

**BOSTON TEKNEWSYS
(INDIA) LIMITED**

**33rd
ANNUAL REPORT
2011-2012**

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CORPORATE INFORMATION

Board of Directors:

- | | | | |
|----|------------------------------|---|-------------------|
| 1. | Mr. B.V.S. Prasad | — | Managing Director |
| 2. | Dr. A. Devarajulu Naidu | — | Director |
| 3. | Mr. K. V. Vishnutej | — | Director |
| 4. | Mr. U. Satish Kumar | — | Director |
| 5. | Mr. V.V.V. Satyanarayana Rao | — | Director |
| 6. | Mr. J. Appa Rao | — | Director |

Registered Office:

Flat No. 303, Rukmini Enclave,
Dharam Karam Road, Ameerpet,
Hyderabad - 500 016.

Auditors:

M/s. Chanamolu & Co.
Chartered Accountants,
Hyderabad.

Audit Committee:

1. Mr. B.V.S. Prasad
2. Mr. J. Appa Rao
3. Mr. U. Satish Kumar

Remuneration Committee:

1. Mr. B.V.S. Prasad
2. Mr. J. Appa Rao
3. Mr. U. Satish Kumar

Investor Grievance Committee:

1. Mr. B.V.S. Prasad
2. Mr. J. Appa Rao
3. Mr. U. Satish Kumar

Listing :

Ahmedabad Stock Exchange Limited
Vadodara Stock Exchange Limited
Bangalore Stock Exchange Limited

NOTICE

NOTICE is hereby given that the **33rd** Annual General Meeting of the Shareholders of **BOSTON TEKNEWSYS (INDIA) LIMITED** will be held on Saturday, the 29th September 2012 at 11.00 AM at Flat No 303, Rukmini Enclave, Dharamkaram Road, Ameerpet, Hyderabad-500016 to transact the following business:

ORDINARY BUSINESS:

1. To consider and if thought fit, to adopt the audited Balance sheet as on 31st March, 2012 and Profit & Loss A/c for the year ended on that date along with the report of Directors and Auditors thereon
2. To appoint a director in place of Mr. V.V.V. Satyanarayana Rao who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s Chanamolu & Co as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration fixed by the Board of Directors.

SPECIAL BUSINESS:

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

“RESOLVED THAT Mr. U. Satish Kumar, who was appointed as additional director of the company pursuant to the provisions of section 260 of the Companies Act, 1956 by the board of directors w.e.f. 17.03.2012 and who holds the office up-to date of the ensuing annual general meeting and in respect of whom the company has received a notice in writing under section 257 read with section 190 of the said Act, along with requisite deposit proposing him as candidate for the office of director of the company, be and is hereby appointed as a director of the company whose period of office is liable to be determined by retirement of directors by rotation.”

For and on behalf of the Board
Boston Teknowsys (India) Limited

Sd/-

Mr. B.V.S. Prasad
Managing Director

Place: Hyderabad
Date: 30.08.2012

NOTES:

1. An Explanatory Statement pursuant to section 173(2) of the companies Act, 1956 in relation to the Special Business of the Meeting is annexed hereto and forms part of this notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. The Register of Members and Share Transfer Books of the Company will be closed from 24.09.2012 to 29.09.2012 (Both days inclusive).
4. Members are requested to produce the Attendance Slip duly signed as per the Specimen Signature recorded with the Company/Depository Participant for admission to the meeting hall.
5. Members are requested to notify immediately any change in their address to the Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
6. A Member desirous of receiving any information on the accounts or operations of the company is requested to forward his/her queries to the company at least 7 working days prior to the meeting, so that the required information can be made available at the meeting.
7. Members holding shares in physical form are requested to notify immediately any change in their address along with address proof, i.e. Electric /Telephone Bill, Driving License or a copy of passport and Bank particulars to the company in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the company.
8. As part of Green Initiative in Corporate Governance the Ministry of Corporate Affairs (MCA), Government of India vide its Circular has allowed paperless compliances by Companies inter-alia stating that if the Company sends official documents to their shareholders electronically, it will be in compliance with the provisions of Section 53 of the Companies Act, 1956. Keeping in view shareholders are requested to update their E-Mail ID with their DP.

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EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 4:

Appointment of Mr. U. Satish Kumar

The members may note that Mr. U. Satish Kumar, was inducted into Board as an Additional Director of the company, with effect from 17.03.2012 pursuant to the provisions of section 260 of the Companies Act, 1956 and holds the office as such up to the date of ensuing Annual General Meeting. The company has received notice in writing from a member of the company along with the requisite deposit under Section 257 read with section 190 of the Companies Act, 1956 proposing the candidature of the above said person for the Office of Director whose period of office is determinable by retirement of Directors by rotation.

As per the provisions of section 257 of the Act, any such proposal ought to be approved by the members in their General Meeting.

The Board recommends the resolution for your approval.

None of Directors except Mr. U. Satish Kumar may be deemed to be concerned or interested in the resolution.

For and on behalf of the Board
Boston Teknowsys (India) Limited

Place: Hyderabad
Date: 30.08.2012

Sd/-
Mr. B.V.S. Prasad
Managing Director

DIRECTORS' REPORT

To,
The Members

We have pleasure in presenting the 33rd Annual Report with Audited Statements of Accounts for the year ended 31st March 2012.

