



# **HYPERSOFT**

**TECHNOLOGIES LIMITED**

**THIRTY SIXTH ANNUAL REPORT  
2018-2019**



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## **HYPERSOFT TECHNOLOGIES LIMITED**

### **BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNAL**

**Mr. F. R. Bhote**  
Managing Director

**Mr. Vinay Vir**  
Independent Director

**Mrs. Geeta Feroz Bhote**  
Director

**Mr. Joydip Lahiri**  
Independent Director

**Mr. Shaik Khudaventh**  
Chief Financial Officer

**Mr. Suresh Tantapureddy**  
Company Secretary  
(w.e.f. 11th September, 2018)

### **REGISTERED OFFICE**

28, Goyal Society,  
Moti Valley, Tirmulgherry,  
Secunderabad - 500 015  
Telangana, India  
Phone: 040-27744413  
Email: [info@hypersoftindia.com](mailto:info@hypersoftindia.com)  
Website: [www.hypersoftindia.com](http://www.hypersoftindia.com)  
CIN : L29309TG1983PLC003912

### **BRANCH**

**Mumbai**  
Hypersoft Technologies Limited  
309-B, Commerce House,  
Nagindas Master Road,  
Fort, Mumbai - 400 001.

### **DEPOSITORY REGISTRARS & SHARE TRANSFER AGENTS**

**M/s. CIL Securities Limited**  
214, Raghava Ratna Towers,  
Chirag Ali Lane, Abids,  
Hyderabad - 500 001  
Tel. # 040-23202465, 23203155  
Fax # (040) 23203028, 66661267  
Email: [advisors@cilsecurities.com](mailto:advisors@cilsecurities.com)

### **AUDITORS**

**M/s. Grandhy & Co**  
Chartered Accountants, Hyderabad

### **BANKERS**

**HDFC Bank Limited**  
**Oriental Bank of Commerce**

### **LISTING**

BSE Limited  
The Ahmedabad Stock Exchange Ltd



## NOTICE

Notice is hereby given that the 36<sup>th</sup> Annual General Meeting of the members of **M/s. Hypersoft Technologies Limited (L29309TG1983PLC003912 ) will be held on Saturday, 28th September, 2019, at 3:00 PM** at the Registered office of the Company at 28, Goyal Society, Moti Valley, Tirmulgerry, Secunderabad – 500015, Telangana to transact the following business:

### **Ordinary Business:**

- 1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and Profit & Loss Statement for the year ended on 31st March, 2019 together with notes and annexures thereto and the Report of Directors' and Auditors' thereon.**

“RESOLVED THAT the Audited Balance Sheet as at 31st March, 2019 and the Profit and Loss Statement as on that date, together with notes and annexures thereto and the Report of Directors' and Auditors' of the Company be and are hereby considered, adopted and approved.”

- 2. To re-appoint Mr. F. R. Bhote, Managing Director who retires by rotation and being eligible, offers himself for re-appointment**

“RESOLVED THAT Mr. F. R. Bhote who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as a Director of the Company.”

**For and on behalf of Board of Directors**

**(F. R. Bhote)**

Managing Director

DIN: 00156590

Place: Secunderabad

Date: 23<sup>rd</sup> August, 2019



## NOTES FOR MEMBERS' ATTENTION:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
2. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE.
3. A route map giving directions to reach the venue of the 36th Annual General Meeting is given at the end of the Notice.
4. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from 24th September, 2019 to 28th September, 2019 (both the days inclusive).
5. M/s. CIL Securities Ltd, Regd. Office: 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad -500 001, Telangana is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
6. Members holding shares in the same name under different Ledger Folios are requested to apply for Consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.
7. Electronic copy of the Annual Report for 2018-2019 is being sent to all the members whose email addresses are registered with the Company/Depository Participants(s) for communication purposes, unless any member has requested for a hard copy and the same will be sent by post. All the members are requested to register their email address for future correspondence.
8. Members may also note that the Notice of the 36th Annual General Meeting and the Annual Report for 2018–2019 will also be available on the Company's website **Website: [www.hypersoftindia.com](http://www.hypersoftindia.com)** for downloading. The physical copies of the aforesaid Annual Report will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any



communication, the shareholders may also send requests to the Company's investor email id: **info@hypersoftindia.com**.

9. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days (including the date of the Annual General Meeting of the Company.)
10. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 36th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
11. The Company has appointed Mr. G. Raghu Babu, Practicing Company Secretary, Partner at R&A Associates, Company Secretaries, Hyderabad (Membership No. FCS 4448) as scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

**The instructions for members for voting electronically are as under:-**

**In case of members receiving e-mail:**

- i. Log on to the e-voting website **www.evotingindia.com**
- ii. Click on "Shareholders" tab.
- iii. Now, select the **"HYPERSOFT TECHNOLOGIES LIMITED"** from the drop down menu and click on "SUBMIT"
- 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** 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li><li>• Your sequence number is printed on bottom side of the address sticker.</li></ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<ul style="list-style-type: none"><li>• Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</li><li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

viii. After entering these details appropriately, click on “SUBMIT” tab.

- ix. Members holding shares in physical form will then reach directly 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 for the relevant HYPERSOFT TECHNOLOGIES LIMITED on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the



option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to **<https://www.evotingindia.co.in>** and register themselves as Corporate. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to **[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)**. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to **[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)** and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

#### **Commencement of e-voting:**

- The voting period begins on 25<sup>th</sup> September, 2019 at 9.00 a.m. and ends on 27<sup>th</sup> September, 2019 at 5.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21<sup>st</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 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.co.in](http://www.evotingindia.co.in) under help section or write an email to **[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)**.



### Additional Information

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the particulars of Director who seeks re-appointment are given below:

Name of the Director	Date of Appointment	Qualification	DOB	Expertise in specific functional areas	Name of other Companies in which the person holds directorship or membership of committees of the Board	Number of shares held in Hypersoft Technologies Limited
Mr. F .R. Bhote	18/04/1983	Master Degree in Computer Science	14-07-1956	Computer Software	CIL Securities Limited	605650

For and on behalf of Board of Directors

Place: Secunderabad  
Date: 23<sup>rd</sup> August, 2019

**(F.R. Bhote)**  
Managing Director  
DIN: 00156590



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are happy to present the 36<sup>th</sup> Annual Report and the Financial Results for the year ended on 31<sup>st</sup> March, 2019.

### 1. Financial Results:

(Rs. in Lacs)

Particulars	2018-2019	2017-2018
Income from operations	71.30	179.82
Other Income	15.83	20.36
<b>Total Income</b>	<b>87.13</b>	<b>200.18</b>
Total Expenditure excluding depreciation	101.24	156.83
Depreciation	5.95	5.87
Total Expenditure	107.19	162.71
<b>Net Profit / (Loss) before Taxation</b>	<b>(20.06)</b>	<b>37.47</b>
Provision for Taxation	0	(7.45)
Deferred Tax	(0.29)	6.42
<b>Net Profit / (Loss) after Taxation</b>	<b>(19.77)</b>	<b>36.44</b>

### 2. Management Discussion & Analysis (M D & A):

#### REVIEW OF BUSINESS & OUTLOOK

Your company remains a preferred supplier for several software requirements. Stockbrokers are showing a renewed interest in our software which is of the highest quality. Additionally, ERP system for manufacturing and processing has been the focus of the company.

Your Company has tied up with Trade lab, adding synergy to the product line of Stockroking. With this tie-up, an end-to-end solution for Stockbrokers is now being created – from trading to accounting to back office a seamless system is available.

With the African continent showing signs of growth, your company is now focusing on this area.

The mobile market in India is the second largest in the world after China, and Mobile applications developed by your company have shown great acceptance and will continue to be the prime mover. The Global Mobile Applications market is poised to grow at a sustained rate and the number of users of smart phones will soon cross more than half the population of the country. A complete ERP on the Android platform has been developed and will soon be the flagship product of your company.





Absence of skilled manpower and high cost of development and marketing are the major impediments to growth.

**Opportunities and Threats:**

Most of the mobile app market is tuned to the free app model or aps which cost between Rs. 50 and Rs. 100. In the Commercial market place there are very few apps that are tuned to Business and Industry. A huge opportunity exists in this space.

Absence of skilled manpower, high cost of development, high cost of user acquisition, hyper competition driven by independent and freelance developers and the high cost of marketing are major impediments to growth.

**Outlook:**

With the evolution of our new mobile products, we expect the market to accept our products more readily and with online advertising, which we have introduced, the response has been up to the mark.

We have made significant investments in the mobile app sphere and expect them to bear fruit within the coming few months.

The projects with UID Authority of India are working as per the expectations of the Company and are expected to be on similar lines as the previous year.

**Risk and Concerns:**

1. The first major problem developed in recent times subject to added different legal laws and norms.
2. Another major problem the need to develop the optimum mix of employees. A big dilemma is to get the balance correct in terms of recruitment.

**Internal control systems and their adequacy:**

The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

**Discussion on financial performance with respect to operational performance:**

During the year under review, your Company made a Turnover of Rs. 87.13 Lakhs as against Rs. 200.18 Lakhs for the previous year and incurred a loss of Rs. 19.77 Lakhs as against a profit of Rs. 36.44 Lakhs for the previous year. The Company anticipates more profits in the coming years.



### **Material development in Human Resource & Industrial Relations:**

There are no significant developments in human resources and number of people employed. However, all our efforts were made to retain the talent and improve the productivity.

### **3. Change in the nature of business**

There were no changes in the nature of business of the Company during the financial year 2018-19.

### **4. Deposits**

The Company has not accepted any deposits from the public during the year in pursuant to Section 73 of the Companies Act, 2013.

### **5. Material Changes and Commitments**

There are no significant material changes and commitments affecting financial position of the company between 31st March, 2019 and the date of this report.

### **6. Number of meetings of the Board**

The Board of Directors met 6 (Six) times during this financial year on 28<sup>th</sup> May, 2018; 26<sup>th</sup> July 2018; 10<sup>th</sup> August, 2018; 11<sup>th</sup> September, 2018; 30<sup>th</sup> October, 2018 and 04<sup>th</sup> February, 2019.

### **7. Extract of Annual Return**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT9 as a part of this Annual Report (Annexure-I).

### **8. Policy on directors' appointment and remuneration**

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and they demarcate their functions of governance and management. As on March 31, 2019, the Board consists of 4 (four) members, one of whom is executive, three is non-executive and out of which two are independent director. The Board periodically evaluates the need for change in its composition and size. The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-Section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is appended as Annexure-II to the Board's report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.



## **9. Directors and Key Managerial Personnel:**

The following changes took place in the composition of the Board of Directors for the Financial Year 2018-19:

1. Appointment of Mr. Joydip Lahari as Independent Director of the Company w.e.f. 28th May, 2018.
2. Resignation of Mr. Premanshu Rana as Independent Director of the Company w.e.f. 28th May, 2018.
3. Resignation of Ms. Gumpena Naga Jyothi as a Whole-time Company Secretary of the Company w.e.f. 18th July 2018.
4. Appointment of Mr. Suresh Tantapureddy as a Whole-time Company Secretary of the Company w.e.f. 11th September 2018.

## **10. Declaration given by Independent Directors:**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement), Regulations 2015.

## **11. Contracts and arrangements with Related Parties under Section 188**

The Company has not entered into any contracts or arrangements with related parties during the financial year. Therefore, AOC-2 is not required to be enclosed to this report.

## **12. Particulars of loans, guarantees or investments under Section 186**

The Company has not made any investments and has not given any loan or guarantee under section 186 of the Companies Act, 2013.

## **13. Risk Management**

The Company has developed and implemented a risk management framework that includes identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

The following broad categories of risks to the business objectives have been considered in our risk management framework:

- **Strategy:** Risk: Risks to the successful execution of the Company's articulated strategies. These originate from the choices we make on markets, business mix, resources and delivery models that can potentially impact our competitive advantage in the medium and long term. Risks related to scalability and sustainability of our business might also have an impact on our business.



- **Industry:** Risks relating to the inherent characteristics of our industry such as competitive structure, emergence of new business models, technological landscape, extent of linkage to economic environment and regulatory structure.
- **Counterparty:** Risks arising from our association with entities for conducting business. The counterparties include clients, vendors, alliance partners and their respective industries. Counterparty risks include those relating to litigation and loss of reputation.
- **Resources:** Risks arising from inappropriate sourcing or sub-optimal utilization of key organizational resources such as financial capital, talent and infrastructure.
- **Operations:** Risks inherent to business operations including those relating to client acquisition, service delivery to clients, business support activities, information security, intellectual property physical security, and business activity disruptions. Operational risks are assessed primarily on three dimensions - business process effectiveness, compliance to policies and procedures, and strength of underlying controls.
- **Regulatory environment:** Risks due to adverse developments in the regulatory environment that could potentially impact our business objectives and lead to loss of reputation.
- **Societal:** Risks and opportunities relating to our focus on the environment and society at large. Environmental focus includes conservation of essential resources such as water and energy, disposal of waste, minimizing emissions, etc. Social focus includes projects to impact the communities in the regions where we operate.

