



HYPERSOFT

TECHNOLOGIES LIMITED

**THIRTY FIRST ANNUAL REPORT
2013-2014**



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HYPERSOFT TECHNOLOGIES LIMITED

BOARD OF DIRECTORS

F.R. Bhote
Chairman & Managing Director

N. Gowri Shankar
Director

Vinay Vir
Director

REGISTERED OFFICE

28, Goyal Society, Moti Valley
Tirmulgerry,
Secunderabad - 500 015
Telangana, India
Phone:040-27744413/040-21144754
Email: info@hypersoftindia.net
Website: www.hypersoftindia.net
CIN L29309TG1983PLC003912

BRANCH

Mumbai

DEPOSITORY REGISTRARS & SHARE TRANSFER AGENTS

M/s. CIL. Securities Limited
214, Raghava Ratna Towers, Chirag Ali Lane,
Abids, Hyderabad - 500001
Tel. # 040-23202465, 23203155
Fax # (040) 23203028, 66661267
Email : advisors@cilsecurities.com

AUDITORS

M/s. Ramanatham & Rao
Chartered Accountants
Secunderabad.

BANKERS

HDFC Bank Limited
Sainikpuri Branch
Hyderabad.

Oriental Bank of Commerce
Secunderabad

LISTING

The Ahmedabad Stock Exchange Ltd



NOTICE

Notice is hereby given that the Thirty First Annual General Meeting of the members of M/s. HyperSoft Technologies Limited will be held on Tuesday, the 30th day of September, 2014 at 4.00 p.m. at the Registered office of the Company at 28, Goyal Society, Moti Valley, Tirmulgerry, Secunderabad - 500015, Telangana to transact the following ordinary business:

1. To receive, consider and adopt the Profit & Loss Statement for the year ended on 31st March, 2014 and Balance Sheet as on that date together with notes and annexures thereto and the Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Vinay Vir who retires by rotation and being eligible, offers himself for re-appointment.
3. "RESOLVED THAT in pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Ramanatham & Rao, Chartered Accountants, bearing Firm Registration Number 002934S be and is hereby appointed as statutory auditors of the Company, who shall hold office from the conclusion of ensuing Annual General Meeting to the conclusion of the next Annual General Meeting of the Company and authorise the Board of Directors of the Company to fix their remuneration.

For and on behalf of Board of Directors

Place: Secunderabad
Date : 31-07-2014

(F.R.Bhote)
Chairman & Managing Director



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. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from 27th September, 2014 to 30th September, 2014 (both days inclusive).
4. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company's RTA viz. , CIL Securities Ltd, Regd. Office : 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001 by enclosing a photocopy of blank cancelled cheque of your bank account.
5. M/s. CIL Securities Ltd, Regd. Office : 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad -500 001. Andhra Pradesh 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 2014 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014 is being sent in the permitted mode.
8. Members may also note that the Notice of the 31st Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website Website: www.hypersoftindia.net for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad 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: Email: info@hypersoftindia.net
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 (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
10. Voting through electronic means:



11. 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 31st 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).
12. The Company has appointed Mr. 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:
- 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 Corporates.
 - ❖ They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to 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 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.

In case of members receiving the physical copy:

- ❖ Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

Commencement of e-voting:

- ❖ The voting period begins on 9.00 a.m on 27th September, 2014 and ends on 6.00 p.m. on 28th September, 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29th August, 2014 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 under help section or write an email to helpdesk.evoting@cdslindia.com.



Additional Information

(As per Clause 49 of the listing agreement)

As required under the Listing Agreement, the particulars of Director who seeks re-appointment are given below:

Name of the Director	Date of last Appointment on the Board	Qualification	Names of other companies in which the person holds directorship or membership of committee of the Board	Number of shares held in Hypersoft Technologies Limited
Mr. Vinay Vir	15/09/2012	B.Com	Nil	Nil

For and on behalf of Board of Directors

Place: Secunderabad
Date : 31-07-2014

(F.R.Bhote)
Chairman & Managing Director



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are happy to present Thirty First Annual Report and the Financial Results for the year ended on 31st March, 2014.

I) Financial Results (Rs. in lacs)

Particulars	2013-2014	2012-2013
Income from operations	67.42	71.63
Other Income	17.81	11.27
Total Income	85.23	82.90
Total Expenditure before depreciation	64.33	75.42
Profit / (Loss) before depreciation	20.9	7.48
Depreciation	5.27	5.15
Net Profit / (Loss) before Taxation	15.63	2.33
Provision for Taxation		
Deferred Tax	(1.81)	1.59
Net Profit / (Loss) after Taxation	13.82	3.92

II) Management Discussion & Analysis (M D&A):

Industry Structure and developments:

In the past year we have formed strategic alliances with:

Computer Age Management Services (CAMS) Chennai (partly owned by NSE Strategic Investment Corporation Limited a subsidiary of National Stock Exchange) whereby we will supply them with all the software that they require for Know Your Client (KYC) services for their clients. At present we have done it for Reliance Securities and Religare Securities. With their Pan India presence we are confident of them getting a large number of clients in the near future.

UID Authority of India. Your Company has registered with UIDAI for processing of Aadhar cards in the States of Chattisgarh and Uttar Pradesh. The infrastructure is being set up and and we should have about 200 processing centres by the end of the year.