FINANCIAL RESULTS :

(Rupees in Lakhs)

Particulars	2011-12	2010-11
Income	234.83	21.95
Expenditure	226.58	18.69
Profit after Tax	5.82	7.45
Profit / (Loss) carried to Balance Sheet	(214.23)	(220.06)

PERFORMANCE REVIEW:

The Ministry of Corporate Affairs (MCA) vide notification no. S.O. 447(E) dated 28th February, 2011 amended the existing Schedule VI to the Companies Act, 1956. The Revised Schedule VI is applicable from financial year commencing from 1st April, 2011. The financial statements of your Company for the year ended 31st March, 2012 have been prepared in accordance with the Revised Schedule VI and accordingly, the previous year's figures have been reclassified/regrouped to conform to this year's classification.

The Company has recorded a turnover of Rs.234.83 lakhs and the profit of Rs. 5.82 lakhs in the current year against the turnover of Rs. 21.95 lakhs and profit of Rs. 7.45 lakhs in the previous financial year ending 31.03.2011.

The Company has been continuously working on quality up gradation and austerity measures for achieving efficient running of the organization.

DIVIDEND:

Keeping the Company's expansion and growth plans in mind, your Directors have decided not to recommend dividend for the year.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec.58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

LISTING:

The equity shares of your company are listed on the Ahmedabad, Vadodara and Bangalore Stock Exchanges.

CAPITAL OF THE COMPANY:

Authorised Share capital of the company stands is Rs.57,500,000/- (Rupees

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Five Crores Seventy Five Lakhs Only) divided in to 57,50,000 equity shares of Rs.10/- each and Issued, Subscribed , Paid up capital of the company is Rs.52,405,000/- (Rupees Five Crores Twenty Four Lakhs Five Thousand only) divided in to 52,40,500 equity shares of Rs.10/- each.

SUBSIDIARY COMPANY:

Your Company does not have any subsidiary company.

MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed review of operations, performance and future outlook of your Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Report.

DIRECTORS:

In accordance with the Companies Act, 1956 read with Articles of Association of the company the Director namely Mr. V.V.V. Satyanarayana Rao retires by rotation and is eligible for re-appointment. Your Board recommends the re appointment of the said Director.

Mr. U. Satish Kumar was appointed as additional director on the Board w.e.f. 17.03.2012.

DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 217(2AA) of the Companies Amendment Act, 2000 your directors confirm

- i) That the directors in the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanations relating to material departures.
- ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year.
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the company and for preventing and deleting fraud and other irregularities.
- iv) That the directors had prepared the annual accounts on the going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:

The required information as per Sec.217 (1) (e) of the Companies Act 1956 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy

efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D) : NIL
2. Technology absorption, adoption and innovation : NIL

C. Foreign Exchange Earnings and Out Go:

- Foreign Exchange Earnings : NIL
Foreign Exchange Outgo : NIL

PARTICULARS OF EMPLOYEES:

There is no employee who is falling under section 217 (2A). Therefore, the disclosures required to be made under section 217 (2A) of the Companies Act, 1956 and the rules made there under are not applicable.

CODE OF CONDUCT:

The Code of Conduct has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. Code of Conduct has also been placed on the website of the company. A declaration signed by the Managing Director is given in Annexure.

AUDITORS:

Your directors propose the appointment of M/s. Chanamolu and Co., as statutory auditors to hold office until the conclusion of the next Annual General Meeting of the company.

CORPORATE GOVERNANCE:

As a listed company, necessary measures have been taken to comply with the listing agreements of Stock Exchanges. A report on Corporate Governance, along with a certificate of compliance from the practicing company secretary forms part of this Report as Annexure.

ACKNOWLEDGEMENTS:

Your directors would like to express their grateful appreciation for assistance and co-operation received from clients, banks, investors, Government, other statutory authorities and all others associated with the company. Your directors also wish to place on record their deep sense of appreciation for the excellent contribution made by the employees at all levels, which enabled the company to achieve sustained growth in the operational performance during the year under review.

For and on behalf of the Board
Boston Teknowsys (India) Limited

Place: Hyderabad
Date: 30.08.2012

Sd/-
Mr. B.V.S. Prasad
Managing Director

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Forming part of Directors' Report)

a) Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

2. Industry Structure and Developments:

The earlier trend of smaller companies being marginalized has continued in the year under review. Another distinct trend during the year has been the preference of foreign companies to outsource their entire IT needs to the larger companies and get them to setup large offshore operations to support these contracts.

According to the Global Tech Market Outlook for 2012 and 2013, an independent report published by Forrester Research, Inc. in January 2012, purchases of IT consulting, systems integration services and IT outsourcing by global businesses and governments are estimated to grow by 6.3% in calendar year 2012, when calculated in U.S. dollars.

3. Opportunities and Threats

Though the overall scenario for the smaller companies is extremely competitive, there are some niche areas where there are some opportunities for growth. The management is exploring these areas to consider entering these areas and develop expertise in such areas.

4. Segment wise or Product wise Performance:Not applicable

5. Outlook

The management is doing its best to forge relations with other companies and take the company forward in the new business lines. However, the outlook of the management is cautious in view of the competitive nature of the market.

6. Risks and Concerns

While venturing into new business lines, the company would need access to funds. The risk of not being able to raise funds at the timer needed is the biggest risk that the management foresees.

7. Internal Control Systems

The Company has adequate internal control systems commensurate with the size and the nature of business of the Company.

The internal control system is constantly assessed and strengthened with tighter control procedures. The internal control systems ensure effectively of operations, compliance with internal policies and applicable laws and regulations, protection of resources and assets, and accurate reporting of financial transactions.