#### **14. Subsidiaries, Associate Companies and Joint Ventures**

The Company does not have any subsidiaries, Associate Companies or Joint Ventures.

#### **15. Annual Evaluation of Board's Performance**

The Nomination and Remuneration Committee of the Company approved an Evaluation Policy during the year 2014-2015, which was adopted by the Board of Directors. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. The Policy provides that evaluation of the performance of the Board and Committees of Board shall be carried out on an annual basis.

The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. A separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of Managing



Director and Non-Executive Director was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee (NRC) also reviewed the performance of the Board, its Committees and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

#### **16. Transfers to reserves**

The Company has not transferred any amount to the reserves in the financial year.

#### **17. Dividend**

In view of the accumulated losses, the Directors express their inability to recommend dividend during the year.

#### **18. Auditors**

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, Grandhy & Co., Chartered Accountants bearing Firm Registration No. 001007S, were appointed as statutory auditors from the conclusion of the thirty-fourth Annual General Meeting (AGM) held on 28<sup>th</sup> September, 2017 till the conclusion of the thirty-ninth AGM of the Company in 2022.

#### **19. Secretarial Auditor:**

R & A Associates, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the Company for the financial year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules there under.

The secretarial audit report for financial year 2018-19 forms part of the Annual Report as Annexure-III to the Board's report.

#### **20. Corporate Governance:**

A report on the Corporate Governance, which inter alia, includes the composition and construction of Audit Committee, is featuring as a part of Annual Report. Your Company will continue to adhere in letter and spirit to the good corporate governance policies. Pursuant to the relevant provisions of Securities Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as referred to in Regulation 15 (2) of the Listing Regulations for the period 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019, a certificate from the auditors of the Company is enclosed.

#### **21. Managing Director's Declaration:**

Pursuant to the provisions of Listing Regulations, a declaration by the Managing Director of the Company declaring that all the members of the Board and the Senior Management



Personnel of the Company have affirmed compliance with the Code of Conduct of the Company is enclosed. The same can be viewed on the website of the Company at [www.hypersoftindia.com](http://www.hypersoftindia.com)

## **22. Directors' Responsibility Statement:**

In accordance with the provisions of the section 134(c) of the Companies Act, 2013 and based on the information provided by the management your directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. The directors had 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. The directors had prepared the annual accounts on a going concern basis.
- e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **23. Corporate Social Responsibility – Not Applicable**

## **24. Significant and material orders**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## **25. Secretarial Standards**

The Company is in compliance of Secretarial Standards during the Financial Year 2018-2019.

## **26. Internal Financial Controls**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

## **27. Whistle Blower Policy/ Vigil Mechanism**

To create enduring value for all stakeholders and ensure the highest level of honesty,



integrity and ethical behavior in all its operations, the Company has formulated a Vigil Mechanism/Whistle Blower Policy that governs the actions of its employees. This Whistleblower Policy/Vigil Mechanism aspires to encourage all employees to report suspected or actual occurrence(s) of illegal, unethical or inappropriate events (behaviors or practices) that affect Company's interest / image.

A copy of the Policy is available on the website of the Company.

## **28. Disclosures Under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules there under for prevention and redressal of complaints of sexual harassment at workplace. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2018-19, the Company has not received any complaints on sexual harassment.

## **29. Conservation of Energy & Technology Absorption, Foreign Exchange Earnings and Outgo:**

### **A. Conservation of Energy:**

- (a) Energy Conservation measures taken:** Your Company's operations are software oriented and not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy-efficient computers and equipment.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:** Exchanging legacy CRT monitors with LCD power saving monitors.
- (c) Impact of the measures (a) and (b) above for energy consumption and consequent impact on the cost of production of goods:** As energy conservation is very meager and energy cost forms a small part of total costs, the impact of costs is not material.

### **B. Technology Absorption:**

#### **Research and Development (R & D):**



**(a) Specific areas in which R & D carried out by the Company:**

The Company continues to focus and invest in R & D activities for developing and improving the quality and enhancing the benefits of its software products. The Company is a product oriented Company and the continuous development of new products and the existing products is an ongoing exercise.

**(b) Benefits derived as a result of the R & D:**

Research and development of new products & processes will continue to be of importance to your Company. Products although have a longer gestation, are of higher benefit to the Company and its profitability in the long run.

**(c) Future plan of Action:**

The Company continues to strive for development and innovation of new products and improving the existing ones in order to meet the changing requirements and to cater to customer needs.

**(d) Expenditure on R & D: NIL****Adaptation and Innovation:**

As a result of new partnerships, the Company now has absorbed new technologies and will result in better adaptation to Indian customer needs.

**C. Foreign Exchange Earnings & Outgo:**

Particulars	2018-2019 (in Rs.)	2017-2018 (in Rs.)
Foreign Exchange Earnings	48,986	15,82,672
Foreign Exchange Outgo:	-	-
Purchase	-	-
Expenses	-	-

**29. Appreciation:**

Your Directors place on record their appreciation of the continued assistance and co-operation extended by the shareholders, customers, bankers and the dedicated employees and the business associates.

For and on behalf of Board of Directors

Place: Secunderabad  
Date: 23<sup>rd</sup> August, 2019

**(F.R. Bhote)**  
Managing Director  
DIN: 00156590

**(Vinay Vir)**  
Director  
DIN: 02378210





**Statement of Disclosure of Remuneration Under Section 197 of Companies Act,  
2013 and Rule 5(1) of Companies (Appointment and Remuneration of  
Managerial Personnel) Rules, 2014**

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-2019

Sl. No.	Name of Director	Designation	Ratio of remuneration of each Director to median remuneration of Employees
1.	Mr. F.R. Bhote	Managing Director	5.32

2. Percentage increase in remuneration of each director and KMP in the financial year 2018-2019.

Sl. No.	Name of Director / CFO	Designation	% increase in Remuneration in the Financial Year 2018-2019
1.	Mr. F.R. Bhote	Managing Director	46.35
2.	Mr. Khudaventh	CFO	8.44
3.	Mr. Suresh Tantapureddy	Company Secretary (w.e.f 11th Sep., 2018)	NIL

3. The percentage increase in the median remuneration of employees in the financial year 2018-2019 was NIL.
4. There are 14 (Fourteen) permanent employees on the rolls of company
5. Relationship between average increase in remuneration and company performance:

The reward philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and drives performance culture. Every year, the salary increases for the Company are decided on the basis of a benchmarking exercise that is undertaken with similar profile organizations. The final salary increases given are a function of Company's market competitiveness in this comparator group as well as overall business affordability. During the year, similar approach was followed to establish the remuneration increases to the Employees. Variable compensation is an integral part of our total reward package and is directly linked to an individual performance rating and business performance. Salary increases during the year were in line with Company's performance as well as per Company's market competitiveness.



6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Aggregate remuneration of Key Managerial Personnel in FY 2018-19	Rs. 26,54,400
Total Revenue of the Company in FY 2018-19	Rs. 87,13,284
Remuneration of KMP (as % of revenue)	30.46

7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the salaries of the Company in comparison to the rate at which the company came out with the last public offer the variations in the net worth of the Company as at the close of the current financial year and previous financial year –N.A
8. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 8% whereas the increase in the managerial remuneration was 31.90%.
9. Comparison of each remuneration of the KMP against the performance of the company:

Particulars	Managing Director	CFO	CS
Remuneration of Key Managerial Personnel in FY 2018-19	Rs. 18,00,000	Rs. 6,00,000	Rs. 2,54,400
Total Revenue of the Company in FY 2018-19	Rs. 87,13,284	Rs. 87,13,284	Rs. 87,13,284
Remuneration of KMP (as % of revenue)	20.66	6.88	2.92

10. The key parameters of any variable component of remuneration availed by the directors - Nil
11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Nil
12. It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

For and on behalf of Board of Directors

Place: Secunderabad  
Date: 23<sup>rd</sup> August, 2019

**(F.R. Bhote)**  
Managing Director  
DIN: 00156590

**(Vinay Vir)**  
Director  
DIN: 02378210



## Annexure I to Director's Report

Form No.MGT-9

### EXTRACT OF ANNUAL RETURN

**As on the financial year ended on 31,03.2019**

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

#### I. REGISTRATION AND OTHER DETAILS :

i	CIN	L29309TG1983PLC003912
ii	Registration Date	18 <sup>th</sup> April, 1983
iii	Name of the Company	<b>Hypersoft Technologies Limited</b>
iv	Category/Sub-category of the Company	Company Limited By Shares
v	Address of the Registered office & contact details	28, Goyal Society , Moti Valley, Tirumlgerry, Secunderabad, Telangana - 500015 Tel : 040-27744413
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	CIL Securities Ltd 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyd -500 001. Tel. # 040-23202465, 23203155 Fax # (040) 23203028, 66661267 Email : advisors@cilsecurities.com

#### 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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Software Maintenance	Division - 62 Group - 620 Class - 6201 Sub-class - 62013	96.87

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

Sl. No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					



#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### I Category-wise Share Holding

Category of Shareholders	No.of shares held at the end of the year [As on 31-March-2018]				No.of shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1483575	-	1483575	34.89	1483575	-	1483575	34.89	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals					-	-	-	-	
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>1483575</b>	<b>-</b>	<b>1483575</b>	<b>34.89</b>	<b>1483575</b>	<b>-</b>	<b>1483575</b>	<b>34.89</b>	<b>-</b>
<b>B. Public Shareholding</b>									
1.Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>									



Category of Shareholders	No. of shares held at the end of the year [As on 31-March-2018]				No. of shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.	576776	227700	804476	18.92	542831	227700	770531	18.12	(0.80)
Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	357691	408500	766191	18.02	357173	39100	749073	17.62	(0.40)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	876989	197400	1074389	25.27	931031	197400	1128431	26.54	1.27
c) Others (specify)									
Non Resident Indians	120090	-	120090	2.82	120090	-	120090	2.82	-
Overseas Corporate Bodies Foreign Nationals									
Clearing Members	2979	-	2979	0.07	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies	-	-	-	-	-	-	-	-	-
Directors/Relatives	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>1934525</b>	<b>833600</b>	<b>2768125</b>	<b>65.11</b>	<b>1951125</b>	<b>81700</b>	<b>2768125</b>	<b>65.10</b>	<b>-</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>1934525</b>	<b>833600</b>	<b>2768125</b>	<b>65.11</b>	<b>1951125</b>	<b>81700</b>	<b>2768125</b>	<b>65.10</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>3418100</b>	<b>833600</b>	<b>4251700</b>	<b>100.00</b>	<b>3434700</b>	<b>817000</b>	<b>4251700</b>	<b>100</b>	<b>-</b>



## (ii) Shareholding of Promoters

SI No.	Shareholders 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	Dadabhoy Russi Bhote	498275	11.72	-	511675	12.04	-	0.32
2	Feroz Russi Bhote	605650	14.24	-	605650	14.24	-	-
3	Kashmira Dadabhoy Bhote	230900	5.43	-	230900	5.43	-	-
4	R D Bhote	58250	1.37	-	58250	1.37	-	-
5	Bhote Sillo Russi	36000	0.85	-	36000	0.85	-	-
6	Amy Russi Bajina	23100	0.54	-	23100	0.54	-	-
7	Bomi Russi Bhote	7500	0.18	-	-	-	-	(0.18)
8	Rita Bhote	5900	0.14	-	-	-	-	(0.14)
9	Urmez Feroz Bhote	18000	0.42	-	18000	0.42	-	-
	<b>Total</b>	<b>1483575</b>	<b>34.89</b>	<b>-</b>	<b>1483575</b>	<b>34.89</b>	<b>-</b>	<b>-</b>

## (iii) Change in Promoters' Shareholding :

SI No.	Name of the Shareholders	No. of Shares at the beginning of the Year	% of total shares of the company	No. of Shares Brought or Sold during the year	No. of Shares at the end of the year	% of total shares of the company	% Change in share holding during the year
1.	Dadabhoy Russi Bhote	498275	11.72	13400	511675	12.04	0.32
2.	Bomi Russi Bhote	7500	0.18	7500	-	-	(0.18)
3.	Rita Bhote	5900	0.14	5900	-	-	(0.14)

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

SI No.	Name of the Shareholders	No. of Shares at the beginning of the Year	% of total shares of the company	No. of Shares Brought or Sold during the year	No. of Shares at the end of the year	% of total shares of the company	% Change in share holding during the year
1.	Savio Pinto	250000	5.88	0	250000	5.88	0
2.	Zen Securities Ltd	200000	4.70	0	200000	4.70	0



