :

Particulars	2014-15	2013-14
Nature of Assets	Deferred Tax Assets	Deferred Tax Liabilities
Tangible Assets	3,47,280	65,164
Intangible Assets	94,601	1,11,405
<b>Total</b>	<b>4,41,881</b>	<b>1,76,569</b>

**24. EARNING PER SHARE**

The amount considered in ascertaining the Company's earning per share constitutes the net profit / loss after tax. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the year.

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
Loss After Taxation	(17,29,924)	(60,05,436)
Weighted Average Number of Shares	10102500	10102500
EPS (Basic & Diluted)	(0.17)	(0.59)
(Face Value of ₹ 10/- per share)		

**25.** Previous Year figures have been regrouped / recast wherever necessary.

As per our Report of even date attached  
For and on behalf of  
**SHABBIR & RITA ASSOCIATES LLP**  
Chartered Accountants  
Firm Regn. No. 109420W

**Shabbir S. Bagasrawala**  
Partner  
Membership No: 39865  
Bengaluru, May 29, 2015

For and on behalf of the Board

**ANAND S.K.**  
Managing Director

**M.S. SRIDHAR**  
Joint Managing Director

Directors { **SUKIRTI SOGAL**  
**VIJAYAKUMAR N.A.** **PRASHANTH KAMATH**  
**SWARUPA H.S.**



Regd. Office: # 1456, 23rd Main, 30th Cross,  
Banashankari II Stage, Bengaluru-560070

## Form of Proxy

Venue of the Meeting : Registered Office # 1456, 23rd Main, 30th Cross  
Banashankari II Stage, Bengaluru-560070

Date & Time : 30th September, 2015 at 10:00 A.M.

Please fill the Attendance Slip and hand it over at the entrance of the meeting venue.

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of Shares held	

\* Applicable for investors holding shares in Electronic form.

I / We ..... of ..... being member(s) of the above named company, hereby appoint the following as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual General Meeting of the Company to be held on 30th September, 2015 at 10.00 a.m. and at any adjournment thereof.

\*\* I/We direct my/our Proxy to vote on the Resolutions in the matter as indicated below:

Sl. No.	Resolution	Type of Resolution (Ordinary / Special)	For	Against
	ORDINARY BUSINESS			
1.	Adoption of audited financial statements for the financial year ended March 31, 2015 and reports of the Board of Directors and Auditors thereon.	Ordinary		
2.	Re-appointment of Mr. Sukirti Sogal as a Director, who retires by rotation	Ordinary		
3.	Re-appointment of Mr. Prashanth Kamath as a Director, who retires by rotation	Ordinary		
4.	Re-appointment of M/s Shabbir & Rita Associates Chartered Accountants as Auditors	Ordinary		
	SPECIAL BUSINESS			
5.	Appointment of Mrs. Swarupa H.S. as a Director	Ordinary		

\*\*This is optional. Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the Proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signature(s) of the Shareholder(s)
1.
2.
3.

Affix Re. 1/- Revenue Stamp
--------------------------------------

Signed this ..... day of ..... 2015.

Note :

1. The Proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. In the event of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other Joint Holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of Proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate number of shares under the columns "For" or "Against" as appropriate.





Regd. Office: # 1456, 23rd Main, 30th Cross,  
Banashankari II Stage, Bengaluru-560070

## Attendance Slip

Venue of the Meeting : Registered Office # 1456, 23rd Main, 30th Cross  
Banashankari II Stage, Bengaluru-560070

Date & Time : 30th September, 2015 at 10:00 A.M.

Please fill the Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the meeting venue.

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of Shares held	

\* Applicable for investors holding shares in Electronic form.

I certify that I am the registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the 19th Annual General Meeting of the Company held on 30th September, 2015 at 10.00 a.m. at the Registered Office # 1456, 23rd Main, 30th Cross, Banashankari 2nd Stage, Bengaluru-560070.

.....  
Signature of Member / Proxy

Note :

1. Bodies corporate, whether a Company or not, who are members, may attend through their authorised representatives appointed under Section 113 of the Companies Act, 2013. A copy of authorisation should be deposited with the Company.
2. In case of shares held in demat / electronic form, the signature of the Beneficial Owner is liable for verification with the record furnished to the Company by NSDL/CDSL.
3. Electronic copy of the 19th Annual Report and Notice of the Annual General Meeting (AGM) along with attendance slip and proxy form is being sent to all members whose email address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
4. Physical copy of 19th Annual Report and Notice of the AGM along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

The Electronic Voting particulars are set out below:

EVS (Electronic Voting Sequence Number)	
--	--

E-voting facility is available during the following voting period

Commencement of e-voting 27/09/2015 (from 9.00 a.m.)	End of E-voting 29/09/2015 (upto 5.00 p.m.)
---	--

Please refer Notice for instructions on e-voting.

**BOOK - POST**



**If undelivered please return to :**



**# 1456, 23rd Main, 30th Cross  
Banashankari II Stage  
Bangalore - 560 070.**

**Tele / Fax: 91-80-26714446 / 26710925**

**Email : [info@cyberscapeindia.com](mailto:info@cyberscapeindia.com)**


**Website : [www.cyberscapeindia.com](http://www.cyberscapeindia.com)**

**CIN : L22130KA1996PLC020728**



## FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the Company	CYBERSCAPE MULTIMEDIA LIMITED
2	Annual financial statements for the year ended	31 <sup>st</sup> March, 2015
3	Type of Audit observation	Unqualified
4	Frequency of observation	Whether appeared first time...../ repetitive...../ since how long period  NA since there is no Audit observation
5	To be signed by- <ul style="list-style-type: none"><li>• CEO/Managing Director</li><li>• CFO</li><li>• Auditor of the company</li><li>• Audit Committee Chairman</li></ul>	 for <b>CYBERSCAPE MULTIMEDIA LIMITED</b> Managing Director

