



QUALITY POLICY

At TRIGYN Technologies Limited, the management and the employees are committed to secure a long-term partnership with each customer. We are into the business of providing Custom Engineered Software Solutions, Product Development, Consulting Assignments, Software Migration & Maintenance. We want to be the preferred supplier of the products and services that we offer.

We intend doing this by:

- Ensuring that all products and services will provide complete satisfaction through meeting or exceeding the mutually agreed requirements and expectations consistently.
- Fostering a team environment where quality is everyone's responsibility.
- Promoting a philosophy of continuous improvement embraced by each and every employee.
- Inculcate awareness in all our employees to be responsible for what they produce.

Goals:

- To maintain and continuously improve Quality System based on ISO 9001-2008 standards.
- Achieve CMMI Level 5.
- Introduce / Inculcate TQM culture & Business Excellence to achieve:
 - Customer Delight
 - Empowered Employees
 - Higher Revenues
 - Lower Costs
- Improve Stakeholder Value
- Increase Customer Base
- Spread Geographical Base

BOARD OF DIRECTORS

R. GANAPATHI - Chairman and Executive Director

Ms. P. BHAVANA RAO - Executive Director

Dr. P. RAJA MOHAN RAO - Non - Executive Director

C.V. RAO - Non - Executive Director

Dr. C. RAO KASARABADA - Non - Executive Director

VIVEK KULKARNI - Independent Director

MAULIK SHAH - Independent Director

CH. V.V.PRASAD - Independent Director

VIVEK KHARE - Independent Director

Dr. B. R. PATIL - Independent Director

FINANCE MANAGER
ROHIT KOLI

COMPANY SECRETARY
PARTHASARATHY IYENGAR

AUDITORS
PRICE WATERHOUSE
CHARTERED ACCOUNTANTS

BANKERS
PUNJAB NATIONAL BANK
ING VYSYA BANK
HDFC BANK

REGISTERED OFFICE
UNIT 27, SDF I,
SEEPZ - SEZ, ANDHERI (E),
MUMBAI 400 096.

US OFFICE
100, METROPLEX DRIVE,
EDISON, NJ 08817 USA.

GERMANY OFFICE
JULIUS-MOSER –STR.9
D-75179 PHORZHEIM, GERMANY.

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NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of Trigyn Technologies Limited will be held on Friday, September 28, 2012 at 3.30 p.m. at HOTEL SUNCITY RESIDENCY 16th Road, MIDC, Marol, Andheri (E), Mumbai 400093 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2012 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C. V. Rao, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Maulik Shah, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Vivek Khare, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and for this purpose to consider, and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT M/s Ford, Rhodes, Parks & Co., Chartered Accountants be and hereby appointed as Auditors of the Company in place of retiring auditors M/s. Price Waterhouse, Chartered Accountants, who have expressed their unwillingness to hold office till the conclusion of the next Annual General Meeting at such remuneration as may be mutually agreed upon by the Board of Directors in consultation with them plus reimbursement of service tax and actual out of pocket expense".

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification the following resolution as an **Special Resolution**, the following:-

"RESOLVED THAT subject to the provisions of Section 198, 269, 309, Schedule XIII and such other applicable provisions if any of the Companies Act, 1956 and the rules and regulations made thereunder and any other approvals as may be required, the consent of the Company be and is hereby given for appointment of Mr. R. Ganapathi as the Executive Director of the Company for a period of three years with effect from April 1, 2012 to March 31, 2015 on a remuneration of Rs. 5,000,000/- p.a. (Rupees Fifty Lakhs only per annum).

RESOLVED FURTHER THAT the Board of Directors / Remuneration Committee of the Company be and is hereby authorized to alter, vary and modify the terms and conditions of appointment of Mr. R. Ganapathi in such manner as may be required to implement the above resolution".

By **Order of the Board of Directors**
For **Trigyn Technologies Limited**

Parthasarathy Iyengar
Company Secretary & Head - Legal

Regd. Office:
27, SDF I, SEEPZ, M.I.D.C.,
Andheri (East),
Mumbai - 400 096
Place : Mumbai
Date : August 27, 2012

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Explanatory Statement as required under Section 173 (2) of the Companies Act, 1956 in respect of Items no.6 is annexed hereto.
3. The Information required as per clause (c) of part II of the Schedule XIII in relation to appointment of Mr. R.Ganapathi is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 17, 2012 to Friday, September 28, 2012 (both days inclusive).
5. The instrument appointing a Proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before the time fixed for the meeting.
6. Members / Proxies should bring the Attendance Slip duly filled in and hand over the same at the entrance of the place of the meeting.
7. Members desiring any information on the business to be transacted at the meeting are requested to write to the Company at least ten days in advance to enable the Management to keep the information ready at the meeting, to the extent possible.
8. Members are requested to inform any change in their address immediately to the Company's Registrar & Transfer Agents in case physical shareholding or their respective Depository Participants so far as electronic shareholding is concerned.
9. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**Item No.6**

Mr. R. Ganapathi was appointed as Chairman and Executive Director on the Board of the Company for the period of three year with effect from April 1, 2012 to March 31, 2015, under Section 198, 269, 309, Schedule XIII and such other applicable provisions of the Companies Act, 1956.