Sl. No.	Name of the Shareholders	No. of Shares at the beginning of the Year	% of total shares of the company	No. of Shares Brought or Sold during the year	No. of Shares at the end of the year	% of total shares of the company	% Change in share holding during the year
3.	Incotel Software Solutions (OPC) Private Limited	178155	4.19	-	178155	4.19	-
4.	Nalluri Chandrashekar Murthy	120000	2.82	-	120000	2.82	-
5.	Ranjit Malik	105287	2.48	(1000)	104287	2.45	(0.03)
6.	Bodhtree Consulting Limited	100000	2.35	-	100000	2.35	-
7.	Rvg Investments & Tech P Ltd	100000	2.35	-	100000	2.35	-
8.	Latin Maharlal Securities Pvt Ltd	100000	2.35	-	100000	2.35	-
9.	N C Nagarajan	91560	2.15	2025	93585	2.20	0.05
10.	V Nagesh	71000	1.67	-	71000	1.67	-

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

Sl. No.	Name of the Director / KMP	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.	<b>F.R Bhote</b>				
	At the beginning of the year	605650	14.24	605650	14.24
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	605650	14.24	605650	14.24

**V. INDEBTEDNESS**

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



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director

SI No.	Particulars of Remuneration	Name of KMP
		<b>F.R. Bhote</b>
1	Gross salary	Rs.
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	18,00,000
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	25,063
	(c) Profits in lieu of Salary under Section 17(3) Income- Tax Act, 1961	NIL
2	Stock Option	NIL
3	Sweat Equity	NIL
4	Commission - as % of profit - others, specify...	
5	Others, please specify (PF)	1,51,200
	<b>Total (A)</b>	<b>19,76,263</b>
	Ceiling as per the Act	30,00,000

### B. Remuneration to other Directors: NIL

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

SN.	Particulars of Remuneration	Key Managerial Personnel		
		<b>CFO</b>	<b>CS</b>	<b>Total</b>
1	Gross salary	Rs.	Rs.	Rs.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	2,54,400	8,54,400
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	others, specify...(PF)	51,840	NIL	51,840
5	Others, please specify	NIL	NIL	NIL
	<b>Total</b>	<b>6,51,840</b>	<b>2,54,400</b>	<b>9,06,240</b>





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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



## **Annexure II to Director's Report Nomination and Remuneration Policy**

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- Desired age and diversity on the Board;
- Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- Professional qualifications, expertise and experience in specific area of business;

**The guiding principles for Company's reward policies / practices are as follows:**

- 1. Open, Fair, Consistent and Explainable:** increase transparency and ensure fairness and consistency in Reward framework.
- 2. Insight and Engagement:** make Reward truly relevant to the employees by using leading edge tools that helps the Company 'hear' how employees feel about their Reward.
- 3. Innovation:** continuously improve Company's Reward through innovations based on insight, analytics expertise.
- 4. Simplicity, Speed and Accuracy:** simplify reward plans and processes and deliver the information employees need quickly, clearly and efficiently.
- 5. Business Results:** Company's business results are the ultimate test of whether Reward solutions are effective and sustainable.

The appointment of Executive Directors, Key Managerial Personnel, Management Committee members and other employees is by virtue of their employment with the Company as management employees and therefore, their terms of employment vis-à-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies at the relevant point in time. The total reward for Executive Directors, Key Managerial Personnel and Management Committee members is reviewed and approved by the Nomination and Remuneration Committee annually, taking into account external benchmarks.



## Annexure III to Director's Report

### FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

*[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 Members  
**Hypersoft Technologies Limited**  
28, Goyal Society, Moti Valley  
Tirmulgherry, Secunderabad – 500015, Telangana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hypersoft Technologies 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided 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 covering the financial year ended on 31<sup>st</sup> March, 2019 (**'Audit Period'**) 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-



- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period).**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period).**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period).**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period).**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)** and
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

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

#### **We 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.



All decisions at board meetings and committee meetings were carried out unanimously as recorded in the minutes of the meetings of the board of directors or committees of the board, as the case may be.

**We further report that** the Company is engaged into software services, and applicable specific industry laws are in compliance.

**We 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.

**We further report that** during the Audit Period the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines and standards, etc.

This report is to be read with my letter of even date which is annexed as Annexure – A and forms an integral part of this report.

For **R & A Associates**

**(P. Surya Prakash)**

Practicing Company Secretary

FCS. No.# 9072

C.P. # 11142

Place: Secunderabad

Date: 23<sup>rd</sup> August, 2019



## Annexure - A

To  
The Members  
**Hypersoft Technologies Limited**  
28, Goyal Society, Moti Valley  
Tirmulgerry, Secunderabad,  
Telangana – 500015.

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of **Hypersoft Technologies Limited, ("the Company")**. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. With regards to various submission(s) of information / document and compliance thereof made by the Company with the stock exchanges, the reporting of compliance was made based upon the information / documents available.

For R & A Associates

**(P. Surya Prakash)**

Practicing Company Secretary  
FCS. No.# 9072  
C.P. # 11142

Place: Secunderabad  
Date: 23<sup>rd</sup> August, 2019



## REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2018-2019

### Company's Philosophy:

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in efficient conduct of its business and in meeting its obligations to stakeholders.

### A. Board of Directors:

At present the composition of the Board of Directors comprises of four (4) Directors comprising of One (1) Executive Director, two (2) Non-Executive Independent Directors and one (1) Non-executive Director.

1) Composition and category of Directors as on date is:

Sl. No.	Name of the Director	Category
1.	Mr. F.R. Bhote	Promoter & Managing Director
2.	Mr. Vinay Vir	Non-Executive & Independent Director
3.	Mr. Joydip Lahiri (Wef 28 <sup>th</sup> May, 2018)	Non-Executive & Independent Director
4.	Mrs. Geeta Feroz Bhote	Non-Executive Director

The Composition and Category of Directors as on 31<sup>st</sup> March, 2019 was as under:

Sl. No.	Name of the Director	Category
1.	Mr. F.R. Bhote	Promoter & Managing Director
2.	Mr. Vinay Vir	Non-Executive & Independent Director
3.	Mr. Joydip Lahiri (w.e.f. 28 <sup>th</sup> May, 2018)	Non-Executive & Independent Director
4.	Mrs. Geeta Feroz Bhote	Non-Executive Director

2) Attendance of each director at the Board Meetings held during the year 2018-2019 and at the last Annual General Meeting:

Name of the Director	No. of Board Meetings held which the Director was eligible to attend during the Year	Meetings attended	Last AGM
Mr. F.R. Bhote	6	6	Present
Mr. Vinay Vir	6	6	Absent
Mrs. Geeta Feroz Bhote	6	6	Absent
Mr. Premashu Rana (till 28th May, 2018)	1	-	Not Applicable
Mr. Joydip Lahiri (w.e.f. 28th May, 2018)	5	1	Present



None of the directors of the Company are members in more than 10 committees or act as Chairman of more than five committees across all Companies in which he/she is a Director.

### **3) Number of meetings of the Board:**

The Board of Directors met 6 (Six) times during this financial year on 28<sup>th</sup> May, 2018; 26<sup>th</sup> July, 2018; 10<sup>th</sup> August, 2018; 11<sup>th</sup> September, 2018; 30<sup>th</sup> October, 2018 and 04<sup>th</sup> February, 2019.

### **4) Disclosure of relationships between directors inter-se:**

Ms. Geeta Feroz Bhote, Director of the Company is married to Mr. F.R Bhote, Managing Director of the Company.

### **5) Number of shares and convertible instruments held by non-executive Directors**

Mrs. Geeta Feroz Bhote is the only non-executive Director who holds 2,00,000 Shares of the Company jointly with Mr. F R Bhote.

### **6) Familiarization program for Independent Directors**

The details of training and familiarization program is available on our website <http://www.hypersoftindia.com/InvestorRelations.html>

## **B. Audit Committee:**

The Audit Committee was constituted in terms of Section 177 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **1. Brief description of terms of reference:**

The term of reference of the Audit Committee is in conformity with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter alia, includes the following:

- a) Oversight of Company's financial reporting process.
- b) Recommending appointment and removal of external auditors and fixing of their fees.
- c) Reviewing with management the quarterly, half-yearly and annual financial results/statements with special emphasis on accounting policies and practices, compliance's with accounting standards and other legal requirements concerning financial statements.
- d) Reviewing the adequacy of the Audit and compliance functioning including policies, procedures, techniques and other regulatory requirements.
- e) Reviewing the adequacy of internal control systems and significant audit findings.
- f) Discussion with external auditors regarding nature and scope of audit.





## 2. Composition of Committee and details of meetings attended by its Members

Name of the Member	Category	No. of Meetings which the Director was eligible to attend during the year	Meeting attended
Mr. Vinay Vir (Chairman)	Independent Director	4	4
Mr. F. R. Bhote	Managing Director	4	4
Mr. Parmanshu Rana (till 28 <sup>th</sup> May 2018)	Independent Director	1	-
Mr. Joydip Lahari (w.e.f. 28 <sup>th</sup> May 2018)	Independent Director	3	1

The Committee met 4 (four) times during this financial year on 28<sup>th</sup> May, 2018 and 26<sup>th</sup> July 2018; 30<sup>th</sup> October, 2018 and 04<sup>th</sup> February, 2019.

### C. Nomination & Remuneration Committee:

#### 1. Brief description of terms of reference:

This committee was constituted in terms of section 178 of the Companies Act, 2013 and the Listing Regulations, to evaluate compensation and benefits given to Executive Directors.

#### 2. Composition of the Committee and details of meetings attended by its Members:

Name of the Member	Meeting held during the year	Meeting attended
Mr. Vinay Vir	2	2
Mrs. Geeta Feroz. Bhote	2	2
Mr. Parmanshu Rana (Till 28th May 2018)	1	-
Mr. Joydip Lahari (From 28th May 2018)	1	-

The Committee met 2 (two) times during this financial year on 28<sup>th</sup> May, 2018 and 11<sup>th</sup> September, 2018.

#### 3. Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with



stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

The Independent Directors met 1 (one) time during this financial year on 04<sup>th</sup> February, 2019.

#### **4. Remuneration Policy**

Our policy on the appointment and remuneration of directors and key managerial personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### **Details of remuneration to all the directors:**

<b>Particulars</b>	<b>F. R Bhote</b>
Salary	18,00,000
Perquisites	25,063
Provident Fund	1,51,200
<b>Total</b>	<b>19,76,263</b>

The Non-Executive Directors not eligible for commission and also they have not been paid sitting fee and any other expenses.

#### **D. Shareholders / Investors Grievance Committee:**

##### **1. Terms of reference**

The Committee was constituted to specifically look into the redressing of shareholders and investor complaints like transfer of shares, non-receipt of balance-sheet etc.

##### **2. Composition, name of members and Chairman:**

The Committee comprises of the following directors

- |                            |  |
|----------------------------|--|
| (i) Mr. Vinay Vir          | - Chairman                                   |
| (ii) Mrs. Geeta FerozBhote | - Member                                     |
| (iii) Mr. Premanshu Rana   | - Member (till 28 <sup>th</sup> May, 2018)   |
| (iv) Mr. Joydip Lahari     | - Member (w.e.f. 28 <sup>th</sup> May, 2018) |

##### **3. Name and Designation of Compliance Officer:**

Ms. Gumpena Naga Jyothi, Whole-time Company Secretary and Compliance Officer (till 17<sup>th</sup> July, 2018)



Mr. Suresh Tantapureddy, Whole-time Company Secretary and Compliance Officer (w.e.f. 11<sup>th</sup> September, 2018)

#### **4. No. of Shareholders Complaints received during the year 2018-19:**

During the year 2018-19, no complaints were received from the investors.

#### **5. No. of complaints not solved to the satisfaction of shareholders:**

The Company has not received any complaints during the year 2018-19, so question of complaints not solved to the satisfaction of shareholders does not arise.

### **E. General Body Meetings**

#### **1. Details of last three Annual General Meetings (AGM):**

The information about the last three general body meetings are given below:

<b>Financial Year</b>	<b>AGM</b>	<b>Venue</b>	<b>Time &amp; Date of AGM</b>
2015-2016	33 <sup>rd</sup> AGM	Registered Office	4:00 p.m. on 24 <sup>th</sup> September, 2016
2016-2017	34 <sup>th</sup> AGM	Registered Office	4:00 p.m. on 28 <sup>th</sup> September, 2017
2017-2018	35 <sup>th</sup> AGM	Registered Office	3:00 p.m. on 28 <sup>th</sup> September, 2018

#### **2. Special Resolution passed through postal ballot system during the year and person who conducted the postal ballot exercise:**

No special resolution was required to be put through postal ballot system last year.

#### **3. Whether any special resolution proposed to be conducted through postal ballot:**

No special resolution was proposed to be conducted through postal ballot system.

### **F. Disclosures:**

A. The Company had no Related Party transactions. None of the transactions with any of the related parties were in conflict with the interests of the Company.

There has been no non-compliance by the Company of the regulations imposed by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last 3 years.

#### **B. Means of Communication:**

- Financial results of the Company (Quarterly, half-yearly and Annual) have been approved by the Board and intimated to the Stock Exchanges and published in Business Standard and Andhra Bhoomi.
- The Management Discussion and Analysis Report forms part of the Annual Report.