The audit committee periodically reviews the adequacy and efficacy of the said internal control systems. All the issues relating to internal control systems are resolved by the audit committee.

8) Business performance and Segment Reporting

During the year under review, the company has earned a Net profit of Rs.5.82 lakhs as against Net profit of Rs. 7.45 Lakhs during the previous year. The performance of the company is expected to improve during the coming years which years with increasing efforts being made in the direction of improving the working efficiency of the company.

The company is engaged in the development of software, which as per Accounting Standard 17 is considered the only reportable business.

9) Risk Management

Risk evolution and management is an ongoing process in the company

10) Human resources and Industrial relations

Your company continues to have cordial relations with its employees.

REPORT ON CORPORATE GOVERNANCE

(Forming part of Directors' Report)

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

All the procedures, policies and practices followed by your Company are based on sound governance principles. The governance practices followed by your Company are continuously reviewed and the same are benchmarked to the best governed companies.

II. BOARD OF DIRECTORS

The Board of Directors consists of 6 Members of which 3 are Independent Directors. The Composition of the Board is in conformity with the listing requirements.

The Board of Directors met 6 times during the year on 30.04.2011, 31.07.2011, 30.08.2011, 31.10.2011, 31.01.2012 and 17.03.2012 and the maximum gap between any two meetings was less than four months, as stipulated under Clause 49.

The details of Composition of Board of Directors, directors' attendance at Board Meetings, AGM and details of other directorships, committee chairmanships/memberships held by the Directors during the year are as follows:

S. No	Name of the Directors	Category	Attendance Particulars			No. of other Directorships and Committee memberships/ chairmanships		
			No. of Board meetings		Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
			Held	Attended				
1.	Mr. B.V.S. Prasad	Executive	6	6	Yes	9	Nil	Nil
2.	Dr. A.Devarajulu Naidu	Non-Executive	6	6	Yes	Nil	Nil	Nil
3.	Mr. K.V. Vishnutej	Non-Executive	6	6	Yes	Nil	Nil	Nil
4.	# Mr. U. Satish Kumar	Non-Independent Non-Executive	Nil	Nil	No	5	Nil	Nil
5.	Mr. V.V.V. Satyanarayana Rao	Independent	5	5	Yes	2	Nil	Nil
6.	Mr. J. Appa Rao	Independent	5	5	Yes	1	Nil	Nil

appointed w.e.f: **17.03.2012**

Board's Procedure:

Agenda papers along with explanatory statements were circulated to the directors in advance for each of these meetings. All relevant information as per Clause 49 of the Listing Agreement was placed before the Board from time to time.

Committees of the Board:

Currently, there are three (3) Committees of the Board, namely: Audit Committee, Remuneration Committee, Shareholders/ Investors Grievance Committee and Share Transfer Committee. The Board decides the terms of reference for these Committees. The minutes of the meetings of the Committees are placed before the Board for information. The details as to the composition, terms of reference, number of meetings and related attendance, etc., of these Committees are provided hereunder:

III. AUDIT COMMITTEE

- a) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- b) The terms of reference of the Audit Committee include a review of;
 - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
 - Reviewing with management the annual financial statements before submission to the Board, focusing on:
 1. Any changes in accounting policies and practices;
 2. Qualification in draft audit report;
 3. Significant adjustments arising out of audit;
 4. The going concern concept;

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5. Compliance with accounting standards;
 6. Compliance with stock exchange and legal requirements concerning financial statements;
 7. Any related party transactions
- Reviewing the company's financial and risk management's policies.
 - Disclosure of contingent liabilities.
 - Reviewing with management, external and internal auditors, the adequacy of internal control systems.
 - Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow-up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - Reviewing compliances as regards the Company's Whistle Blower Policy.
- 1) The previous Annual General Meeting of the Company was held on 30th September 2011 and Mr. V.V.V.Satyanarayana Rao, Chairman of the Audit Committee, attended previous AGM.
 - d) The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Clause 49 (II) (A) of the Listing Agreement relating to the composition of the Audit Committee. During the financial year 2011-2012, (4) four meetings of the Audit Committee were held on the 30.04.2011, 31.07.2011, 31.10.2011 and 31.01.2012.

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The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of meetings attended
Mr. V.V. Satyanarayana Rao	Chairman	Independent	4
# Mr. U. Satish Kumar	Member	Non-Independent	—
Mr. B.V.S. Prasad	Member	Executive	4
Mr. J. Appa Rao	Member	Independent	4

appointed w.e.f: **17.03.2012** in place of Mr. J. Appa Rao.

The necessary quorum was present at all the meetings.

IV. REMUNERATION COMMITTEE:

The details of composition of the Committee are given below:

Name	Designation	Category	No. of meetings attended
Mr. V.V. Satyanarayana Rao	Chairman	Independent	4
# Mr. U. Satish Kumar	Member	Non-Independent	—
Mr. B.V.S. Prasad	Member	Executive	4
Mr. J. Appa Rao	Member	Independent	4

appointed w.e.f: **17.03.2012** in place of Mr. J. Appa Rao.

Terms of reference:

The main term of reference of the Committee is to approve the fixation/ revision of remuneration of the Managing Director/Whole Time Director or other key employees of the Company and while approving:

- To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

V. SHAREHOLDERS / INVESTOR GRIEVANCE AND SHARE TRANSFER COMMITTEE

A) Composition, meetings and the attendance during the year:

The Details of composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of meetings attended
Mr. V.V. Satyanarayana Rao	Chairman	Independent	4
# Mr. U. Satish Kumar	Member	Non-Independent	—
Mr. B.V.S. Prasad	Member	Executive	4
Mr. J. Appa Rao	Member	Independent	4

appointed w.e.f: **17.03.2012** in place of Mr. J. Appa Rao.