The Rwanda Revenue Authority (RRA) has put in place a system whereby all Invoices that are made by anyone in the country has to have the invoice certified by the RRA electronically. Your Company has developed a Financial Accounting package, an ERP package and a POS system specifically targeted towards Rwanda. We have applied for Certification and hope to have it very soon. There are virtually no competitors in this space.



Mobile apps being currently very popular, your Company has ventured into this space and soon the first app should be released.

Internal control systems and their adequacy

The Company has adequate internal controls commensurate with its activity and size of operations.

Discussion on financial performance with respect to operational performance

During the year under review, your Company made a Turnover of Rs. 85.23 Lakhs as against Rs. 82.90 Lakhs and incurred a profit of Rs. 13.82 Lakhs as against a profit of Rs. 3.92 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.

III) Fixed Deposits

The Company has not accepted any deposits from the public during the year in pursuant to Section 58A of the Companies Act, 1956.

IV) Personnel

None of the employees of the Company were in receipt of remunerations as required to be disclosed under Section 217(2A) of the Companies Act, 1956.

V) Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Vinay Vir is liable to retire by rotation at the ensuing Annual General Meeting. He is eligible for re-appointment.

VI) Auditors

M/s. Ramanatham & Rao, Chartered Accountants bearing Firm Registration Number 002934S, Statutory Auditors of the Company who retire at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if reappointed. The Company has also received a confirmation from them under Section 224 (1B) of the Companies Act, 1956.

In response to the qualification made by the auditors in clause 7 of the Annexure to the Auditors' Report, the management is taking appropriate steps to have an internal audit system.



VII) Compliance Certificate

According to the provision to Section 383A (1) of the Companies Act, 1956 read with Companies (Compliance Certificate) Rules, 2001 as amended Companies (Appointment Qualification of Secretary) Amendment Rules, 2009 , every Company having a paid up capital of Rs 10.00 Lakhs or more and less than Rs. 5.00 Crores is required to file with the Registrar of Companies the Compliance Certificate obtained from a Whole time Practicing Company Secretary to the effect that the Company has complied with the provisions of the Companies Act, 1956. The Compliance Certificate for the financial year 1st April, 2013 to 31st March, 2014 has been obtained from M/s. R & A Associates, Practicing Company Secretaries, Hyderabad.

VIII) Corporate Governance

Pursuant to the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, 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 provision of Clause 49(VII)(1) of the Listing Agreement, a certificate from the auditors of the Company on the compliance of the Clause is enclosed.

IX) CEO's Declaration

Pursuant to the provisions of Clause 49(I)(D)(ii) of the Listing Agreement, a declaration by the Managing Director and CEO of the Company declaring that all the members of the Board and the Senior 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.net.

X) Directors' Responsibility Statement

In accordance with the provisions of the section 217(2AA) of the Companies Act, 1956 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 the year ended on that date;
- 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, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The annual accounts of the Company have been prepared on a going concern basis.



XI) Dividend

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

XII) Section 217 (1) (e) of the Companies Act, 1956

As required u/s. 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in respect of the Board of Directors) Rules, 1988 the relevant information is given below:

Particulars of Employees and other Additional Information

There are no employees in the Company whose particulars are to be given pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

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)

1. 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 on going exercise.

2. 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.



3. 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.

4. Expenditure on R & D: -NIL-

Technology Absorption, 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	2013-2014 (Rs)	2012-2013 (Rs)
a.	Foreign Exchange Earnings	2,23,250	-
b.	Foreign Exchange Outgo :		
	Purchase	1,17,822	4,37,158
	Expenses	63,328	-

XIII) 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

(F.R. Bhote)

Date : 31-07-2014

Chairman & Managing Director



REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2013-2014

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.

Board of Directors :

The Company has Executive Chairman. The Board of Directors comprises of Three (3) Directors including two (2) Non-Executive Independent Directors.

a) Composition and category of Directors as on 31st March, 2014

SI No.	Name of the Director	Category
1.	Mr. F.R. Bhote	Promoter Managing Director
2.	Mr. N. Gowrishankar	Non-Executive & Independent Director
3.	Mr. Vinay Vir	Non-Executive & Independent Director

b) Attendance of each director at the Board Meetings held during the year 2013-2014 and at the last Annual General Meeting:

Name of the Director	Board Meetings held during the year	Meetings attended	Last AGM
Mr.F.R.Bhote	5	5	Present
Mr.N.Gowrishankar	5	4	Present
Mr.Vinay Vir	5	1	Not 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 is a Director.

B. Audit Committee:

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 and the provisions of the Clause 49 of the Listing Agreement.

1. Brief description of terms of reference:

The term of reference of the Audit Committee is in conformity with the provisions of Sub Clause II of Clause 49 of the Listing Agreements, 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 their polices, 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, name of members and Chairman:

The Audit Committee comprises of the following directors:

1. Mr. F.R. Bhote - Member
2. Mr. N. Gowrishankar - Chairman
3. Mr. Vinay Vir - Member

C) Meetings and attendance during the year 2013-2014:

Name of the Member	Meetings held during the year	Meetings attended
Mr. N. Gowrishankar	5	4
Mr. Vinay Vir	5	1
Mr. F. R. Bhote	5	5

C. Remuneration Committee:

1. Brief description of terms of reference:

This committee was constituted primarily to evaluate compensation and benefits given to Executive Directors.