### C. Whistle Blower Policy

To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behaviour in all its operations, the company has formulated a Vigil Mechanism/Whistle Blower Policy that governs the actions of its employees. This Whistleblower Policy/Vigil Mechanism aspires to encourage all employees to report suspected or actual occurrence(s) of illegal, unethical or inappropriate events (behaviors or practices) that affect Company's interest / image.

A copy of the Policy is available on the website of the Company.

### G. General information:

#### 1. Date, Time & Venue of the present Annual General Meeting:

On Saturday, 28th September, 2019 at 3.00 PM at the Registered office of the Company at 28, Goyal Society, Moti Valley, Tirmulgerry, Secunderabad-500 015.

#### 2. Financial Calendar for 2019-2020 (tentative):

Quarter ending on	Reporting on
30 <sup>th</sup> June, 2019	29 <sup>th</sup> July, 2019 (Completed)
30 <sup>th</sup> September, 2019	Last week of October, 2019
31 <sup>st</sup> December, 2019	First week of February, 2019
31 <sup>st</sup> March, 2020	Last week of May, 2020

#### 3. Date of Book Closure:

The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain close from 24<sup>th</sup> September, 2019 to 28<sup>th</sup> September, 2019 (both the days inclusive).

#### 4. Listing on Stock Exchanges:

Name of Stock Exchange where the shares of the Company are listed	Address	Whether annual listing fee paid
BSE Limited	25 <sup>th</sup> Floor, P.J Towers, Dalal Street, Mumbai- 400 001	Paid
The Ahmedabad Stock Exchange Limited (ASE)	A-2, Kamdhenu Complex, Opposite Sahajanand College, 120 Feet Ring Rd, Panjara Pol, Ambawadi, Ahmedabad-380015, Gujarat	Not received any invoice from the ASE



## 5. Scrip Code: BSE Limited: 539724

## 6. Market price data:

S.No	Month	High (Rs.)	Low (Rs.)
1	April, 2018	10.80	6.68
2	May, 2018	9.12	5.23
3	June, 2018	8.45	6.93
4	July, 2018	8.45	5.94
5	August, 2018	9.45	7.60
6	September, 2018	9.70	8.51
7	October, 2018	9.28	7.00
8	November, 2018	6.65	6.65
9	December, 2018	6.65	5.43
10	January, 2019	5.79	5.52
11	February, 2019	5.79	5.25
12	March, 2019	4.99	4.99

## 7. Performance in comparison to broad-based indices such as BSE sensex:

	1 <sup>st</sup> April, 2018	31 <sup>st</sup> March, 2019	% change
Company Share Price (closing)	7.26	4.99	(31.27)
Sensex (Closing)	32,968.68	38,672.91	17.30

## 8. Registrar and Transfer Agents:

M/s. CIL Securities Ltd.

214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad -500001

Tel. # 040-23202465, 23203155

Fax # (040) 23203028, 66661267 Email :advisors@cilsecurities.com

## 9. Share Transfer System:

The Company's Share transfers are taken care by M/s. CIL Securities Limited, Depository Registrars and Share Transfer Agents appointed by the Company. Transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects.



#### 10. 10.Distribution of Shareholding as on 31st March, 2019:

Sl.No.	Category	No.of Shareholders	Percentage of Shareholders	No. of Equity Shares	Percentage of Shareholding
0	500	462	63.64	43628	1.03
501	1000	57	7.85	51499	1.21
1001	2000	32	4.41	52657	1.24
2001	3000	49	6.75	122126	2.87
3001	4000	12	1.65	44775	1.05
4001	5000	34	4.68	164809	3.88
5001	10000	37	5.10	299895	7.05
10001	4251700	43	5.92	3472311	81.67
<b>TOTAL</b>		<b>726</b>	<b>100.00</b>	<b>4251700</b>	<b>100.00</b>

#### 11. Dematerialization of Shares:

The Company's shares are available for holding / transfer in depository system of both Central Depository Services (India) Limited and National Securities Depository Limited. The members have the option of holding the shares in physical or dematerialized form. The processing activities with respect to the requests received for dematerialization are generally completed within 15 days from the date of receipt of request.

The ISIN No. allotted for the equity shares of the Company – INE 039D01014.

As on 31<sup>st</sup> March, 2019 a total no of 34,34,700 equity shares of the Company stand dematerialized constituting 80.79% of the paid-up share capital of the Company.

#### 12. Outstanding GDRs / ADRs / Warrants / Convertible Debentures during the year 2018-2019:

The Company has not issued any GDRs / ADRs / Warrants / Convertible Debentures during the year 2018-2019.

#### 13. Commodity price risk or foreign exchange risk and hedging activities: NIL

#### 14. Plant Locations:

The Company doesn't have manufacturing facilities. However, the Company has the Software Development facilities, the particulars of which are given below:



Development facilities / Branch	Location
Hyderabad:	28, Goyal Society, Moti Valley, Tirmulgherry, Secunderabad – 500 015.
Mumbai	: 309-B, Commerce House, Nagindas Master Road, Fort, Mumbai – 400001.

**15. Address for correspondence:**

- I For any query in Demat & : Physical shares
- M/s. CIL Securities Ltd.  
214, Raghava Ratna Towers,  
Chirag Ali Lane, Abids,  
Hyderabadd -500001  
Tel. # 040-23202465, 23203155  
Fax # (040) 23203028, 66661267  
Email : advisors@cilsecurities.com
- ii) For any other queries:
- Registered Office of the Company  
28, Goyal Society, Moti Valley,  
Tirmulgherry  
Secunderabad – 500 015.  
Phone # 2774 4413  
E-mail: info@hypersoftindia.com  
Website: www.hypersoftindia.com



**DECLARATION UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)  
REGULATIONS, 2015**

I, F. R. Bhote, Managing Director do hereby declare that pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the members of the Board and Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company.

Place: Secunderabad  
Date: 23<sup>rd</sup> August, 2019

**F.R. Bhote**  
Managing Director





## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
Hypersoft Technologies Limited

We have examined the compliance of conditions of Corporate Governance by Hypersoft Technologies Limited for the year ended 31st March 2019, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of 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 to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations as applicable.

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 GRANDHY&CO**  
Chartered Accountants  
Firm Regn. No. 001007S

Place: Secunderabad  
Date: 23<sup>rd</sup> August, 2019

**Naresh Chandra Gelli V**  
Partner  
M. No. 201754



## INDEPENDENT AUDITOR'S REPORT

**To the Members of Hypersoft Technologies Limited**

**Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of **Hypersoft Technologies Limited ("the Company")**, which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, loss under total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sl. No.	Key Audit Matter	Auditor's Response
1.	<p><b><i>Accuracy of recognition, measurement, presentation and disclosure revenues and other related balances in view adoption of Ind AS 115 "Revenue from Contracts with Customers" Revenue accounting standard applicable from 1st April 2018.</i></b></p> <p>Application of the new revenue accounting standard from the current financial year involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the standalone financial statements. Estimated efforts is a critical estimate to determine revenue, as it requires consideration of progress of the contract, efforts incurred till date, efforts required to complete the remaining performance obligation. Refer Note 22 to the standalone financial statements.</p>	<p><b><u>Principal Audit Procedures:</u></b></p> <p>We assessed the Company's internal process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>• Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</li> <li>• Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with new revenue accounting standard.</li> <li>• Reviewed a sample of contracts to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> <li>• Performed analytical procedures and test of details for reasonableness and other related material items.</li> </ul>



### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report and Corporate Governance Report but does not include the financial statements and our auditor's report thereon. The Directors Report and Corporate Governance Report are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Directors report and Corporate Governance Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably



knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is



disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **GRANDHY & Co**  
Chartered Accountants  
Firm Regn. No. 001007S

**(Naresh Chandra Gelli)**  
Partner  
M. No. 201754

Place: Secunderabad  
Date: 29<sup>th</sup> May, 2019





## **Annexure – A to the Independent Auditors’ Report**

The Annexure referred to in our Independent Auditors’ Report to the members of the Hypersoft Technologies Ltd. on the financial statements for the period ended 31st March 2019, we report that:

- 1.1 The Company is maintaining proper records showing full particulars including the Quantitative details and the situation of fixed assets.
- 1.2 The fixed assets have been physically verified by the Management at reasonable intervals, and according to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its business.
- 1.3 According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable property are held in the name of company.
- 2.1 The company has carried out only services activity during the year and accordingly did not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- 3.1 The Company has not granted any loans, secured or unsecured during the period. Thus paragraphs 3 (iii) of the order is not applicable to the company.
- 4.1 In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments or provided securities to companies and other parties listed under section 185 and 186 of the Act.
- 5.1 The Company has not accepted any deposits from the public.
- 6.1 The Central Government has not prescribed the maintenance of Cost records under section 148 (1) of the Act, for any of the services rendered by the Company.
- 7.1 According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax and other taxes to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts are payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax and other taxes were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.
- 7.2 According to the information and explanations given to us, there are no material dues of duties or taxes which are disputed and not deposited with the concerned authorities.





- 8.1 The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- 9.1 The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, paragraph 3(ix) of the Order is not applicable.
- 10.1 According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11.1 According to information and explanation given to us and based on our examination of records of the company, the company has paid /provided for managerial remuneration with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- 12.1 In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13.1 According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14.1 According to the information and explanations given to us and based on our examination of records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15.1 According to the information and explanations given to us and based on our examination of records of the company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16.1 The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **GRANDHY & Co**  
Chartered Accountants  
Firm Regn. No. 001007S

**(Naresh Chandra Gelli)**  
Partner  
M. No. 201754

Place: Secunderabad  
Date: 29<sup>th</sup> May, 2019



## **Annexure - B to the Independent Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Hypersoft Technologies Limited** ("the Company") as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We



believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GRANDHY & Co**  
Chartered Accountants  
Firm Regn. No. 001007S

**(Naresh Chandra Gelli)**  
Partner  
M. No. 201754

Place: Secunderabad  
Date: 29<sup>th</sup> May, 2019

# HYPERSOFT TECHNOLOGIES LIMITED

## BALANCE SHEET AS AT MARCH 31, 2019



All amounts in INR

PARTICULARS	NOTE NO.	As at March 31, 2019	As at April 01, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	2,03,84,213	2,09,25,206
Other Intangible Assets	2	1,22,932	1,76,442
Financial assets			
(i) Other financial assets	3	4,87,126	4,87,126
Other non-current assets	4	6,31,621	7,41,872
<b>Total non-current assets</b>		<b>2,16,25,892</b>	<b>2,23,30,646</b>
<b>Current Assets</b>			
Inventories	5	20,60,084	20,60,084
Financial assets			
i) Trade receivables	6	59,78,486	66,51,681
ii) Cash and cash equivalents	7	1,17,404	2,43,620
iii) Bank balances other than above (ii)	8	93,01,650	1,18,50,810
iv) Loans	9	11,000	94,000
v) Other financial assets	10	18,46,837	14,13,051
Other current assets	11	22,09,455	23,96,176
<b>Total current assets</b>		<b>2,15,24,916</b>	<b>2,47,09,422</b>
<b>Total Assets</b>		<b>4,31,50,809</b>	<b>4,70,40,068</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	4,49,21,750	4,49,21,750
Other equity	13	(82,72,122)	(50,00,560)
<b>Total equity</b>		<b>3,66,49,628</b>	<b>3,99,21,190</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred tax Liabilities (net)	14	5,39,206	9,99,052
Financial liabilities			
(i) Other financial liabilities	15	1,35,000	1,35,000
Provisions	16	23,52,417	4,93,057
<b>Total non-current liabilities</b>		<b>30,26,623</b>	<b>16,27,109</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	17	-	13,04,942
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	23,16,795	21,66,213
(iii) Other financial liabilities	19	1,70,340	1,65,643
Provisions	20	6,85,227	6,16,236
Other current liabilities	21	3,02,196	12,38,735
<b>Total current liabilities</b>		<b>34,74,558</b>	<b>54,91,769</b>
<b>Total liabilities</b>		<b>65,01,181</b>	<b>71,18,878</b>
<b>Total equity and liabilities</b>		<b>4,31,50,809</b>	<b>4,70,40,068</b>
<b>Significant Accounting Policies</b>	<b>1</b>		