A brief profile of the aforesaid Director pursuant to Clause 49 of the Listing Agreement is mentioned in elsewhere in the notice convening the meeting.

It would be in the interest of the Company to avail of the valuable experience, knowledge and guidance of Mr. R. Ganapathi.

The Board recommends the appointment of Mr. R. Ganapathi as Executive Director of the Company.

The information as required under Schedule XIII Part II 1(B)(IV) is given below.**I) GENERAL INFORMATION:**

- 1) Nature of Industry: Information Technology
- 2) Date or expected date of commencement of commercial production: Not Applicable (The Company is an existing Company)
- 3) In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus: Not Applicable
- 4) Financial performance based on given indicators:
Particular Period: April 1, 2011-March 31, 2012
Total Revenue: Rs. 3496.17 Lakhs
Profit (Loss) after Tax: Rs. 521.54 Lakhs
- 5) Export performance and net foreign exchange collaboration, if any:
Revenue (Export) : Rs. 2866.17 Lakhs
- 6) Foreign Investment or collaboration, if any: The Company has investment in the following overseas subsidiaries:
 - i) eCapital Solution (Bermuda) Ltd.

II) Information about the Appointee:

- 1) Background Details:

Mr. R. Ganapathi, aged 57, is an IIT, Madras graduate with a B.Tech Degree.

Mr. R. Ganapathi is the Chairman and Executive Director of Trigyn. He is also a fellow of the Indian Institute of Foreign

Trade. He gained a rich experience while working with Bharat Heavy Electricals Ltd. and Best & Crompton Ltd. has rich experience. He is actively involved in execution of welfare projects undertaken by Rotary Club, Chennai. He is having a marketing consultancy firm in the areas of power projects and power transmission. He is also associated with software training.

2) Past Remuneration: Rs.3,000,000/- p.a. (Rupees Thirty Lakhs Only p.a.).

3) Remuneration proposed:

Remuneration proposed to Mr. R.Ganapathi is Rs.5, 000,000/- p.a. (Rupees Fifty Lakhs Only p.a.)

4) Comparative remuneration profile with respect to industry, size of the Company, Profile of the position and person: The remuneration payable to the appointee has been benchmarked with the remuneration being drawn by similar positions in IT industry and such benchmark has been considered by the Remuneration Committee/Board of Directors of the Company.

5) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: The appointee has no pecuniary relationship directly or indirectly with the Company.

Mr. R Ganapathi is concerned or interested in resolution no.6 in respect of his own appointment.

III) Other Information

IT sectors is highly volatile to technology changes and also prone to the fluctuations in the foreign currency. Your Company earns major revenue from operations outside India. The profit earned by your Company in the current financial year may be inadequate for the payment of managerial remuneration. The Company has chalked out aggressive growth plans in various sectors of IT sector to boost the future revenues.

IV) Disclosure

The agreement between the Company and Mr. R. Ganapathi, inter alia contains the following terms and conditions:

(a) Basic Salary: Rs. 50,00,000/- per annum

(b) Perquisites: Mr. R. Ganapathi shall be entitled to the following Perquisites which shall not be included in the computation of the ceiling on remuneration:

Contribution to Provident Fund as per rules of the Company.

Mr. R. Ganapathi will also be entitled to reimbursement from the Company travelling, hotel and other expenses incurred by him in the course of business of the Company.

Mr. R. Ganapathi shall not so long as he functions as such, become interested or otherwise concerned in any selling agency of the Company in future without the prior approval of the Central Government / Company Law Board.

The agreement and the resolution of the Annual General Meeting referred to in the Resolution will be open for inspection by the members at the Registered Office of the Company on any working day between 11.00 a.m. and 1.00 p.m. prior to the date of the meeting.

This may also be treated as an abstract of the agreement and the Memorandum of Interest of Directors therein pursuant to the provisions of Section 302 of the Companies Act, 1956.

Your Directors are confident that re-appointment of Mr. R. Ganapathi as an Executive Director shall benefit the overall growth in business of the Company and therefore recommend the resolution for your kind approval.

Mr. R. Ganapathi is concerned or interested in the Resolution. Save as aforesaid, none of the other Directors of the Company is, in any way, concerned or interested in the Resolution.