B) Powers:

The committee has been delegated with the following powers:

- To redress shareholders and investor complaints relating to transfer of shares, dematerialization of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.
- To approve, transfer, transmission, and issue of duplicate/ fresh share certificate(s).
- Consolidate and sub-division of share certificate etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc. received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and share Transfer Agents, who process share transfers within a week of lodgment in the case of shares held in physical form.

The Board has designated Mr. B.V.S. Prasad, Director of the Company as the Compliance Officer.

The Company has designated an exclusive e-mail ID **csboston123@gmail.com** for redressal of shareholders' complaints/grievances.

VI. Complaints received and redressed by the Company during the financial year:

During the year no complaints were received.

S.No	Particulars	Remarks
1.	At the beginning of the year	NIL
2.	Received during the year	NIL
3.	At the end of the year	NIL

Financial Year	Date	Time	Venue	Special Resolution
2010-11	30.09.2011	12.30 PM	Plot No. 303, Rukmini Enclave Dharam Karam Road, Ameerpet, Hyderabad - 500 016.	NIL
2009-10	29.09.2010	12.30 PM	Plot No. 30A, Road No. 1 Film Nagar, Jubilee Hills, Hyderabad - 500 033.	NIL
2008-09	29.09.2009	10.30 AM	Plot No. 30A, Road No. 1 Film Nagar, Jubilee Hills, Hyderabad - 500 033.	NIL

VII. OTHER DISCLOSURES

- (a) There were no significant related party transactions that may have potential conflict with the interests of the Company at large.
- (b) In the preparation of financial statements, no treatment materially different from that prescribed in Accounting Standards had been followed.
- (c) There were no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets at any time during the last 3 years.
- (d) **Whistle Blower policy:** We have established a mechanism for employees to report concerns about unethical behavior, fraud or violation of code of conduct of the company. The mechanism provided direct access to the Managing Director/Chairman of the Audit Committee for exceptional cases. All employees can also directly meet the Audit Committee members of the company.
- (e) The Company has complied with the non –mandatory requirements to relating to remuneration committee and Whistle Blower policy.

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- (f) Managing Director of the Company has furnished the requisite Certificates to the Board of Directors under Clause 49 of the Listing Agreement.

VIII. MEANS OF COMMUNICATION

The quarterly, half yearly and yearly financial results will be sent to the stock Exchanges immediately after the Board approves the same and these results will also be published in one English newspaper and in one vernacular newspaper.

IX. GENERAL SHAREHOLDERS INFORMATION

a) **33RD Annual General Meeting:**

Date and Time	Friday, the 29 th September 2012 at 11.00 A.M.
Venue	Flat No. 303, Rukmini Enclave, Dharam Karam Road, Ameerpet, Hyderabad - 500016.

- b) **Book Closure Date** : 24.09.2012 to 29.09.2012
(Both days inclusive)

c) **Financial Year and Calendar (Tentative) 2012-2013 :**

The Company follows April to March as its Financial Year. The results of every quarter beginning from April are declared tentatively as follows:

Financial Calendar

Financial Reporting for 2012-2013 (tentative)	On or before
The First Quarter results	14.08.2012
The Second quarter results	14.11.2012
The Third quarter results	14.02.2013
The Fourth quarter results	15/30.05.2013

d) **Listing on Stock Exchanges:**

Ahmedabad, Vadodara and Bangalore Stock Exchanges.

- e) **Listing Fees** : Listing fee for the year 2012-13 has been paid

- f) **ISIN No.** : For equity shares: - **INE777E01017**

g) Share Transfer System:

The Physical shares transfers are processed and the share certificates are returned to the Shareholder within a maximum period of 15 days from the date of receipt, subject to the document being valid and complete in all respects.

Any transferee who wishes to demat the shares may approach a Depository Participant along with a duly filled Demat Request Form, who shall on the basis of the Share Certificate, generate a demat request and send the same to the Registrar and Share Transfer Agents (RTA). On receipt, the Depository Registrar confirms the request.

All the requests for Dematerialization of shares are processed and the confirmation is given within 21 days on receipt.

h) Shareholding Pattern as on 31st March, 2012:

Particulars	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and promoter group	2225400	42.47
1.	Promoters & Persons acting in concert	NIL	NIL
	Sub- Total A	2225400	42.47
B	Public Shareholding		
1.	Institutions	NIL	NIL
2.	Non- Institutions		
a)	Bodies Corporate	NIL	NIL
b)	Indian public and others	3015100	57.53
c)	Any others		
	i) NRI's	NIL	NIL
	ii) Clearing Members	NIL	NIL
	Sub Total B	NIL	NIL
	Grand Total (A+B)	5240500	100

i) Dematerialization of Shares:

The Company's shares are dematerialized on National Securities Depositories limited (NSDL). The Company's ISIN is **INE777E01017**

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j) Address for Investors Correspondence:.

The Shareholders may correspond with the Company for the redressal of their grievances, if any to the registered office of the company.