The accompanying notes form an integral part of financial statements

As Per our report of even date

For **GRANDHY & Co**

Chartered Accountants, FR No : 001007

**(NARESH CHANDRA GELLI)**

PARTNER

Membership No: 201754

Place : Secunderabad

Date : 29-05-2019

**S. KHUDAVENTH**

Chief Financial Officer

**SURESH TANTAPUREDDY**

Company Secretary

For and on behalf of the Board

**F.R. BHOTE**

Managing Director

**VINAY VIR**

Director



# **HYPERSOFT TECHNOLOGIES LIMITED** **STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31 2019**

All Amounts in INR

PARTICULARS	NOTE NO.	Year ended March 31, 2019	Year ended March 31, 2018
<b>INCOME</b>			
Revenue from operations	22	71,30,005	1,79,82,263
Other income	23	15,83,279	20,35,853
<b>Total income</b>		<b>87,13,284</b>	<b>2,00,18,116</b>
<b>EXPENSES</b>			
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	24	-	4,648
Employee benefit expense	25	56,51,883	51,05,913
Depreciation and amortisation expense	26	5,94,503	5,87,480
Other expenses	27	43,43,495	1,05,44,327
Finance costs	28	1,29,228	28,855
<b>Total expenses</b>		<b>1,07,19,109</b>	<b>1,62,71,223</b>
<b>Profit before tax</b>		<b>(20,05,825)</b>	<b>37,46,893</b>
Tax expense	29		
Current tax		-	7,44,828
Deferred tax		(28,450)	(6,42,442)
<b>Total tax expense</b>		<b>(28,450)</b>	<b>(1,02,386)</b>
<b>Profit for the year</b>		<b>(19,77,375)</b>	<b>36,44,507</b>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability /asset, net		(17,25,582)	-
Revaluation of Property		-	88,64,077
Income tax relating to these items		4,31,396	-
<b>Other comprehensive income for the year, net of tax</b>		<b>(12,94,187)</b>	<b>88,64,077</b>
<b>Total comprehensive income for the year</b>		<b>(32,71,562)</b>	<b>1,25,08,584</b>
<b>Earnings per equity share for profits from operations attributable to the owners of the Company:</b>			
Basic earnings per share in Rupees	33	(0.47)	0.86
Diluted earnings per share in Rupees		(0.47)	0.86
Significant Accounting Policies	1		

The accompanying notes form an integral part of financial statements

As Per our report of even date

For **GRANDHY & Co**

Chartered Accountants

FR No : 001007 S

**(NARESH CHANDRA GELLI)**

PARTNER

Membership No: 201754

**S. KHUDAVENTH**

Chief Financial Officer

For and on behalf of the Board

**F.R. BHOTE**

Managing Director

**SURESH TANTAPUREDDY**

Company Secretary

**VINAY VIR**

Director

Place : Secunderabad

Date : 29-05-2019



**HYPERSOFT TECHNOLOGIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

<b>PARTICULARS</b>	<b>31st MARCH 2019 Rs.</b>	<b>31st MARCH 2018 Rs.</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Before Tax	(20,05,825)	37,46,893
Adjustments to reconcile net cash provided by operating activities :		
Depreciation	5,94,503	5,87,480
Interest Expenses	1,29,228	28,855
Interest Income	(6,79,448)	(12,27,865)
Exceptional Items	-	-
Current Tax Paid	(2,06,793)	(5,69,701)
<b>Operating Profit / (Loss) before working capital change</b>	<b>(21,68,335)</b>	<b>25,65,662</b>
Adjustments for		
Non-Current Provisions	1,33,778	20,526
Financial Liabilities - Current	4,697	13,11,372
Trade Payables	1,50,582	17,27,405
Current Provisions	68,991	1,85,719
Other Current Liabilities	(7,29,746)	8,42,542
<b>Current Assets</b>		
Inventories	-	4,648
Trade Receivables	6,73,195	(54,30,447)
Other Financial Assets	21,98,374	(4,91,075)
Other Current Assets	1,86,721	(15,69,361)
<b>Cash from Operations</b>	<b>5,18,257</b>	<b>(8,33,009)</b>
Less: Exceptional Items	-	-
<b>Net Cash generated from Operating Activities</b>	<b>5,18,257</b>	<b>(8,33,009)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	(1,77,849)
Proceeds on Sale of Fixed Assets	-	-
Non Current - Other Financial Assets	-	(12,77,016)
Other Non Current Assets	1,10,251	31,666
Interest received	6,79,448	12,27,865
<b>Cash Flow from Investing Activities</b>	<b>7,89,699</b>	<b>(1,95,334)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loans repaid to Bank	(13,04,942)	-
Changes in Non Current Liabilities	-	-
Interest paid	(1,29,228)	(28,855)
<b>Cash flow from Financing Activities</b>	<b>(14,34,170)</b>	<b>(28,855)</b>
<b>Net Increase /( Decrease) in Cash and Cash Equivalents</b>	<b>(1,26,215)</b>	<b>(10,57,198)</b>
Cash and Cash Equivalents at the beginning of the year	2,43,620	13,00,818
<b>Cash and Cash Equivalents at the end of the year</b>	<b>1,17,404</b>	<b>2,43,620</b>

The accompanying notes form an integral part of financial statements

As Per our report of even date

For **GRANDHY & Co**

Chartered Accountants

FR No : 001007 S

**(NARESH CHANDRA GELLI)**

PARTNER

Membership No: 201754

**S. KHUDAVENTH**

Chief Financial Officer

**F.R. BHOTE**

Managing Director

Place : Secunderabad

Date : 29-05-2019

**SURESH TANTAPUREDDY**

Company Secretary

**VINAY VIR**

Director

**HYPERSOFT TECHNOLOGIES LIMITED**  
**Statement of Changes in Equity**



**A. EQUITY SHARE CAPITAL**

Balance at the Beginning of the Reporting Period as at April 01, 2017	Changes in Equity Share capital during the year	Balance at the End of the Reporting Period as at March 31, 2018
<b>4,49,21,750</b>	-	<b>4,49,21,750</b>

Balance at the Beginning of the Reporting Period as at April 01, 2018	Changes in Equity Share capital during the year	Balance at the End of the Reporting Period as at March 31, 2019
<b>4,49,21,750</b>	-	<b>4,49,21,750</b>

**B. OTHER EQUITY**

Rs.

Particulars	Reserves and Surplus				Other items of other comprehensive income	Total
	Retained Earnings	Capital Reserve	Share Premium	Revaluation Surplus		
Balance at the Beginning of the Reporting Period as at April 01, 2017	(2,45,71,644)	37,87,500	32,75,000	-	-	(1,75,09,144)
Changes in accounting policy/ prior period adjustments	-	-	-	-	-	-
Restated balance at the beginning of the Accounting Period as at April 01, 2017	<b>(2,45,71,644)</b>	<b>37,87,500</b>	<b>32,75,000</b>	-	-	<b>(1,75,09,144)</b>
Total Comprehensive Income for the year	36,44,507	-	-	-		36,44,507
Other Comprehensive Income				88,64,077		88,64,077
Dividend paid	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	-
Balance at the end of the Reporting Period as at March 31, 2018	<b>(2,09,27,137)</b>	<b>37,87,500</b>	<b>32,75,000</b>	<b>88,64,077</b>	-	<b>(50,00,560)</b>



Rs.

Particulars	Reserves and Surplus				Other items of other comprehensive income	Total
	Retained Earnings	Capital Reserve	Share Premium	Revaluation Surplus		
Balance at the Beginning of the Accounting Period as at April 01, 2018	(2,09,27,137)	37,87,500	32,75,000	-	-	(50,00,560)
Changes in accounting policy/ prior period adjustments	-	-	-	-	-	-
Restated balance at the beginning of the Accounting Period as at April 01, 2018	(2,09,27,137)	37,87,500	32,75,000	-	-	(50,00,560)
Total Income for the year	(19,77,375)	-	-	-	-	(19,77,375)
Other Comprehensive Income	-	-	-	(12,94,187)	-	(12,94,187)
Dividend paid	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	-
Balance at the end of the Accounting Period as at March 31, 2019	(2,29,04,512)	37,87,500	32,75,000	(12,94,187)	-	(82,72,122)

The accompanying notes form an integral part of financial statements

As Per our report of even date

For **GRANDHY & Co**

Chartered Accountants

FR No : 001007 S

For and on behalf of the Board

**(NARESH CHANDRA GELLI)**

PARTNER

Membership No: 201754

**S. KHUDAVENTH**

Chief Financial Officer

**F.R. BHOTE**

Managing Director

Place : Secunderabad

Date : 29-05-2019

**SURESH TANTAPUREDDY**

Company Secretary

**VINAY VIR**

Director





## **NOTE NO. – 1 : SIGNIFICANT ACCOUNTING POLICIES**

### **A: CORPORATE INFORMATION**

The accompanying financial statements comprise the financial statements of HYPERSOFT Technologies Limited (the Company). The Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Hyderabad, Telangana, India.

### **B. BASIS OF ACCOUNTING**

The financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India ( GAAP), mainly comprising the mandatory Accounting Standards(IND AS) as notified under section 133 of the Companies Act, 2013 read with the Companies(Indian Accounting Standards) Rules, 2015 to the extent applicable and the provisions of the Companies Act, 2013.

Balance Sheet , Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity are prepared in conformity with Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') , the provisions of the Act (to the extent notified) and guide lines issued by the Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in accounting policy hitherto in use.

The company generally follows mercantile system of Accounting and recognizes significant items of income and expenditure on accrual basis.

### **C. USE OF ESTIMATES:**

The preparation of Financial Statements in conformity with GAAP requires estimates and assumptions (including revisions if any) that affect the reported amount of assets and liabilities, disclosure of contingent liability on the date of financial statements and the reported amount of Revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/materialized.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.



## **Critical Estimates and Judgments**

The areas involving critical estimates or judgments are:

- i) Estimation of current tax expense and payable
- ii) Estimation of defined benefit obligation
- iii) Estimation of useful life of Property, Plant and Equipment
- iv) Impairment of trade receivables

## **D. BASIS OF MEASUREMENT**

The financial statements have been prepared on a historical cost basis except for certain assets and liabilities which have been measured at fair value as per applicable IND AS accounting standards.

The Financial Statements are presented in Indian Rupees (INR), except when otherwise indicated, which is the functional currency of the Company.

## **E. REVENUE RECOGNITION:**

The Company derives revenues primarily from business IT services comprising of software development and related products.

Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate.

## **F. PROPERTY, PLANT & EQUIPMENT:**

Property, Plant & Equipment are disclosed at historical cost of acquisition. Buildings have been valued at Fair Market Value by Independent valuation during the FY 2017-18.

## **G. DEPRECIATION:**

During the year, depreciation is provided on the straight line method and based on the useful life and in the manner specified in schedule II of the Companies Act, 2013.



#### **H. PRIOR PERIOD / PRE PAID EXPENSES:**

Expenditure less than Rs.10,000/- are not classified into Prior Period Expenditure or Prepaid Expenses in view of the fact that they are not material in nature.

#### **I. FOREIGN CURRENCY TRANSACTIONS:**

Transactions in foreign currencies are accounted at functional currency, at the exchange rate prevailing on the date of transactions. Gains / losses arising out of the fluctuations in the exchange rate between functional currency and foreign currency are recognized in the Statement of Profit & Loss in the period in which they arise.

The fluctuations between foreign currency and functional currency relating to monetary items at the year ending are accounted as gains / losses in the Statement of Profit & Loss

#### **J. INCOME TAX**

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the



same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

#### **K. PROVISIONS & CONTINGENCIES:**

Provisions are recognized in the books when there is a present obligation as a result of past events involving substantial degree of estimation and it is probable that there will be an outflow of economic resources. contingent liabilities, if any, are not recognized but are disclosed in the notes.

#### **L. FINANCIAL INSTRUMENTS:**

##### **Non-Derivative Financial Instruments:**

Non-derivative financial instruments are recognized initially at fair value when the Company becomes a party to the contractual provisions of the instrument.

Dividend and interest income are recognized when earned.

Non-derivative financial instruments consists of

- a) Financial Assets which includes Cash and Cash equivalents, trade receivables, unbilled revenue and eligible current and non-current assets.
- b) Financial Liabilities includes short term and long term borrowings bank overdrafts, trade payables and eligible current and non-current liabilities.

##### **Cash and cash equivalents**

Cash and cash equivalents include all cash balances and short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash which are subject to insignificant risk of change in value. Bank overdraft, if any are shown within borrowings in current liabilities in the Balance Sheet.

##### **Receivables**

Trade and other receivables

Receivables are initially recognized at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that those may be impaired, they are reviewed for impairment.

##### **Trade and other payables**

Liabilities are recognized for amounts to be paid in future for goods or services received, Whether billed by the supplier or not.



## **M. EVENTS AFTER THE REPORTING PERIOD**

Adjusting events are events that provide further evidence of condition that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

## **N. RECENT ACCOUNTING ANNOUNCEMENTS**

- a. Ind AS 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

- b. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

- c. **Amendment to Ind AS 12 – Income taxes** : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where



the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

- d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

## Note - 2 : Property, plant and equipment

The changes in the carrying value of Property, Plant & Equipment for the year ended March 31, 2019 are as follows:

Rs.