2. Composition, name of members and Chairman:

The Remuneration Committee comprises of the following Directors:

1. Mr. N. GowriShankar - Member
2. Mr. Vinay Vir - Member

3. Meetings and Attendance during the year 2013-2014:

Name of the Member	Meetings held during the year	Meetings attended
Mr.N.Gowrishankar	—	—
Mr.Vinay Vir	—	—



d) **Details of remuneration to all the directors:**

(in Rs.)

Particulars	Mr. F.R. Bhote (Managing Director)
Salary	6,36,000
Perquisites	36,262
Provident Fund	54,720
Total	7,26,982

The Non-Executive Directors are not eligible for commission and they have been paid sitting fee only.

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. N. Gowrishankar - Chairman
- (ii) Mr. F. R. Bhote - Member
- (iii) Mr. Vinay Vir - Member

3) Name and Designation of Compliance Officer:

Mr. F.R. Bhote, Managing Director has been appointed as the Compliance Officer of the Company.

4) No. of Shareholders Complaints received during the year 2013-14:

During the year 2013-14, 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 2013-14, so question of complaints not solved to the satisfaction of shareholders does not arise.

E. General Body Meetings

1) Details of last four Annual General Meetings (AGM):



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

Financial Year	AGM	Venue	Time & Date of AGM
2009-2010	27th AGM	Registered Office	4.00 p.m. on 18th September, 2010
2010-2011	28th AGM	Registered Office	4.00 p.m. on 30th September, 2011
2011-2012	29th AGM	Registered Office	5.00 p.m. on 15th September, 2012
2012-2013	30th AGM	Registered Office	4.00 p.m. on 30th September, 2013

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 is proposed to be conducted through postal ballot system.

Certification of Financial reporting and Internal Controls:

In accordance with clause 49V of the Listing agreement, a certificate confirming the correctness of the financial statements, adequacy of internal control measures and matters to be reported to the audit committee was taken on record at the board meeting convened for approval of Annual Financial Results of the Company for year under review.

Disclosures :

The Company had disclosed the Related Party transactions with the key management personnel in Notes to the financial statements. 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 5 years.

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 are published in Business Standard and Andhra Prabha.
- The Management Discussion and Analysis Report forms part of the Annual Report.

General Shareholder information:

a) Date, Time & Venue of the present Annual General Meeting:

On Tuesday, the 30th day of September, 2014 at 4.00 p.m. at the Registered office of the Company at 28, Goyal Society, Moti Valley, Tirmulgerry, Secunderabad-500 015.



b) Financial Calendar for 2013-2014 (tentative):

<u>Quarter ending on :</u>	<u>Reporting on :</u>
30th June, 2014	Last week of July, 2014(Completed)
30th September,2014	Last week of October, 2014
31st December, 2014	Last week of January, 2015
31st March,2015	Last week of April, 2015

c) Date of Book Closure:

The Register of Members and Share Transfer Books of the Company will be closed from 27th September, 2014 to 30th September, 2014 both days inclusive.

d) Listing on Stock Exchanges:

- The Ahmedabad Stock Exchange Limited

e) Market price data:

There was no trading of the shares during the financial year.

f) 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

g) 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.

h) Distribution of Shareholding as on 30th June, 2014:

SI No.	Category		No.of Share holders	Percentage of Share holders	No. of Equity Shares	Percentage of Share holding
1	0	500	77	23.33	20500	0.48
2	501	1000	43	13.03	40050	0.94
3	1001	2000	25	7.58	42000	0.99
4	2001	3000	58	17.58	147500	3.47
5	3001	4000	12	3.64	44700	1.05
6	4001	5000	32	9.70	156600	3.69
7	5001	10000	42	12.73	333450	7.84
8	10001	4251700	41	12.42	3466900	81.54
TOTAL			330	100.00	4251700	100.00



i) 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 30th June, 2014 a total no of 7,67,600 equity shares of the Company stand dematerialized constituting 18.05% of the paid-up share capital of the Company.

i) Outstanding GDRs / ADRs / Warrants / Convertible Debentures during the year 2013-2014:

The Company has not issued any GDRs / ADRs / Warrants / Convertible Debentures during the year 2013-14.

j) 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 - 400023.

l) Address for correspondence :

i) For any query in Demat & Physical Shares : 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

ii) For any other queries: Registered Office of the Company
28, Goyal Society, Moti Valley, Tirmulgherry
Secunderabad - 500 015.
Phone # 2774 4413 / 27744754
E-mail: info@hypersoftindia.net
Website: www.hypersoftindia.net



CEO'S DECLARATION

I, F. R. Bhote, Managing Director do hereby declare that pursuant to the provisions of Clause 49(I)(D) of the Listing Agreement, 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: 31-07-2014

F.R. Bhote
Chairman & Managing Director



CERTIFICATE

To
The Members of M/s. HyperSoft Technologies Limited
Secunderabad

We have examined the compliance of conditions of Corporate Governance by M/s. HyperSoft Technologies Limited for the year ended 31st March, 2014, as stipulated in clause 49 of the listing agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us:

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month, against the Company as per the records maintained by the shareholder/Investors' Grievance Committee.