Flat No. 303, Rukmini Enclave,
Dharam Karam Road, Ameerpet,
Hyderabad - 500 016.

k) CEO/MD Certification:

As required by the clause 49 (V) of the Listing Agreement, the certificate from Director is attached elsewhere in the annual report.

l) Compliance Certificate :

The Statutory Auditors M/s Chanamolu & Co has certified that the company has complied with the conditions of the Corporate Governance as stipulated in clause 49 of the listing agreement and the same forms part of the Annual Report. The Certificate will be sent to the stock exchange along with the Annual Report of the Company.

For and on behalf of the Board
Boston Teknowsys (India) Limited

Sd/-

Mr. B.V.S. Prasad
Managing Director

Place: Hyderabad
Date: 30.08.2012

DECLARATION

To
The Members of Boston Teknowsys (India) Limited

This is to declare that the Code of Conduct envisaged by the Company for members of the Board and the Senior Management Personnel have been complied with by all the members of the Board and the Senior Management Personnel of the Company respectively.

For and on behalf of the Board
Boston Teknowsys (India) Limited

Sd/-

Mr. B.V.S. Prasad
Managing Director

Place: Hyderabad
Date: 30.08.2012

Dear Shareholder,

Please find below the Director certificate as per Clause 49(V) of the Listing Agreement:

MANAGING DIRECTOR CERTIFICATE

I, B.V.S. Prasad, Managing Director of M/s Boston Teknowsys (India) Limited certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of Company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
4. We indicate to the Auditors and to the Audit Committee:
 - (a) Significant changes in internal controls over financial reporting during the year;
 - (b) Significant changes in the accounting policies during the year;
 - (c) No instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

For and on behalf of the Board
Boston Teknowsys (India) Limited

Sd/-

Mr. B.V.S. Prasad
Managing Director

Place: Hyderabad
Date: 30.08.2012

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
Boston Teknowsys (India) Limited

We have examined the compliance of conditions of Corporate Governance by M/s Boston Teknowsys (India) Limited, for the period of 12 months ended on 31st March, 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges of India.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India, we have to state that the Company has certified that as on 31st March, 2012 there were no investor grievances remaining unattended/ pending for a period exceeding one month. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For CHANAMOLU & CO.
Chartered Accountants
Firm Reg No. 010000S

Sd/-
(M. Madhusudhana Reddy)
Partner
Membership No. 213077

Place: Hyderabad
Date : 30.08.2012

Auditors' Report

The Members of

BOSTON TEKNEWSYS (INDIA) LIMITED, HYDERABAD

1. We have audited the attached balance sheet of BOSTON TEKNEWSYS (INDIA) LIMITED, as at 31st March 2012, and also the Profit & Loss account for the year ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4a) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c. The Balance sheet, the Profit & Loss account dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the balance sheet, the Profit & Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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 31st March 2012; and
 - (b) In the case of the Profit & Loss Account, of the profit for the year ended on that date;

For CHANAMOLU & CO.
Chartered Accountants
Firm Reg No. 010000S

Sd/-
(M. Madhusudhana Reddy)
Partner
Membership No. 213077

Place: Hyderabad
Date : 30.08.2012

Boston Teknowsys (India) Limited

Annexure to the Auditors' Report (referred to in paragraph 3 of our Report of even date to the Members of BOSTON TEKNEWSYS (INDIA) LIMITED for the year ended March 31, 2012)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) Fixed Assets have been physically verified by the management and, in our opinion, the verification is reasonable having regard to the size of the company and the nature of its assets. No discrepancies were noticed on such verification.
(c) No substantial part of fixed assets has been disposed off during the year.
2. In our opinion and according to the information and explanations given to us, the Company not having any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable to the Company.
3. As informed the Company has neither granted nor taken any loans, secured or unsecured to and from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clauses 4(III) (b) to (d) of the Order are not applicable.
4. On the basis of checks carried out during the course of audit and as per explanations given to us, we are of the opinion that there are adequate internal control procedures commensurate with the size of the company and the nature of its business; for the purchases of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
5. a) In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions that need to entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rupees five lakhs in respect of each party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. To the best our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Section 209 (i) (d) of the of the Companies Act, 1956 in respect of the Company's nature of business.
9. (a) According to the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income Tax, Wealth Tax, Customs Duty, Excise duty, cess and other material statutory dues applicable at the end of the year for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no income tax, wealth tax, sales tax, customs duty and excise duty, which have not been deposited on account of any dispute. There were no dues on account of cess under 441A of the Companies Act 1956, since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.
10. The company has incurred accumulated losses Rs.2,14,23,289/- as at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and not incurred any losses in the immediately preceding financial year.
 11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company did not have any outstanding dues to financial Institutions, Banks or Debenture holders.
 12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the Company is not a chit or a nidhi / mutual benefit fund /society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
 14. The company is not in the business of dealing or trading in shares, securities, debenture and other instruments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
 15. The company has not given any guarantee for loans taken by others from banks or financial institutions.
 16. The company has not taken any term loans from banks.
 17. Based on our examination of the balance sheet of the company as at 31.03.2012, we find that the company has not raised any short-term funds .
 18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
 19. During the year covered by our audit report, the Company does not have any outstanding debentures during the year.
 20. During the year the company has not raised money through the Public Issue, the utilization of funds does not arise.
 21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For CHANAMOLU & CO.