Asset Description	Gross carrying amount			Accumulated Depreciation and Amortisation				Net carrying amount	
	As at April 1, 2018	Additions / Increase due to valuation	Deletions / Adjustments	As at March 31, 2019	As at April 1, 2018	Depreciation for the year	Deletions	As at March 31, 2019	As at March 31, 2018
Building - Own	2,25,79,000	-	-	2,25,79,000	21,02,068	4,23,224	-	2,00,53,708	2,04,76,932
Plant and Machinery	21,05,895	-	-	21,05,895	21,05,895	-	-	-	-
Furniture and Fixtures	10,48,904	-	-	10,48,904	9,96,459	-	-	52,445	52,445
Office Equipment	12,14,140	-	-	12,14,140	10,57,515	95,915	-	60,710	1,56,625
Vehicles	11,49,340	-	-	11,49,340	9,89,090	21,855	-	1,38,395	1,60,250
Computers	23,05,801	-	-	23,05,801	22,26,847	-	-	78,954	78,954
<b>Total</b>	<b>3,04,03,080</b>	<b>-</b>	<b>-</b>	<b>3,04,03,080</b>	<b>94,77,874</b>	<b>5,40,994</b>	<b>-</b>	<b>2,03,84,213</b>	<b>2,09,25,206</b>

## Other Intangible Assets

Rs.

Asset Description	Gross carrying amount			Accumulated Depreciation and Amortisation				Net carrying amount	
	As at April 1, 2018	Additions	Deletions / Adjustments	As at March 31, 2019	As at April 1, 2018	Depreciation for the year	Deletions	As at March 31, 2019	As at March 31, 2018
Computer Software Acquired	1,77,849	-	-	1,77,849	1,408	53,509	-	1,22,932	1,76,441
<b>Total</b>	<b>1,77,849</b>	<b>-</b>	<b>-</b>	<b>1,77,849</b>	<b>1,408</b>	<b>53,509</b>	<b>-</b>	<b>1,22,932</b>	<b>1,76,441</b>



### Property, plant and equipment

The changes in the carrying value of Property, Plant & Equipment for the year ended March 31, 2018 are as follows:

Rs.

Asset Description	Gross carrying amount				Accumulated Depreciation and Amortisation				Net carrying amount	
	Deemed Cost as at April 1, 2017	Additions	Deletions / Adjust-ments	As at March 31, 2018	As at April 1, 2017	Depreciation for the year	Deletions	As at March 31, 2018	As at March 31, 2017	
Building - Own	1,37,14,923	88,64,077	-	2,25,79,000	16,78,844	4,23,224	-	21,02,068	1,20,36,079	
Plant and Machinery	21,05,895	-	-	21,05,895	21,05,895	-	-	21,05,895	-	
Furniture and Fixtures	10,48,904	-	-	10,48,904	9,57,172	39,287	-	9,96,459	91,732	
Office Equipment	12,14,140	-	-	12,14,140	9,55,809	1,01,706	-	10,57,515	2,58,331	
Vehicles	11,49,340	-	-	11,49,340	9,67,235	21,855	-	9,89,090	1,82,105	
Computers	23,05,801	-	-	23,05,801	22,26,847	-	-	22,26,847	78,954	
Total	2,15,39,003	88,64,077	-	3,04,03,080	88,91,802	5,86,072	-	94,77,874	1,26,47,202	

### Other Intangible Assets

Rs.

Asset Description	Gross carrying amount			Accumulated Depreciation and Amortisation				Net carrying amount	
	As at April 1, 2017	Additions	Deletions / Adjustments	As at March 31, 2018	As at April 1, 2017	Depreciation for the year	Deletions	As at March 31, 2018	As at March 31, 2017
Computer Software - Acquired	1,77,849	-	-	1,77,849	-	1,408	-	1,76,441	-
Total	1,77,849	-	-	1,77,849	-	1,408	-	1,76,441	-

i) The Company has opted for valuation of Buildings and has carried out independent valuation during previous FY 2017-18. The increase of Rs. 88,64,047/- in value of assets is accounted through Other Comprehensive Income and Revaluation Surplus is created accordingly.

ii) In the opinion of the management, Property Plant and Equipment do not have any significant components. Further the life of the componentst are co-terminus with the life of the assets. As such depreciation has not been separately provided for components during the year.







### Note - 3 : Other Financial Assets - Non Current

All amounts in INR unless otherwise stated

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Non-current		
Unsecured, considered good		
Bank Deposits Held for Maturity for more than 12 months	-	-
Security deposits	4,87,126	4,87,126
<b>Total other financial assets - non-current</b>	<b>4,87,126</b>	<b>4,87,126</b>

### Note - 4 : Other Non-Current Assets

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Balances with government authorities - Tax deducted at Source	6,31,621	7,41,872
<b>Total other non-current assets</b>	<b>6,31,621</b>	<b>7,41,872</b>

### Note - 5 : Inventories

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Finished goods	20,60,084	20,60,084
<b>Total Inventories</b>	<b>20,60,084</b>	<b>20,60,084</b>

### Note - 6 : Trade Receivables

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Trade receivables	59,78,486	66,51,681
Less: Write off of bad debts	-	-
<b>Total trade receivables</b>	<b>59,78,486</b>	<b>66,51,681</b>
<b>Break-up of security details</b>		
a) UnSecured, considered good		
For a period Exceeding 6 Months	58,73,315	43,46,646
For a period not exceeding 6 Months	2,14,328	24,14,192
b) Trade receivables which have significant increase in credit risk	-	-
c) Trade receivables - credit impaired	-	-
d) Trade receivables from related parties	-	-
Less: Allowance for expected credit losses	1,09,157	1,09,157
<b>Total</b>	<b>59,78,486</b>	<b>66,51,681</b>
Less: Write off of bad debts	-	-
<b>Total trade receivables</b>	<b>59,78,486</b>	<b>66,51,681</b>



### Note - 7 : Cash and Cash Equivalents

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Balances with banks - in current accounts	1,09,053	2,36,881
Cash on hand	8,351	6,739
<b>Total cash and cash equivalents</b>	<b>1,17,404</b>	<b>2,43,620</b>

### Note - 8 : Bank Balances other than above

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Bank deposits with maturity more than 3 months but less than 12 months * (* Rs.7,89,687/- held as lien for Overdraft in Previous Year Current Year - NIL)	93,01,650	1,18,50,810
<b>Total cash and cash equivalents</b>	<b>93,01,650</b>	<b>1,18,50,810</b>

### Note - 9 : Loans - Current

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Unsecured considered good Loans to employees	11,000	94,000
<b>Total loans</b>	<b>11,000</b>	<b>94,000</b>

### Note - 10 : Other Financial Assets - Current

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Unsecured, considered good Security deposits	7,50,000	7,50,000
Interest Accrued but not due	10,96,837	6,63,051
<b>Total other financial assets - current</b>	<b>18,46,837</b>	<b>14,13,051</b>

### Note - 11 : Other Current Assets

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
<b>Advances other than capital advances</b>		
<b>Unsecured (Considered good)</b>		
Advances to Suppliers	16,14,552	8,18,500
Balances with government authorities - Indirect Tax Credits	-	9,19,405
Prepaid Expenses	5,84,903	6,58,271
Other Advances	10,000	-
<b>Total other current assets</b>	<b>22,09,455</b>	<b>23,96,176</b>



## Note - 12 : Equity Share Capital

### Authorised equity share capital

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Authorised equity share capital		
Ordinary Shares of par value of Rs.10/- each number	60,00,000	60,00,000
Amount Rs	6,00,00,000	6,00,00,000
Issued, Subscribed and fully paid		
42,51,700 Equity Shares of Rs10 each fully paid	4,25,17,000	4,25,17,000
Add: Forfeited Shares	24,04,750	24,04,750
<b>As at March 31, 2019</b>	<b>4,49,21,750</b>	<b>4,49,21,750</b>
(i) Reconciliation of number of Shares		
PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Equity Shares outstanding at the beginning of the year	42,51,700	42,51,700
Add:		
1. No. of Shares allotted as fully paid up bonus shares during the year	-	-
2. No. of Shares allotted during the year as fully paid up pursuant to a contract without payment being received in cash shares during the year	-	-
3. No. of Shares allotted to employees pursuant to ESOPs/ ESPs	-	-
4. No. of Shares allotted for cash pursuant to public issue.	-	-
Less:		
1. No. Of shares bought back during the year	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>42,51,700</b>	<b>42,51,700</b>

### Terms and rights attached to equity shares

- The Company has one class of equity shares having a par value of INR 10 Each shareholder is eligible for one vote per share held.
- Forfeited shares represents 9,61,900 equity shares of Rs.10/- each forfeited on 20th June, 1988 against which the company has received Rs 2.50 per share.



**(ii) Details of shareholders holding more than 5% shares in the Company**

PARTICULARS	As at 31-Mar-19		As at 31-Mar-18	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
(a) D.R Bhote	5,11,675	12.03	4,98,275	11.72
(b) F.R. Bhote	6,05,650	14.24	6,05,650	14.24
(c) Kashmiri D Bhote	2,30,900	5.43	2,30,900	5.43
(d) Savio Pinto	2,50,000	5.88	2,50,000	5.88

**Note - 13 : Reserves and Surplus**

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Capital Reserve	37,87,500	37,87,500
Revaluation Surplus	88,64,077	88,64,077
Securities Premium	32,75,000	32,75,000
Retained earnings	(2,41,98,699)	(2,09,27,137)
<b>Total reserves and surplus</b>	<b>(82,72,122)</b>	<b>(50,00,560)</b>

**(a) Capital reserve**

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Opening balance	37,87,500	37,87,500
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
<b>Closing balance</b>	<b>37,87,500</b>	<b>37,87,500</b>

**(b) Revaluation reserve**

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Opening balance	88,64,077	-
Additions during the year	-	88,64,077
Deductions/Adjustments during the year	-	-
<b>Closing balance</b>	<b>88,64,077</b>	<b>88,64,077</b>

**(c) Securities Premium**

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Opening balance	32,75,000	32,75,000
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
<b>Closing balance</b>	<b>32,75,000</b>	<b>32,75,000</b>



**(d) Retained earnings**

<b>PARTICULARS</b>	<b>As at 31-Mar-19</b>	<b>As at 31-Mar-18</b>
Opening balance	(2,09,27,137)	(2,45,71,644)
Net profit for the period	(19,77,375)	36,44,507
Restatement adjustments- net of tax	(12,94,187)	-
<b>Closing balance</b>	<b>(2,41,98,699)</b>	<b>(2,09,27,137)</b>

**(I) Equity Share Capital**

<b>PARTICULARS</b>	<b>Note No</b>	<b>Amounts</b>
Balance as at April 1, 2017		4,49,21,750
Changes in equity share capital during the year	12	-
Balance as at March 31, 2018		4,49,21,750
Changes in equity share capital during the year	12	-
<b>Balance as at March 31, 2019</b>		<b>4,49,21,750</b>

**II) Other Equity**

<b>PARTICULARS</b>	<b>Reserves and Surplus</b>				
	<b>Capital Reserve</b>	<b>Revolution Surplus</b>	<b>Securities Premium</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance as at April 1, 2018</b>	<b>37,87,500</b>	<b>88,64,077</b>	<b>32,75,000</b>	<b>(2,09,27,137)</b>	<b>(50,00,560)</b>
Profit for the period	-	-	-	(19,77,375)	(19,77,375)
Other comprehensive income	-	-	-	(12,94,187)	(12,94,187)
<b>Transactions with owners in their capacity as owners</b>	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>37,87,500</b>	<b>88,64,077</b>	<b>32,75,000</b>	<b>(2,41,98,699)</b>	<b>(82,72,122)</b>



#### Note - 14 : Deferred Tax Liability

The balance comprises temporary differences attributable to:

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
(a) On time Difference of Depreciation		
Opening Balance	(16,15,388)	(18,19,837)
For the Year	(30,416)	2,04,449
<b>Closing Balance Asset / (Liability)</b>	<b>(16,45,804)</b>	<b>(16,15,388)</b>
(b) On time Difference of Gratuity		
Opening Balance	1,85,774	1,78,343
For the Year charged to P & L A/c	58,594	7,431
For the Year charged to Other Comprehensive Income	4,31,396	
<b>Closing Balance Asset / (Liability)</b>	<b>6,75,764</b>	<b>1,85,774</b>
(c) On time Difference of Doubtfull debts		
Opening Balance	28,108	-
For the Year	273	28,108
<b>Closing Balance Asset / (Liability)</b>	<b>28,381</b>	<b>28,108</b>
(d) Un-used Tax credits		
Opening Balance	4,02,455	-
For the Year	-	4,02,455
<b>Closing Balance Asset / (Liability)</b>	<b>4,02,455</b>	<b>4,02,455</b>
<b>(d) Net Deferred to Asset / (Liability)</b>	<b>(5,39,206)</b>	<b>(9,99,052)</b>
<b>(e) Adjustment for the year ( Exp ) / Income)</b>	<b>28,450</b>	<b>6,42,442</b>
<b>(e) Adjustment for the year OCI</b>	<b>4,31,396</b>	<b>-</b>

#### Note - 15 : Other Financial Liabilities - Non Current

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Deposits- others	1,35,000	1,35,000
<b>Total of Other current financial liabilities</b>	<b>1,35,000</b>	<b>1,35,000</b>