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 RAMANATHAM & RAO
Chartered Accountants
FRN: 002934S

(C. Kameswara Rao)
Partner
M. No. 24363

Place: Secunderabad
Date : 31-07-2014



COMPLIANCE CERTIFICATE

CIN: L29309TG1983PLC003912

Nominal Capital: Rs. 6 Crore

To,
The Members
M/s. Hypersoft Technologies Limited
28, Goyal Society
Moti Valley, Tirmulgerry
Secunderabad - 500 015

We have examined the registers, records, books, and papers of *M/s. Hypersoft Technologies Limited* ('the Company') as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the *Financial Year ended on 31st March, 2014* (i.e. 1st April, 2013 to 31st March, 2014). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in *Annexure 'A'* to this Certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in *Annexure 'B'* to this Certificate, with the Registrar of Companies as required under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, comments are not required.
4. The Board of Directors duly met 5 (Five) times respectively on 24th May, 2013, 26th July, 2013, 11th November, 2013, 25th January, 2014 and 31st March, 2014 during the financial year, in respect of which meetings proper notices were given the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members, from 27th September, 2013 to 30th September, 2013 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2013 was held on 30th September 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its director's and / or persons or firms or companies as referred in Section 295 of the Companies Act, 1956 [or] Section 185 of the Companies Act, 2013.



9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301(3) of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board, Members or Central Government.
12. The Company has not issued any duplicate Share certificates during the financial year.
13. The Company has:
 - i. not allotted /transferred /transmitted any securities during the financial year.
 - ii. not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii. was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - iv. was not required to transfer the amount in the unpaid dividend account, application due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for the period of seven years to the Investors Education and Protection Fund.
 - v. duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole time Director/Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approval of the Central government, Company Law Board, Regional Directors, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and the Rules made thereunder.
19. The Company has not issued any shares/debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.



21. The Company does not have any preference shares or debentures. Hence, the question of redemption does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits falling within the purview of Section 58A of the Act during the financial year.
24. The Company has not made any borrowings during the financial year.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of Company's Registered Office from one state to another during the year.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act and no fines and penalties or any other punishment imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the Financial Year.
33. The Company has not constituted a separate Provident Fund Trust for its employees as contemplated under Section 418 of the Act.

For R & A Associates

Place: Hyderabad
Date : 30-05-2014

(G. Raghu Babu)
Partner
C.P. # 2820



Annexure - A

Registers as maintained by the Company:

1. Register of Charges u/s 143
2. Register of Members u/s. 150
3. Minutes Book of the Meetings of Board of Directors u/s 193.
4. Minutes Book of proceedings of General Meetings u/s 193.
5. Register of particulars of contracts in which Directors are interested u/s 301(3).
6. Register of Directors, Managing Director, Manager and Company Secretary u/s. 303.
7. Register of Directors' Shareholdings u/s. 307.

Annexure - B

The following Forms were filed during the financial year ending 31st March 2014 with the Registrar of Companies, Andhra Pradesh & Telangana.

Sl.No.	Form No Return	Filed On	Under Section	Event
1	Form 66	17/10/2013	383A	Compliance Certificate for the Financial Year ended on 31st March 2013.
2	Form 23AC & ACA	24/10/2013	220	Audited Balance Sheet as on 31st March 2013 and Profit and Loss Statement for the year ended on 31st March 2013.



INDEPENDENT AUDITOR'S REPORT

To the Members of Hypersoft Technologies Limited Report on the Financial Statements

We have audited the accompanying financial statements of Hypersoft Technologies Limited ('the Company') which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;



- (ii) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the Order.
2. As required by the section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and
 - e. On the basis of written representations received from the directors as on 31 March, 2014 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **Ramanatham & Rao**
Chartered Accountants
Firm No: S-2934

(C. Kameshwar Rao)
Partner
Membership No: 24363
Place: Secunderabad
Date: 30th May, 2014



ANNEXURE TO THE REPORT OF THE AUDITORS

The Annexure referred to in our report of even date to the members of Hypersoft Technologies Limited for the year ended 31st March, 2014

- 1.1 The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2 All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- 1.3 There was no substantial disposal of fixed assets during the year.
- 2.1 The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- 2.2 The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- 2.3 The Company is maintaining proper records of inventory and no material discrepancies were noticed.
- 3.1 According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered under the register maintained under section 301 of the Companies Act, 1956.
- 3.2 According to the information and explanation given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 4.1 In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets, inventory, sale of goods and services. During the course of our audit no major weakness has been noticed in the internal control system in respect of these areas.
- 5.1 In our opinion and according to the information and explanation given to us, we are of the opinion that the particulars of contract or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- 5.2 In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to above and exceeding value of