Chartered Accountants

Firm Reg No. 010000S

Sd/-

(M. Madhusudhana Reddy)

Partner

Membership No. 213077

Place: Hyderabad

Date : 30.08.2012

Boston Teknowsys (India) Limited

Balance Sheet As at 31st March, 2012

(All amounts in Indian Rupee except for share data or otherwise stated)

PARTICULARS	Note Nos.	As at Mar'31, 2012	As at Mar'31, 2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	52,405,000	52,390,000
Share Application Money		—	—
Reserves and Surplus	3	(21,143,638)	(21,725,982)
	A	31,261,362	30,664,018
Non - current liabilities			
Long - term borrowings	4	103,775	103,775
Deferred tax liabilities (Net)	5	45,765	50,641
Long term provisions		—	—
	B	149,540	154,416
Current liabilities			
Short - term borrowings		—	—
Trade Payables	6	3,625,104	2,308,691
Short - term provisions	7	322,346	97,593
	C	3,947,450	2,406,284
Total	(A+B+C)	35,358,352	33,224,718
ASSETS			
Non-current assets			
Fixed assets			
Gross block			
		5,902,070	5,902,070
Less: Accumulated Depreciation		3,957,552	3,649,351
Net block	8	1,944,518	2,252,719
	A	1,944,518	2,252,719
Deferred tax assets (Net)		—	—
Long - term loans and advances	—	—	—
Non-current investments	9	17,486,800	17,486,800
Other Non- Current Assets	10	1,229,486	1,383,172
	B	18,716,286	18,869,972
Current assets			
Inventories		453,390	—
Trade receivables	11	3,273,199	1,136,458
Cash and cash equivalents	12	98,194	92,804
Short - term loans and advances	13	10,872,765	10,872,765
Other current assets	14	—	—
	C	14,697,548	12,102,027
Total	(A+B+C)	35,358,352	33,224,718

The schedules referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred
As per our audit report of even date

For **CHANAMOLU & CO.,**
Chartered Accountants
Firm Reg No : 010000S

P. SRIRAM
Partner
Membership No. 227395

Date : 30.08.2012
Place : Hyderabad

For and on behalf of the Board of Directors of
BOSTON TEKNOVSYS (INDIA) LIMITED

Director

Director

Profit & Loss Account for the year ended 31st March, 2012

(All amounts in Indian Rupees except for share data or otherwise stated)

PARTICULARS	Note No's	Year ended Mar'31, 2012	Year ended Mar'31, 2011
INCOME			
Turnover (Gross)			
Revenue from operations	15	23,029,374	2,194,508
Other Income		—	—
Increase/Decrease of Stock	16	453,390	—
Total Revenue		23,482,764	2,194,508
EXPENDITURE			
Operating Expenses	17	20,679,232	—
Personnel Cost	18	1,074,242	862,621
Administration expenses	19	596,135	487,855
Interest & Finance charges	20	—	—
Depreciation/amortization	8	308,201	518,722
Total		22,657,810	1,869,198
Profit / (Loss) before tax		824,954	325,310
Provision for taxation			
- Current Year Tax		247,486	97,593
- Deferred tax		(4,876)	(517,107)
Total tax expense		242,610	(419,514)
Profit/(Loss) from continuing operations		582,344	744,825
Balance brought forward from previous year		(22,005,633)	(22,750,457)
Balance carried to Balance Sheet		(21,423,289)	(22,005,633)
Earnings per share			
Basic		0.11	0.14
Weighted Average Number of Shares		5,240,500	5,239,000
Nominal value		10	10

The schedules referred to above form an integral part of the Profit & Loss Account
 This is the Balance Sheet referred
 As per our audit report of even date

For **CHANAMOLU & CO.,**
 Chartered Accountants
 Firm Reg No : 010000S

 P. SRIRAM
 Partner
 Membership No. 227395

For and on behalf of the Board of Directors of
BOSTON TEKNEWSYS (INDIA) LIMITED

 Sd/-
 Director

 Sd/-
 Director

Date : 30.08.2012
 Place : Hyderabad

Boston Teknowsys (India) Limited

Cash Flow Statement for the ended 31st March, 2012

(All amounts in Indian Rupes except for share data or otherwise stated)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
CASH FROM OPERATING ACTIVITIES		
A. CASH FOLW FROM OPERATING ACTIVITIES		
Net Profit / Loss before tax and extraordinary item	824,954	325,310
Adjustments for:		
Depreciation	308,201	518,722
Interest paid	—	—
Other Income	—	—
Misc Exp. Written off	153,686	153,686
Operating Profit before Working Capital Changes	1,286,841	997,718
Adjustments for:		
Inventories	(453,390)	—
Sundry Debtors	(2,136,741)	(1,046,458)
Loans & Advances	—	69,950
Current Liabilities	1,316,413	(12,506)
Cash Generated From Operations:	(1,273,718)	(989,014)
Taxes Paid	22,733	—
Net cash flow/(used) from operating activities (A)	(9,610)	8,704
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	—	—
Purchase of Investments	—	—
Sale of Investments	—	—
Net cash flow/(used) from investing activities (B)	—	—
C CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	15,000	—
Secured Loans	—	—
Dividend & Dividend tax Piad	—	—
Net cash flow/(used) from financing activities (C)	15,000	—
“Net Increase / Decrease in Cash and Cash equivalents (A+B+C)”	5,390	8,704
Cash and cash equivalents as at beginning of the year	92,804	84,100
Cash and cash equivalents as at end of the year	98,194	92,804

As per our audit report of even date

For **CHANAMOLU & CO.,**
Chartered Accountants
Firm Reg No : 010000S

P. SRIRAM
Partner
Membership No. 227395

Date : 30.08.2012
Place : Hyderabad

For and on behalf of the Board of Directors of
BOSTON TEKNOWSYS (INDIA) LIMITED

Sd/-
Director

Sd/-
Director

NOTES TO ACCOUNTS

(All amounts in Indian Rupees except for share data or otherwise stated)