#### Note - 16 : Provisions - Non Current

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Employee Benefit Obligations		
Gratuity Payable	23,52,417	4,93,057
<b>Total of Provisions - Non Current</b>	<b>23,52,417</b>	<b>4,93,057</b>

#### Note - 17 : Current Borrowings

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Secured		
From Banks		
Bank Overdrafts	-	13,04,942
<b>Total current borrowings</b>	<b>-</b>	<b>13,04,942</b>

- (i) Bank Overdraft is secured under hypothecation by way of charge on Fixed Deposits of the Company
- (ii) Maturity date - Payable on demand
- (iii) Terms of repayment - Payable on Demand
- (iv) Interest Rate - 8%



#### Note - 18 : Trade Payables

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Trade payables	23,16,795	21,66,213
<b>Total trade payables</b>	<b>23,16,795</b>	<b>21,66,213</b>

#### Note - 19 : Other Financial Liabilities - Current

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Expenses payable	1,70,340	1,15,000
Others	-	50,643
<b>Total other financial liabilities</b>	<b>1,70,340</b>	<b>1,65,643</b>

#### Note - 20 : Provisions - Current

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Employee Benefit Obligations		
Gratuity Payable	2,46,674	2,28,394
Provident Fund	4,38,553	3,87,842
<b>Total other current financial liabilities</b>	<b>6,85,227</b>	<b>6,16,236</b>

#### Note - 21 : Other Current Liabilities

PARTICULARS	As at 31-Mar-19	As at 31-Mar-18
Provision for income-tax	-	2,06,793
Statutory dues	3,02,196	10,31,942
<b>Total other current liabilities</b>	<b>3,02,196</b>	<b>12,38,735</b>

#### Note - 22 : Revenue from Operations

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Sale of products	1,74,138	30,06,593
Sale of Services	69,06,881	1,33,92,998
Other operating revenue - Exports	48,986	15,82,672
<b>Total revenue</b>	<b>71,30,005</b>	<b>1,79,82,263</b>

#### Note - 23.1 Disaggregated Revenue :

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Sale of products	1,74,138	30,06,593
Sale of Services	69,55,867	1,49,75,670
<b>Total revenue</b>	<b>71,30,005</b>	<b>1,79,82,263</b>



"23.2: Trade Receivables and Contract Balancesa) The Company classifies the right to consideration in exchange for deliverables as receivable.b) A receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are presented net of impairment in the Balance Sheet."

23.3: Disclosures relating to pending performance obligations are not given since there are no pending obligations.

23.4: The impact on account of applying the erstwhile Ind AS - 18 Revenue instead of Ind AS 115 - Revenue from Contracts with Customers on the financial results of the Company for the year ended 31st March, 2019 is insignificant.

#### Note - 23 : Other Income

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Interest income on deposits with banks	6,79,448	12,27,865
Other non operating income		
1. Rental Income	9,03,831	7,18,752
2. Other Income	-	89,236
<b>Total other income</b>	<b>15,83,279</b>	<b>20,35,853</b>

#### Note - 24 : Changes in inventories of finished goods, Stock-in -Trade and work-in-progress

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Opening balance	20,60,084	20,64,732
Closing Balance	20,60,084	20,60,084
<b>Total Changes in inventories of finished goods, Stock-in-Trade and work-in-progress (A-B)</b>	<b>-</b>	<b>4,648</b>

#### Note - 25 : Employee benefit Expense

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Salaries, wages and bonus	47,10,643	41,94,809
Contribution to provident and other funds	4,97,651	4,33,200
Gratuity	1,91,028	2,03,792
Staff welfare expenses	1,37,568	1,30,903
Leave compensation	1,14,993	1,43,209
<b>Total employee benefit expense</b>	<b>56,51,883</b>	<b>51,05,913</b>





#### Note - 26 : Depreciation and Amortisation Expense

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Depreciation of property, plant and equipment	5,94,503	5,87,480
<b>Total depreciation and amortisation expense</b>	<b>5,94,503</b>	<b>5,87,480</b>

#### Note - 27 : Other Expenses

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Power and Fuel	2,37,587	2,49,750
Repairs & Maintenance- Vehicles & Others	6,09,021	4,45,555
Repairs & Maintenance - Building	17,644	27,337
Repairs & Maintenance - Plant & Machinery	43,540	52,330
Communication Expenses	1,11,429	1,36,114
Rent	-	2,73,451
Rates & Taxes	96,007	33,572
Travel & conveyance	1,20,689	1,16,303
Professional charges	2,71,022	2,61,434
Payment to Auditors	1,15,900	1,11,000
Insurance	16,526	51,327
Selling and marketing expenses	1,14,230	1,70,985
NPR Data charges	-	50,98,184
Directors' Remuneration	18,00,000	12,18,000
Listing Fees	2,68,000	2,69,370
Distribution charges	-	13,40,577
Subscription & Membership	1,01,180	1,45,000
Office Expenses	54,179	69,389
Provision for doubtful Debts	-	1,09,157
Directors Siting fee	-	5,000
Exhibition Expenses	1,35,000	2,60,494
Miscellaneous Expenses	2,31,541	95,281
UID Processing Charges	-	4,717
<b>Total other expenses</b>	<b>43,43,495</b>	<b>1,05,44,327</b>



### Details of payments to auditors

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Payment to auditors		
As auditors:		
Statutory audit fee	1,00,000	80,000
In other capacities	10,000	20,000
Certification fees	5,900	11,000
<b>Total</b>	<b>1,15,900</b>	<b>1,11,000</b>

### Note - 28 : Finance Costs

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Interest and finance charges on financial liabilities calculated	1,14,532	11,878
Interest on Over Draft	14,696	16,977
<b>Total finance costs</b>	<b>1,29,228</b>	<b>28,855</b>

### Note - 29 : Income Tax Expense

PARTICULARS	Year ended 31-Mar-19	Year ended 31-Mar-18
Current tax		
Current tax on profits for the year	-	7,44,828
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	7,44,828
Deferred tax		
Decrease/(increase) in deferred tax assets	(4,90,262)	(35,539)
(Decrease)/increase in deferred tax liabilities	30,416	(6,06,903)
	(4,59,846)	(6,42,442)
Deferred tax expense/(benefit) trn to P & L Statement	(28,450)	(6,42,442)
Deferred tax expense/(benefit) OCI	(4,31,396)	-
<b>Income tax expense</b>	<b>(4,59,846)</b>	<b>1,02,386</b>



### Note No.30 : Income Tax

A reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarized as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Profit (Loss) before tax	(20,05,825)	37,46,893
Enacted Tax rates for the financial year (MAT)	19.055%	19.055%
Expected tax expense (A)	-	7,13,970
Tax affect on allowable items (B)	-	-
Tax affect on disallowable items (C)	-	30,858
Tax on incomes chargeable under other heads (D)	-	0.00
Provision for income tax for the current year (A+B+C+D)	-	7,44,828
Deferred tax for the year	(28,450)	(6,42,442)
Net tax expense / (Income) for the year	(28,450)	1,02,386

### Note No.31 : Employee Benefits

a) **Provident Fund:** Company pays fixed contribution to provident fund at predetermined rates to registered Provident fund administered by Central Government. The contribution of Rs 4,22,640/-(Previous year Rs 4,03,279/-) including administrative charges is recognized as expense and is charged in the Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations.

b) **Gratuity:** Gratuity is non funded Defined Benefit Plan payable to the qualifying employees on separation.

Company provides for gratuity for employees based on the present value of the Defined Benefit obligation and the related current service costs which are measured on actuarial valuation carried out as on Balance Sheet date. The liability has been assessed using Projected Unit Credit Method.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at the year ended March 31, 2018 are as follows.

(Amount in Rs.)

I. Change in Benefit obligation :	As at March 31, 2019	As at March 31, 2018
Present value of obligation as at the beginning	7,21,451	6,01,209
a) Interest Cost	56,157	48,097
b) Current Service Cost	1,34,871	32,316
c) Benefits paid	(38,970)	-
d) Actuarial (gain) / loss	17,25,582	39,829
<b>Present value of obligation at the end of the period</b>	<b>25,99,091</b>	<b>7,21,451</b>



(Amount in Rs.)

<b>II. Expenses recognized in the Statement of Profit &amp; Loss :</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
a) Current service Cost	1,34,871	32,316
b) Interest Cost	56,157	48,097
c) Expected return on Plan Assets	-	-
d) Net Actuarial (gain)/loss recognized in the period	17,25,582	39,829
<b>Expenses recognized in the statement of Profit &amp; Loss</b>	<b>19,16,610</b>	<b>1,20,242</b>

<b>III. Amounts recognized in the Balance Sheet</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
a) Present value of Obligation as at the end of the period	25,99,091	7,21,451
b) Fair value of Plan Assets at the end of the period	0	0
c) Funded Status	0	0
d) Liability recognized in Balance Sheet	25,99,091	7,21,451
Current Liability	2,46,674	2,28,394
Non Current Liability	23,52,417	4,93,057

<b>IV. Principal Assumptions</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
a) Discounting Rate	7.6%	8%
b) Salary Escalation Rate	10%	10%
c) Attrition Rate	8.50%	8.50%

The estimates of future salary increase considered in actuarial valuation, have been factored in inflation, seniority, promotion and other relevant factors.

The actuarial assumption for salary rise is 10 % (Previous Year 10%) and discount rate is 7.6% (Previous Year 8%).

<b>V. Sensitivity of Present value of obligation</b>	<b>Defined Benefit Obligation</b>	<b>% Change</b>
Scenario		
1 Under Base Secenario	25,99,091	-
2 Salary Escalation – Up by 1%	27,11,983	4.34%
3 Salary Escalation – Down by 1%	24,86,107	-4.35%
4 Withdrawal Rates – Up by 1%	26,13,079	0.54%
5 Withdrawal Rates – Down by 1%	25,81,240	-0.69%
6 Discount Rates – Up by 1%	24,18,778	-6.94%
7 Discount Rates – Down by 1%	28,07,223	8.01%



### Note 32: Related Party Disclosures

- (i) Parties with whom company had transactions - NIL
- (ii) Key management personnel
  - a) Mr. F.R. Bhote, Managing Director
  - b) Mr. Vinay Vir, Director
- (iii) Remuneration to Key Management Personnel – Rs. 18.25 Lakhs as detailed below:

Name of the Key Management Personnel	Position Held	Salary	Contribution to PF	Total
Mr. F.R. Bhote	Managing Director	16.50 (12.18)	1.75 (1.03)	18.25 (13.21)

### Note 33: Earnings per Share

- (a) Earnings per share is calculated as shown below:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Numerator :</b> Net Profit after tax as per Statement of Profit and Loss	(Rs. 19,77,375)	Rs. 36,44,507
<b>Denominator :</b> Number of equity shares	42,51,700 Nos	42,51,700 Nos
Number of equity shares allotted during the year	NIL	NIL
Weighted average number of equity shares for calculation of earnings per share (Basic & Diluted)	42,51,700 Nos	42,51,700 Nos
Nominal value of equity share	Rs. 10/-	Rs. 10/-
Earnings per share (Basic & Diluted)	(Rs.0.47)	Rs.0.86

### Note 34: Segment Reporting

The Company has only one segment i.e Software. It has identified India and Global as geographic segments.

Revenue from geographic segments	As at March 31, 2019	As at March 31, 2018
India	70,81,019	1,63,99,591
Global	48,986	15,82,672



### Note 35 Earnings in Foreign Currency

Earnings in Foreign Currency	As at March 31, 2019	As at March 31, 2018
Software services	48,986	15,82,672

### Note 36: Foreign Currency outgo

Foreign Currency outgo	As at March 31, 2019	As at March 31, 2018
Exhibition Expenses	Nil	2,60,494

### Note 37: Financial Instruments - Fair Values and Risk Management

#### Fair Value Measurements:

Financial Instruments by Categories, its carrying value and Fair value

(Rs.)

As at 31 March, 2019					
Particulars	Amortized cost	FVTPL	FVTOCI	Carrying value	Total fair value as of March 31, 2019
<b>Assets:</b>					
Cash & Cash Equivalents	1,17,404	-	-	1,17,404	1,17,404
Bank balances	93,01,650			93,01,650	93,01,650
Trade Receivable	59,78,486	-	-	59,78,486	59,78,486
Loans	11,000	-	-	11,000	11,000
Other Financial Assets	23,33,963	-		23,33,963	23,33,963
<b>Liabilities:</b>					
Trade Payable	23,16,795	-	-	23,16,795	23,16,795
Borrowings	Nil	-	-	Nil	Nil
Other Financial Liabilities	1,70,340	-	-	1,70,340	1,70,340



(Rs.)