Rs.5 Lakhs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

- 6.1 The Company has not accepted any deposits from the public.
- 7.1 The Company does not have an internal audit system
- 8.1 The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Act for any services of the company.
- 9.1 The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Service Tax, Value Added Tax, Sales Tax, Income Tax, Professional Tax and other material statutory dues as applicable to it.
- 9.2 According to the information and explanation given to us, no undisputed amounts are payable in respect of Provident Fund, Value Added Tax, Sales Tax, Income Tax, Service Tax, Professional Tax and other statutory dues, at the year end, for a period of more than six months from the date they become payable.
- 9.3 According to the information and explanation given to us, there are no disputes with regard to Income Tax, Sales Tax, Value Added Tax, Service Tax, Provident Fund, Professional Tax and other applicable taxes.
- 10.1 In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. The Company has not incurred cash losses during the financial year and the immediately preceding financial year.
- 11.1 The company has not defaulted in repayment of dues to banks and financial institutions. The Company has not issued any debentures.
- 12.1 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13.1 In our opinion and according to the information and explanation given to us, the Company is not a chit fund or nidhi/ mutual benefit fund/ society. Therefore, the provisions of Clause (xiii) of the Order are not applicable to the Company.
- 14.1 According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- 15.1 According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others, from banks or financial institutions.



- 16.1 The Company did not have any term loans outstanding during the year.
- 17.1 According to the information and explanation given to us, no funds raised on short term basis have been used for long term investment.
- 18.1 The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- 19.1 The Company did not have any outstanding debentures during the year.
- 20.1 The Company has not raised any money by public issue during the year.
- 21.1 According to the information and explanations given to us, no material fraud on or by the Company has been noticed and reported during the course of audit.

For Ramanatham & Rao

Chartered Accountant

FRN : S-2934

(C. Kameshwar Rao)

Partner

M. No. 24363

Place: Secunderabad

Date: 30th May 2014



HYPERSOFT TECHNOLOGIES LIMITED
BALANCE SHEET AS AT 31ST MARCH 2014

Sl. No.	PARTICULARS	NOTE NO.	31st March 2014 Rs.	31st March 2013 Rs.
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	44,921,750	44,921,750
	(b) Reserves and surplus	3	(17,562,563)	(18,944,702)
2	Non-current liabilities			
	(a) Other Long term liabilities	4	10,135,000	108,750
	(b) Long-term provisions	5	138,533	126,694
3	Current liabilities			
	(a) Trade payables	6	58,566	598,299
	(b) Other current liabilities	7	116,074	73,502
	(c) Short-term provisions	8	596,131	502,108
	TOTAL		38,403,491	27,386,401
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	Tangible assets	9	13,879,039	14,270,059
	(b) Non-current investments	10	17,255,238	6,594,591
	(c) Deferred tax assets (net)	11	1,690,907	1,539,115
	(d) Long-term loans and advances	12	62,076	63,075
2	Current assets			
	(a) Inventories	13	1,742,696	1,426,085
	(b) Trade receivables	14	117,577	1,008,731
	(c) Cash and cash equivalents	15	382,240	474,954
	(d) Short-term loans and advances	16	179,810	135,310
	(e) Other current assets	17	3,093,908	1,874,481
	TOTAL		38,403,491	27,386,401

Significant Accounting Policies
Notes on Accounts

1
2 to 38

Per our report of even date
For **RAMANATHAM & RAO**
Chartered Accountants
Firm No. S-2934

For and on behalf of the Board

(FEROZ R BHOTE)
Managing Director

(C. KAMESWARA RAO)
PARTNER
Membership No. 24363

Place: Secunderabad
Date : 30th May, 2014

VINAY VIR
Director



HYPERSOFT TECHNOLOGIES LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

SI. No.	PARTICULARS	NOTE NO.	31st March 2014 Rs.	31st March 2013 Rs.
I	Revenue from operations	18	6,742,186	7,162,973
II	Other income	19	1,780,881	1,126,786
III	Total Revenue		8,523,067	8,289,759
IV	Expenses			
	(a) Trade Purchases	20	117,822	1,022,858
	(b) Changes in inventories of finished goods	21	(316,611)	(21,328)
	(c) Employee benefits expense	22	4,047,234	4,170,118
	(d) Finance cost	23	36,566	24,935
	(e) Depreciation and amortization expense	24	527,159	514,969
	(f) Other expenses	25	2,547,505	2,345,456
	Total expenses (a to f)		6,959,675	8,057,008
VI	Profit before tax		1,563,392	232,751
VI	Tax expense			
	(a) Current tax		(333,046)	(43,059)
	(b) Deferred tax		151,792	202,399
VII	Profit (Loss) for the period		1,382,139	392,091
VIII	Earnings per equity share			
	(a) Basic		0.33	0.09
	(b) Diluted		0.33	0.09

Significant Accounting Policies
Notes on Accounts

1
2 to 39

Per our report of even date
For **RAMANATHAM & RAO**
Chartered Accountants
Firm No. S-2934