Particulars	As at Mar'31, 2012	As at Mar'31, 2011
Note 2 : Share Capital		
Authorised:		
57,50,000 Equity Shares of Rs.10/- each	57,500,000	57,500,000
Issues, Subscribed and Paid up		
5240500 equity shares of Rs.10 each	52,405,000	52,405,000
Calls in Arrears	—	15,000
	52,405,000	52,390,000
Note 3 : Reserves and Surplus		
General Reserve		
Balance as per last account	279,650	279,650
Profit & Loss A/c Surplus		
Balance in the statement of profit & loss	(22,005,632)	(22,750,457)
Additions during the year	582,344	744,825
	(21,143,638)	(21,725,982)
Note 4 : Long - term borrowings		
Loans and advances from banks		
Term loans		
From banks	—	—
From others	—	—
Unsecured Loans	103,775	103,775
	103,775	103,775
Note 5 : Deferred tax liabilities (Net)		
Opening Balance	50,641	—
Add/Less: Current year Provision	(4,876)	50,641
	45,765	50,641
Note 6 : Trade Payables		
Sundry Creditors	3,132,300	1,993,204
Outstanding Liabilities	492,804	315,487
	3,625,104	2,308,691
Note 7 : Short - term provisions		
Provision for Income tax	322,346	97,593
vat payable	—	—
TDS Payable	—	—
service Tax Payable	—	—
	322,346	97,593

Boston Teknowsys (India) Limited

Note : 8 **FIXED ASSETS** **(Amount in Rupees)**

Particulars	Gross Block		Depreciation / amortization				Net Block	
	As at April 1, 2011	Additions	Total as on March 31, 2012	Upto April 1, 2011	For the Year	Total as on March 31, 2012	As on March 31, 2012	As on March 31, 2011
1. Computers	1,314,929	—	1,314,929	1,314,929	—	1,314,929	—	—
2. Office Equipmet	1,445,590	—	1,445,590	634,909	102,203	737,112	708,478	810,681
3. Furniture & Fixtures	2,177,073	—	2,177,073	1,139,536	137,809	1,277,344	899,729	1,037,537
4. Electrical Equipments	569,960	—	569,960	245,906	40,296	286,202	283,758	324,054
5. Vehicles	394,518	—	394,518	314,071	27,892	341,964	52,554	80,447
Total	5,902,070	—	5,902,070	3,649,351	308,201	3,957,552	1,944,519	2,252,719
Previous year	5,902,070	—	5,902,070	3,130,630	518,722	3,649,351	2,250,090	2,771,441

NOTES TO ACCOUNTS

(All amounts in Indian Rupees except for share data or otherwise stated)

Particulars	As at Mar'31, 2012	As at Mar'31, 2011
NOTE -9: Investments		
In Government Securities		
National Savings Certificate	500	500
In Equity Shares- Un Quoted		
Bhagya Lakshmi vegetable Products Limited	1,586,400	1,586,400
Dronachalam Lime & Minarals Private Limited	80,000	80,000
Haryana Metal & Re-rolling Mills Limited	30,000	30,000
Naag advertising & Marketing Limited	170,000	170,000
Raayalaseema Paper Mills Limited	785,000	785,000
Sree Raayalaseema Tissues Limited	100,000	100,000
Trezer Oil Agro Tech Limited	2,915,000	2,915,000
Ind - Barath Commodities Limited	5,655,540	5,655,540
Sriba Agro Limited	6,164,360	6,164,360
	17,486,800	17,486,800
Note 10 : Other Non- Current Assets		
MISCELLANEOUS EXPENDITURE		
Priliminary Expenditure	352,007	391,119
Public Issue Expenditure	1,031,165	1,145,739
Less : Written off	153,686	153,686
	1,229,486	1,383,172
Note 11 : Trade receivables		
(Unsecured, considered good, unless otherwise stated)		
Debts outstanding for a period exceeding six months		
Considered good	983,790	82,547
Considered doubtful	—	—
Other debts		
Considered good	2,289,409	1,053,911
	3,273,199	1,136,458
Less: Provision for doubtful debts	—	—
	3,273,199	1,136,458
Note 12 : Cash and cash equivalents		
Cash on hand	77,938	72,548
Balances with scheduled banks		
On current accounts	6,241	6,241
On deposit accounts	14,015	14,015
	98,194	92,804
Note 13 : Short - term loans and advances		
Loans & advances	2,429,660	2,429,660
Less: Provisiona For Doubtful Debts	(1,657,644)	(1,657,644)
Staff Advances	87,220	87,220
Advances for Capital Goods & Others	1,785,461	1,785,461
Tax Deducted at Source	173,022	173,022
Other Advances	8,055,046	8,055,046
	10,872,765	10,872,765

Boston Teknowsys (India) Limited

NOTES TO ACCOUNTS

(All amounts in Indian Rupees except for share data or otherwise stated)