As at 31 March, 2018					
Particulars	Amortized cost	FVTPL	FVTOCI	Carrying value	Total fair value as of March 31, 2017
<b>Assets:</b>					
Cash & Cash Equivalents	2,43,620	-	-	2,43,620	2,43,620
Bank balances	1,18,50,810			1,18,50,810	1,18,50,810
Trade Receivable	66,51,681	-	-	66,51,681	66,51,681
Loans	94,000	-	-	94,000	94,000
Other Financial Assets	19,00,177	-	-	19,00,177	19,00,177
<b>Liabilities:</b>					
Trade Payable	21,66,213	-	-	21,66,213	21,66,213
Borrowings	13,04,942	-	-	13,04,942	13,04,942
Other Financial Liabilities	1,65,643	-	-	1,65,643	1,65,643

The carrying amounts of above Financial Assets and Liabilities are considered to be same (except in case of investments, other than joint venture investment) as their fair values due to the nature of the contractual obligations.

#### FAIR VALUE HIERARCHY

Management considers that, the carrying amount of those financial assets and financial liabilities that are not subsequently measured at fair value in the Financial Statements approximate their transaction value. No financial instruments are recognized and measured at fair value for which fair values are determined using the judgments and estimates. The fair value of Financial Instruments referred below has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities. (Level-1 measurements) and lowest priority to unobservable (Level-3 measurements). The categories used are as follows:

- **Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- **Level 2** - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).



The following table presents fair value hierarchy as at March 31, 2019:

(Rs)

Particulars	As at March 31, 2019	Fair value measurement at end of the reporting period / year		
		Level 1	Level 3	Level 3
Financial Assets				
Loans to Employees	11,000	-	-	11,000
Other Financial Assets	23,33,963			23,33,963
Financial Liabilities				
Borrowings	Nil	-	-	Nil
Trade Payables	23,16,795	-	-	23,16,795
others	1,70,340	-	-	1,70,340

The following table presents fair value hierarchy as at March 31, 2018:

(Rs. Lakhs)

Particulars	As at March 31, 2018	Fair value measurement at end of the reporting period / year		
		Level 1	Level 3	Level 3
Financial Assets				
Loans to Employees	94,000	-	-	94,000
Other Financial Assets	19,00,177			19,00,177
Financial Liabilities				
Borrowings	13,04,942	-	-	13,04,942
Trade Payables	21,66,213	-	-	21,66,213
Others	1,65,643	-	-	1,65,643

#### Valuation Process:

For **Level-3** financial instruments, the fair values have been determined by applying the Net Book value method.

The carrying amounts of receivables, payables, bank balances and cash and cash equivalents are considered to be same as their fair value due to their contractual obligations.

For Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

#### Financial Risk Management:

The Company's activities expose to a variety of financial risks viz., market risk, credit risk and liquidity risk. The Company's focus is to fore see the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is credit risk and liquidity risk. The Company's exposure to credit risk is influenced mainly by, dealings with Government and Government agencies being the top customers.





#### a. Management of Market Risk:

Market risks comprises of Price risk and Interest rate risk. The Company does not designate any fixed rate financial assets as fair value through Profit and Loss nor at fair value through OCI. Therefore, the Company is not exposed to any interest rate risk. Similarly, the Company does not have any Financial Instrument which is exposed to change in price.

#### b. Foreign Currency Risks:

The Company is exposed to foreign exchange risk arising from various Currency exposures primarily with respect to the US Dollars (USD) for the services rendered by the Company to foreign customers.

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on March 31, 2019 is as follows:

(Amount Rs)

Particulars	US Dollars	Total
<b>Financial Assets :</b>		
Trade Receivable	-	-
Less: Currency Forwards	-	-
Net Exposure to foreign currency risk (liabilities)	-	-

Increase/(Decrease) to profit before tax for changes of 5% against INR :

Strengthened	-	-
Weakened	-	-

The foreign currency risks from non financial assets as of March 31, 2018 were as follows:

(Amount Rs)

Particulars	US Dollars	Total
<b>Financial Assets :</b>		
Trade Receivable	11,992	7,68,037
Less: Currency Forwards	-	-
Net Exposure to foreign currency risk (liabilities)	11,992	7,68,037

Increase/(Decrease) to profit before tax for changes of 5% against INR :

Strengthened	38,305
Weakened	38,443



### c. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or a counter party fails to meet its contractual obligations. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables.

As most of the trade receivables are from regular parties, they are considered as credit worthy up to the period of three years past due excluding the current year. Subsequently, they are considered credit impaired, unless the amount is considered receivable. If the recoverability is considered doubtful based on the review, the required allowance for impairment is being provided in the books.

The company considers that, all the financial assets that are not impaired and past due as on each reporting dates under review are considered credit worthy.

#### Credit risk exposure

An analysis of age-wise trade receivables at each reporting date is summarized as follows:

For the year ended March 31, 2019:

(Rs.)

Particulars	Less than 1 year	Between 2 to 4 years	More than 4 Years	Total Rs.
Gross Carrying amount	2,14,328	58,73,315	-	60,87,643
Expected credit loss (Loss allowance provision)	-	(1,09,157)	-	(1,09,157)
Carrying amount (net of impairment)	2,14,328	57,64,158	-	59,78,486

For the year ended March 31, 2018 :

(Rs.)

Particulars	Less than 1 year	Between 2 to 4 years	More than 4 Years	Total Rs.
Gross Carrying amount	57,22,126	10,38,712	-	67,60,838
Expected credit loss (Loss allowance provision)	(57,221)	(51,936)	-	(1,09,157)
Carrying amount (net of impairment)	56,64,905	9,86,776	-	66,51,681

### d. Liquidity Risk:

The company's liquidity needs are monitored on the basis of monthly projections. The principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of cash credit and overdraft facilities to meet the obligations as and when due.



Short term liquidity requirements consist mainly of sundry creditors, expenses payable and employee dues during the normal course of business. The company maintains sufficient balance in cash and cash equivalents and working capital facilities to meet the short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The following table shows the maturity analysis of the Companies Financial Liabilities based on contractually agreed, undiscounted cash flows as at the balance sheet date.

(Rs.)

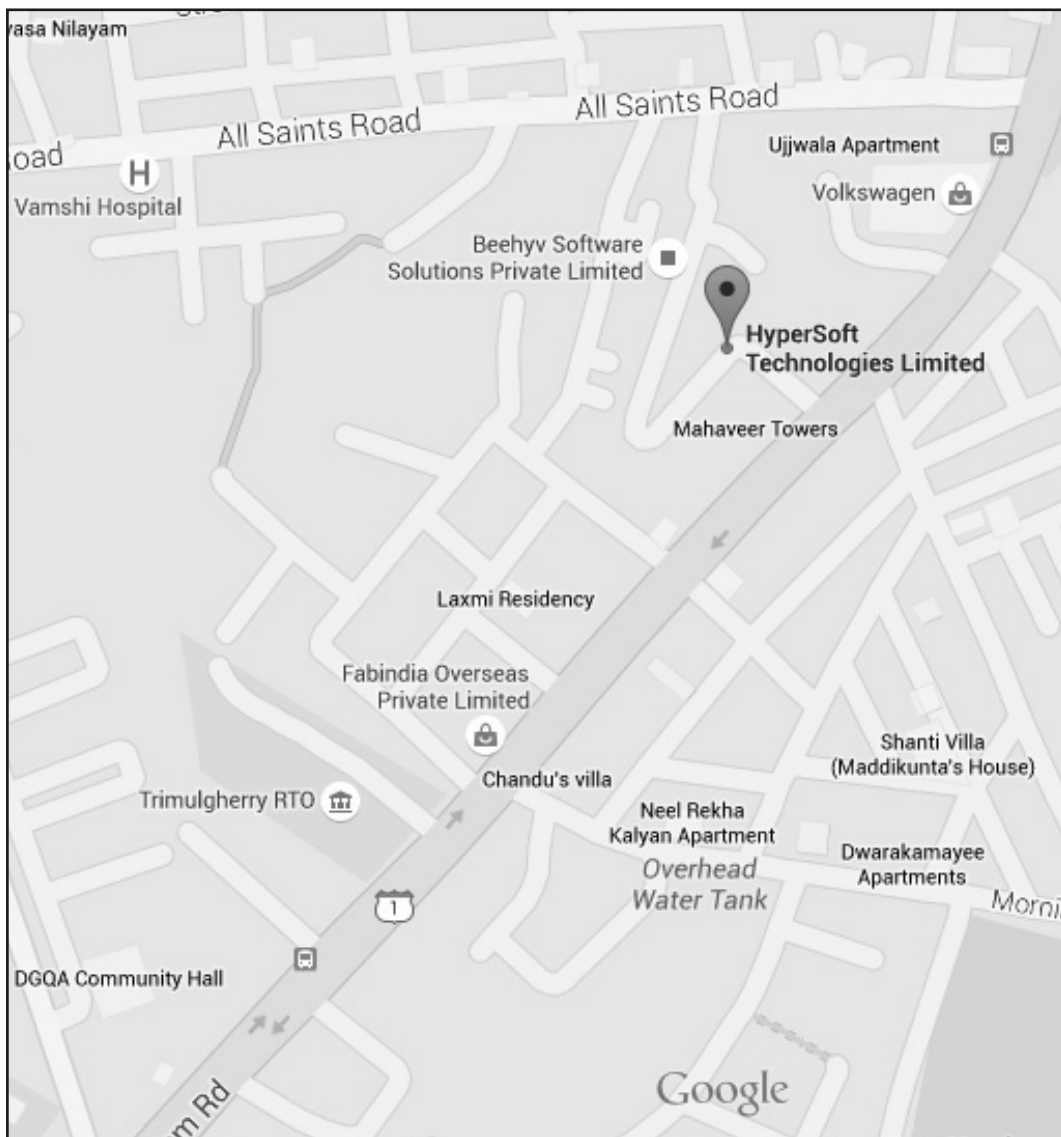
Particulars	Carrying Amount	<12 months	>12 months	Total
As on March 31, 2019				
Trade Payables	23,16,795	1,77,329	21,39,466	23,16,795
Other Financial Liabilities	3,05,340	1,70,340	1,35,000	3,05,340
As on March 31, 2018				
Trade Payables	21,66,213	21,66,213	-	21,66,213
Other Financial Liabilities	3,00,643	1,65,643	1,35,000	3,00,643

#### NOTE 38: OTHERS

- On account of complexities involved in realization of debts in few instances, the Company has made a provision of Rs.1.09 Lakh during the current year towards provision for doubtful debts.
- Previous year's figures have been regrouped/reclassified/recasted wherever necessary to confirm to the current year's presentation.
- In the opinion of the Board of Directors, the Company does not have any impaired assets.
- Trade payables to Micro, Small, Medium Enterprises has been identified based on information available with the company. This has been relied upon by the auditor.
- Balances of Sundry Debtors, Creditors and loans and advances are as per books, subject to confirmation.
- Amounts in the financial statements are presented in Rupees. All figures have been rounded to the nearest Rupee.



## ROUTE MAP





## Form No. MGT-11

### Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L29309TG1983PLC003912  
Name of the company : **HYPERSOFT TECHNOLOGIES LIMITED**  
Registered office : 28, Goyal Society, Moti Valley, Tirmulgherry,  
Secunderabad – 500 015

Name of the member (s) :

Registered address :

E-mail Id:

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ....., or failing him

2. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ....., or failing him

3. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ....., or failing him



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual general meeting of the company, to be held on Saturday, the 28<sup>th</sup> September, 2019 at 3:00 P.M. at the Registered office of the Company at 28, Goyal Society, Moti Valley, Tirmulgerry, Secunderabad – 500015, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below :

Sl. No.	Resolutions	For	Against
1.	<b>Ordinary Business</b> To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and Profit & Loss Statement for the year ended on 31st March, 2019 together with notes and annexures thereto and the Report of Directors' and Auditors' thereon.		
2.	To re-appoint Mr. Feroz Russi Bhote, Director who retires by rotation and being eligible, offers himself for re-appointment		

Signed this..... day of..... 2019

Signature of shareholder

Signature of Proxy holder(s)

**Note:**

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the

Affix  
Revenue  
Stamp



## **HYPERSOFT TECHNOLOGIES LIMITED**

### **Registered Office:**

Registered Office, 28, Goyal Society, Moti Valley,  
Tirmulgherry, Secunderabad – 500015, Telangana

Email: [info@hypersoftindia.com](mailto:info@hypersoftindia.com), Website: [www.hypersoftindia.com](http://www.hypersoftindia.com)

CIN: L29309TG1983PLC003912

### **Attendance Slip for 36<sup>th</sup> Annual General Meeting**

(To be handed over at the registration counter)

Folio No./DPID & Client ID:

Name of the member / proxy :

Signature

Number of Shares:

Address:

I/We hereby record my/our presence at the 36<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, 28<sup>th</sup> September, 2019 at 3:00 PM at the Registered office of the Company at 28, Goyal Society, Moti Valley, Tirmulgherry, Secunderabad – 500015, Telangana.







**BOOK - POST**



*If undelivered please return to :*

**HyperSoft Technologies Limited**

28, Goyal Society, Moti Valley,

Tirmulgherry, Secunderabad- 500 015 Telangana, INDIA