For and on behalf of the Board

(FEROZ R BHOTE)
Managing Director

(C. KAMESWARA RAO)
PARTNER
Membership No. 24363

Place: Secunderabad
Date : 30th May, 2014

VINAY VIR
Director



HYPERSOFT TECHNOLOGIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	31st March 2014 Rs.	31st March 2013 Rs.
Cash Flow From Operating Activities		
Net Profit / (Loss) Before Tax	1,563,392	232,751
Adjustments for		
Profit on sale/ Discarded Fixed Assets	(20,000)	0
Depreciation	527,159	514,969
Interest Paid	36,566	24,935
Interest received	(1,234,755)	(637,400)
Current Tax Paid	(333,046)	(43,059)
Operating Profit / (Loss) before working capital change	552,489	92,196
Adjustments for		
Non-Current Provisions	11,839	10,769
Current Liabilities and Provisions	(403,139)	366,542
Non-Current Assets	999	(1,049)
Current Assets		
Inventories	(316,611)	(21,328)
Trade Receivables	891,154	(109,285)
Short-term Loans and Advances	(44,500)	(55,690)
Other Current Assets	(1,219,427)	(645,164)
Cash from Operations	(1,079,685)	(455,205)
Net Cash from Operating activities	(527,196)	(363,009)
Cash Flow from Investing Activities		
Purchase of fixed assets	(136,138)	(55,719)
Proceeds on sale of fixed assets	20,000	0
Increase in non-current liabilities	10,026,250	0
Investments	(10,660,647)	(394,591)
Interest received	1,234,755	637,400
Cash flow used in Investing activities	484,220	187,090
Cash flow from Financing activities		
Loans received from Bank	0	0
Interest Paid	(36,566)	(24,935)
Interest Received	0	0
Cash flow from Financing activities	(36,566)	(24,935)
Net Increase /(Decrease) in Cash and Cash equivalents	(92,714)	(200,854)
Cash and Cash equivalents at the beginning of the year	474,954	675,806
Cash and Cash equivalents at the end of the year	382,240	474,952
For RAMANATHAM & RAO Chartered Accountants Firm No. S-2934	For and on behalf of the Board (FEROZ R BHOTE) Managing Director	
(C. KAMESWARA RAO) PARTNER Membership No. 24363		
Place: Secunderabad Date : 30th May, 2014	VINAY VIR Director	



HYPERSOFT TECHNOLOGIES LTD

NOTE NO.1 : SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

- a) Balance Sheet and Profit and Loss Account are prepared in conformity with Companies (Accounting Standards) Rules, 2006 under sub-section (3C) of section 211 of the Companies Act, 1956.
- b) The Accounts have been drawn up on historical cost convention in accordance with generally accepted Accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the company.
- c) The company generally follows mercantile system of Accounting and recognizes significant items of income and expenditure on accrual basis.

B. FIXED ASSETS :

Fixed Assets are disclosed at historical cost of acquisition.

C. DEPRECIATION :

Depreciation is charged at the rates and the manner specified in Schedule XIV of the Companies Act, 1956 under Straight Line Method in respect of tangible assets.

D. INVESTMENTS :

Investments are disclosed at cost. Income on investments is accounted on accrual basis.

E. INVENTORIES :

Software inventory is valued at cost on first in first out method. Inventories are verified and certified by the management.

F. TERMINAL BENEFITS TO EMPLOYEES :

Provision for gratuity is made based on actuarial valuation in accordance with Accounting Standard - 15.

G. 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.

H. TAXES AND DUTIES :

- a) Value Added Tax paid on purchase of fixed Assets and other material is accounted at Net value.
- b) Sales are disclosed at net value of Taxes.
- c) Sales Tax paid in excess of collection is treated as expenditure.
- d) Service Tax is accounted for net of CENVAT credit availed and utilized



Note No.	Particulars	31st March 2014 Rs.		31st March 2013 Rs.	
2	SHARE CAPITAL				
2.1	Authorised Share capital 6,000,000 Equity Shares of Rs. 10 each	60,000,000		60,000,000	
	Issued, Suscribed and paidup Capital 4,251,700 Equity Shares of Rs10 each fully paid	42,517,000		42,517,000	
	Add: Forfeited Shares	2,404,750		2,404,750	
	Total	44,921,750		44,921,750	
2.2	Forfeited shares represents 9,61,900 Equity shares of Rs.10/- each forfeited on 20th June , 1998 against which the company had received Rs 2.50 per share.				
2.3	The company has only one class of shares refered to as Equity Shares having a par value of Rs.10 each. Each holder of Equity Shares is entitle to one vote per share.				
2.4	EQUITY SHARE HOLDERS HOLDING MORE THAN 5% OF SHARES				
	Name of Shareholder	31ST MARCH 2014		31ST MARCH 2013	
		No.of Shares	%	No.of Shares	%
	a) D. R. Bhote	803,000	18.89	803,000	18.89
	b) F. R. Bhote	402,150	9.46	402,150	9.46
3	RESERVES AND SURPLUS	31ST MARCH 2014		31ST MARCH 2013	
		RS		RS	
(a)	Capital Reserves Opening Balance	3,787,500		3,787,500	
	Add: Current Year Transfer	-		-	
	Less: Written Back in Current Year	-		-	
	Closing Balance	3,787,500		3,787,500	
(b)	Securities Premium Account Opening Balance	3,275,000		3,275,000	
	Add: Received during the year	-		-	
	Less: Utilised during the year	-		-	
	Closing Balance	3,275,000		3,275,000	
(c)	Surplus Opening balance	(26,007,202)		(26,399,293)	
	Add: Net Profit/(Net Loss) For the current year	1,382,139		392,091	
	Closing Balance	(24,625,063)		(26,007,202)	
	Total	(17,562,563)		(18,944,702)	