Particulars	As at Mar'31, 2012	As at Mar'31, 2011
Note 14 : Other current assets		
Prepaid Expenses	—	—
Tds Receivable	—	—
Interest Receivable	—	—
	—	—
Note 15 : Revenue from operations		
Gross Receipts from sales	23,029,374	2,194,508
	23,029,374	2,194,508
Note 15 : Material Cost		
a. Increase in inventories		
Opening stock of inventories		
Work- in- progress	—	—
Finished goods	—	—
	—	—
Closing stock of inventories		
Work- in- progress	453,390	—
Finished goods	—	—
	453,390	—
	453,390	—
Note 17 : Operating Expenses		
purchases made during the year	20,679,232	—
Purchase of Services	—	—
Freight Charges	—	—
	20,679,232	—
Note18:Personnel Cost		
Salaries	985,182	791,373
Staff Welfare	89,060	71,248
	1,074,242	862,621
Note 19 : Administration expenses		
Auditors Remuneration	25,000	20,000
Certification Charges	22,500	20,000
Filing & Registration	33,862	33,332
Printing & Stationary	29,116	24,086
Communication expenses	38,581	25,487
Travelling Expenses	155,892	95,223
Rent	60,000	48,000
Office Maintenance	29,264	26,827
Consultancy Charges	24,163	21,957
Electricity Charges	24,071	19,257
Misc. expenses written off.	153,686	153,686
	596,135	487,855
Note 20 : Interest& Finance charges		
Interest amount paid on loans	—	—
Interest charges	—	—
Bank Charges	—	—
	—	—

SCHEDULE: 1

I. SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS:

1. Basis of preparation of financial statements

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the basis of a going concern basis, while revenue, expenses, assets and Liabilities accounted/recognized on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 1956. Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Management evaluates all recently issued or revised accounting standards on an ongoing basis. The financial statements are prepared under the historical cost convention. Recognition of income and expenses, accrual basis of accounting is followed.

2. Use of Estimates

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed assets and intangible assets.

Management periodically assessed using external and internal sources whether there is an indication that an asset may be impaired. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from those estimates.

3. Revenue Recognition

Revenue has been recognized based on the Bills as accrued basis.

4. Expenditure

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.

5. Fixed Assets, intangible assets and capital work-in-progress

Fixed Assets are stated at cost, less accumulated depreciation. All direct costs are capitalized until fixed assets are ready for use including taxes, duties, freight and other incidental expenses relating to acquisition and installation. Capital work-in-progress comprises outstanding advances paid

Boston Teknowsys (India) Limited

to acquire fixed assets, and the cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

6. Depreciation and amortization

Depreciation on fixed assets is applied on straight-line method, pro-rata for the period of usage, in accordance with the rates prescribed under schedule XIV of the Companies Act, 1956.

7. Income tax

Income taxes are computed using the tax effect accounting method, in accordance with the Accounting Standard (AS 22) "Accounting for Taxes on Income" which includes current taxes and deferred taxes. Deferred income taxes reflect the impact if current year timing differences between taxable income and accounting income for the year and the relevant of timing difference of earlier years. Deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period when the asset / liability is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred Tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

II. NOTES TO THE ACCOUNTS

1. Contingent Liabilities: NIL.
2. The Company does not owes any amount to small-scale industrial units to whom the company owes a sum exceeding Rs. 1 lakh and outstanding for more then 30 days.
3. Balance of sundry debtors/creditors and loans and advances to the extent confirmed are reconciled. In respect of other, confirmations are awaited.
4. Additional Information pursuant to the provisions of Paragraph 3, 4C and 4D of part II of schedule VI to the Companies Act is not applicable to the Company and nature of its business.
5. Figures on the Balance Sheet and Profit & Loss Account have been rounded off to nearest rupee.

As per our audit report of even date attached

For **CHANAMOLU & CO.,**
Chartered Accountants
Firm Reg No : 010000S
P. SRIRAM
Partner
Membership No. 227395

Date : 30.08.2012
Place : Hyderabad

For and on behalf of the Board of Directors of
BOSTON TEKNOWSYS (INDIA) LIMITED

Sd/-
Director

Sd/-
Director

BOSTON TEKNEWSYS (INDIA) LIMITED

Flat No. 303, Rukmini Enclave, Dharam Karam Road, Ameerpet,
Hyderabad - 500 016.

PROXY FORM

I/We _____ of _____

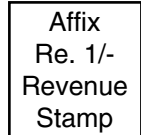
_____ being a member/members of the above named company, hereby appoint Mr/Mrs/Ms _____ in the District of _____ as my/our proxy to attend and vote for me /us on my/ our behalf at the 33rd Annual General Meeting of the Company to be held on Flat No. 303, Rukmini Enclave, Dharam Karam Road, Ameerpet, Hyderabad - 500 016. held on Friday the 29th day of September, 2012 at 11.00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2012

Address _____

Folio No. / Client ID _____

No. of Shares held : _____



Note: The proxy form duly signed completed must be signed deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.

BOSTON TEKNEWSYS (INDIA) LIMITED

Flat No. 303, Rukmini Enclave, Dharam Karam Road, Ameerpet,
Hyderabad - 500 016.

ATTENDANCE SLIP

I hereby record my presence at the 33rd Annual General Meeting of the Company to be held on Flat No. 303, Rukmini Enclave, Dharam Karam Road, Ameerpet, Hyderabad - 500 016. held on Friday the 29th day of September, 2012 at 11.00 A.M. and at any adjournment thereof.

Shareholders/Proxy's Signature _____

Shareholders/Proxy's full name _____
(In Block Letters)

Folio No. / Clind ID _____ No. of Shares held _____

Note: Shareholder attend the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

PRINTED MATTER
BOOK - POST

If undelivered please return to :

Boston Teknowsys (India) Limited

Flat No. 303, Rukmini Enclave, Dharam Karam Road,
Ameerpet, Hyderabad - 500 016