Note No.	Particulars	31st March 2013 Rs.	31st March 2012 Rs.
4	OTHER LONGTERM LIABILITIES		
	Trade Payables		
	Others - Deposit	10,135,000	108,750
	Total	10,135,000	108,750
5	LONGTERM PROVISIONS		
(a)	Provision for employee benefits		
	Gratuity	138,533	126,694
(b)	Others	-	-
	Total	138,533	126,694
6	TRADE PAYABLES		
	Due to Micro, Small and Medium enterprises	-	-
	Others	58,566	598,299
	Total	58,566	598,299
7	OTHER CURRENT LIABILITIES		
	Other payables :	92,882	
	Statutory Liabilities	23,192	73,502
	Total	116,074	73,502
8	SHORT TERM PROVISIONS		
(a)	Provision for employee benefits		
	Salary & Reimbursements	311,425	305,238
	Contribution to PF	12,360	11,484
	Gratuity	60,409	11,839
(b)	Others		
	Expenses payable	101,841	80,601
	Director Remuneration	54,590	47,440
	Provision for audit fee	55,506	45,506
	Total	596,131	502,108
10	NON-CURRENT INVESTMENTS		
10.1	Other Investments		
	Fixed Deposits at cost	17,255,238	6,594,591
	Total	17,255,238	6,594,591
10.2	Market Value of Investments		
(a)	Aggregate amount of quoted investments	-	-
(b)	Aggregate amount of unquoted investments	17,255,238	6,594,591
	Total	17,255,238	6,594,591
11	DEFERRED TAX ASSET		
(a)	On time difference of Depreciation		
	Opening Balance	1,555,821	1,349,764
	For the year	170,459	206,057
	Closing Balance	1,726,280	1,555,821



Note No.	Particulars	31st March 2013 Rs.	31st March 2012 Rs.
(b)	On time difference of Gratuity		
	Opening Balance	16,706	13,048
	For the year	18,666	3,658
	Closing Balance	35,372	16,706
(c)	Net Deferred to Asset	1,690,908	1,539,115
(d)	Adjustment for the year	151,793	202,399
12	LONG TERM LOANS AND ADVANCES		
	Security Deposits		
	Unsecured, considered good	62,076	63,075
		62,076	63,075
13	INVENTORIES		
	Finished goods (Valued at FIFO)	1,742,696	1,426,085
	Total	1,742,696	1,426,085
14	TRADE RECEIVABLES		
(a)	Trade receivables outstanding for a period exceeding 6 months due for payment.		
	Unsecured, considered good	14,000	393,781
(b)	Other Debtors:		
	Unsecured, considered good	103,577	614,950
	Total	117,577	1,008,731
15	CASH AND CASH EQUIVALENTS		
	Balances with banks	374,781	466,672
	Cash on hand	7,459	8,282
	Total	382,240	474,954
16	SHORT TERM LOANS AND ADVANCES		
	Staff advances		
	Unsecured, considered good	179,810	135,310
	Total	179,810	135,310
17	OTHER CURRENT ASSETS		
	Interest Accrued but not due	1,085,555	792,229
	TDS	1,049,968	1,056,155
	Pre-paid expenses	958,385	26,097
	Total	3,093,908	1,874,481



FIXED ASSETS TANGIBLE ASSETS

Note No.9	Particulars	Gross Block			Depreciation			Net Block			
		As at 1 April 2013 Rs.	Additions Rs.	Disposals Rs.	As at 31 March 2014 Rs.	As at 1 April 2013 Rs.	Depreciation for the year Rs.	Deletions Rs.	As at 31 March 2014 Rs.	As at 31 March 2013 Rs.	
a	Buildings	13,714,923			13,714,923				1,029,527	12,685,396	12,908,949
b	Plant and Equipment	2,105,895			2,105,895				2,105,895	0	5,031
c	Furniture and Fixtures	1,048,904			1,048,904				819,314	229,590	295,986
d	Vehicles	1,662,961		(513,621)	1,149,340			(513,621)	896,192	253,148	373,015
e	Office equipment	1,160,550	53,590		1,214,140				644,905	569,235	572,020
f	Computers	2,223,253	82,548		2,305,801				2,164,132	141,669	115,058
	TOTAL TANGIBLE ASSETS	21,916,486	136,138	(513,621)	21,539,003	7,646,427	527,159	(513,621)	7,659,964	13,879,039	14,270,059
	PREVIOUS YEAR	21,860,767	55,719	0	21,916,486	7,131,458	514,969	0	7,646,427	14,270,059	14,729,309



Note No.	Particulars	31st March 2014 Rs.	31st March 2013 Rs.
18	INCOME FROM OPERATIONS		
	Sale of products	1,130,731	2,399,085
	Sale of services	5,391,105	3,947,388
	Other operating revenues (Trading & Export sales)	220,350	816,500
	Total	6,742,186	7,162,973
19	OTHER INCOME		
	Interest Income	1,234,755	637,400
	Rent	526,126	489,380
	Other non-operating income	0	6
	Profit on sale of Fixed Assets	20,000	
	Total	1,780,881	1,126,786
20	TRADE PURCHASES		
	Purchase of software	117,822	1,022,858
	Total	117,822	1,022,858
21	CHANGE IN INVENTORIES OF FINISHED GOODS		
	Closing Stock	1,742,696	1,426,085
	Less: Opening Stock	1,426,085	1,404,757
	Total	(316,611)	(21,328)
22	EMPLOYEE BENEFITS EXPENSES		
	Salaries and incentives	3,679,700	3,865,758
	Contributions to Provident Fund	168,216	156,312
	Gratuity	60,409	11,839
	Staff welfare expenses	138,909	136,209
	Total	4,047,234	4,170,118
23	FINANCE COST		
	Exchange Fluctuation	32,079	24,285
	Interest expense	4,487	650
	Total	36,566	24,935
24	OTHER EXPENDITURE		
	Conveyance & Vehicle expenses	374,068	404,405
	Insurance	7,374	19,702
	Legal & Professional charges	137,000	160,659
	Electricity charges	295,655	262,257
	Internet Charges	88,825	117,326
	Directors Remuneration	636,000	636,000
	Repairs & Maintenance		
	(i) Buildings	13,268	10,000
	(ii) Plant and Equipments	63,404	70,911
	(ii) Others	36,103	22,906
	Travelling Expenses	360,156	177,168
	Taxes paid	5,660	18,326
	Rates & Taxes	20,673	14,640
	Auditors Remuneration		
	(i) As Auditors	55,000	55,000
	(ii) For Certification	2,504	4,562
	Other Expenses	451,815	371,594
	Total	2,547,505	2,345,456



Note No.	Particulars	31st March 2013 Rs.		31st March 2012 Rs.	
25	Related Party Disclosures:				
(a)	Parties with whom the Company had transaction				
(b)	Key Management Personnel				
	Mr. F.R. Bhote, Managing Director				
(c)	Remuneration and other Benefits to Key Management Personnel	726,982		725,010	
26	Segment Reporting:				
	The Company has only one segment i.e., Software. It has identified India and Global as two Geographic Segments				
	Segment Revenue:				
	India	6,521,836		7,162,973	
	Global	220,350		0	
	Total	6,742,186		7,162,973	
27	a) Investment in fixed deposit of Rs.1 crore is given on lien to HDFC Bank in respect of Bank Guarantee obtained for participating in a Tender.				
	b) Investment in fixed deposit of Rs.21.21 lakhs is given on lien to HDFC Bank in respect of Overdraft facility obtained.				
28	Following is the Gratuity liability recognised in the financial statements.				
	Opening Defined Benefit Obligation	138,533		126,694	
	Current Service cost	16,910		12,712	
	Interest Cost	11,083		10,136	
	Net actuarial (Gain)/loss Recognised in the year	32,416		(11,009)	
	Net Benefit Expenses	198,942		138,533	
	Closing defined benefit obligation	198,942		138,533	
	Liability				
(a)	Short Term Liability	60,409		11,839	
(b)	Long Term Liability	138,533		126,694	
	Assumptions				
	Discount Rate	8%		8%	
	Salary Rise	5%		5%	
29	Earnings per Share:				
	(Basic and Diluted)				
	Net Profit/(Loss)	1,382,139		392,390	
	No. of Equity Shares - Fully Paid	4,251,700		4,251,700	
	Earning per Share (Par Value Rs.10/-)	0.33		0.09	
30	Expenditure in Foreign Currency: (CIF Value):				
	Travelling	63,328		-	
	Purchases	117,822		437,158	
31	Earnings in Foreign Currency (FOB Value)	223,250		-	
32	Consumption of Software:	Rs.	%	Rs.	%
	Indigenous	32,513	3	-	-
	Imported	-	-	1,022,858	100
	Total	32,513	3	1,022,858	100
33	In the opinion of the Board of Directors, The Company does not have any impaired assets.				



Note No.	Particulars	31st March 2014 Rs.	31st March 2013 Rs.
34	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.		
35	In the opinion of the management, realisation from current assets will not be less than the amount at which they are stated in the Balance Sheet.		
36	Balances of Sundry Debtors, Creditors and loans and advances are as per books, subject to confirmation.		
37	Previous year figures have been recast / restated whenever necessary to conform to the classification of the current year		
38	Amounts in the financial statements are presented in Rupees. All the figures have been rounded to the nearest Rupee.		

Per our report of even date
For RAMANATHAM & RAO
Chartered Accountants
Firm No: S-2934

(C.KAMESWARA RAO)
PARTNER
Membership No: 24363

Place : Secunderabad
Date : 30th May, 2014

For and on behalf of the Board

FEROZ R. BHOTE
Managing Director

VINAY VIR
Director



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, Tirmulgerry, 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 31st Annual general meeting of the company, to be held on the 30th day of September, 2014 at 4.00 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 :

S.No.	Resolutions	For	Against
	Ordinary Business		
1.	To receive, consider and adopt the Profit & Loss Statement for the year ended on 31st March, 2014 and Balance Sheet as on that date together with notes and annexures thereto and the Report of Directors' and Auditors' thereon.		
2.	To appoint a Director in place of Mr. Vinay Vir who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Appointment of Statutory Auditors.		

Signed this..... day of..... 2014

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

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 Meeting.

BOOK - POST

If undelivered please return to :
HyperSoft Technologies Limited
28, Goyal Society, Moti Valley,
Tirmulgherry, Secunderabad- 500 015 A.P India.