By **Order of the Board of Directors**
For **Trigyn Technologies Limited**

Parthasarathy Iyengar
Company Secretary & Head - Legal

Regd. Office:

27, SDF I, SEEPZ, M.I.D.C.,
Andheri (East),
Mumbai - 400 096

Place : Mumbai

Date : August 27, 2012

Information pursuant to clause 49 of the Listing Agreement on the appointment and re-appointment of Directors**R. Ganapathi**

Mr. R. Ganapathi is an IIT, Madras graduate with a B.Tech Degree. He is also a fellow of the Indian Institute of Foreign Trade. He gained a rich experience while working with Bharat Heavy Electricals Ltd. and Best & Crompton Ltd. has rich experience. He is actively involved in execution of welfare projects undertaken by Rotary Club, Chennai. He is having a marketing consultancy firm in the areas of power projects and power transmission. He is also associated with software training.

Mr. C. V. Rao

Mr. C. V. Rao holds a degree in engineering from Bangalore University and has good technical knowledge of networks and telecom technology from the circuit switched networks to the full IP and the wireless 4G networks. He also completed his training in Japan in the field of CNC Wire Cut and CNC Milling and CAD/CAM etc. Having over 25 years' experience managing knowledge industries and building companies, currently as a Director of United Telecoms Ltd., he is responsible for revamping the R&D division and started products design and development of numerous products as well as building Broadband networks to roll out state of the art futuristic IPTV services.

Mr. Vivek Khare

Mr. Vivek Khare is a former Professional Manager having worked in India, Europe and North Africa with Mackinnon Mackenzie (then part of P&O), ITC and African Gulf Commercial Corp., S.A., finishing off as Director General (Chief Operating Officer) in 2001. He has a vast background in Shipping, Shipping Services, Tobacco and Agri Produce, Paper, Industrial Projects Implementation, International Trading and Contracting. He has facilitated the entry of a large Engineering Multinational into India and is an International Trade Consultant with vast Overseas Contacts. He has a Masters in History from Delhi University.

Maulik Shah

Mr. Maulik K Shah is a young entrepreneur aged 40 years with MBA in Marketing and Finance based in Ahmedabab. Mr. Shah has wide experience in International Trading, e-governance and Real Estate Development. Mr. Shah has made his valuable contribution in building World's 1st and largest IP network for e-governance in 2001 for the State of Gujarat and World's fastest e-governance network for the State of Goa. Mr. Shah strongly believes in identifying opportunity and converting that in to a business, developing strategy and strategic partnership for the growth and returns.

**By Order of the Board of Directors
For Trigyn Technologies Limited**

Parthasarathy Iyengar
Company Secretary & Head - Legal

Regd. Office: 27, SDF I, SEEPZ, M.I.D.C.,
Andheri (East),
Mumbai - 400 096

Place: Mumbai
Date: August 27, 2012

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Sixth Annual Report together with the audited accounts of the company for the year ended 31st March, 2012.

FINANCIAL RESULTS

Financial Results for the period ended March 31, 2012 are given below:

(Rs. In lakhs)

Item	Year ended March 31, 2012	Year ended March 31, 2011
Income		
Income from operations	3008.45	2746.92
Other Income	487.72	184.11
Total Revenue	3496.17	2931.03
Expenditure		
Operating and Other Expenses	2733.14	2297.29
Depreciation	93.72	89.73
Profit before Tax	669.31	544.00
Tax Expenses	147.77	0.00
Profit after Tax	521.54	544.00
Add : Exceptional Items	0.00	0.00
Net Profit	521.54	544.00

REVIEW OF OPERATIONS

During the year under review the income from operations was Rs. 3008.45 lakhs higher by about 9.52% against Rs. 2746.92 lakhs in previous year. Deducting there from the expenditure incurred and Rs. 93.72 lakhs for Depreciation, the Net Profit for the year stood at Rs. 521.54 lakhs. The net gain on foreign currency transactions and translations accounted for Rs. 357.82 Lakhs. The expenditure on account of Taxation amounted to Rs. 147.77 Lakhs.

Your Company has improved performance in the current fiscal and foresees a better future outlook.

TRANSFER TO RESERVES & DIVIDEND

In view of the carried forward losses the Board of Directors of your Company do not recommend any dividend for the year under review.

The Company has not made any transfer to the reserves during the year under review.

SUBSIDIARY COMPANIES**Exemption from attaching the Balance Sheets, etc. of the Subsidiary Companies with the Balance Sheet of the Company**

The Ministry of Corporate Affairs ("MCA") has vide its circular no. 02/2011 dated 8th February, 2011, granted a general exemption under Section 212(8) of the Companies Act from attaching copies of the Balance Sheet, Profit and Loss Accounts, Directors' Report and Auditors' Report of its subsidiary companies with the Balance Sheet of the Company, subject to fulfillment of certain conditions. In terms of the said circular, copies of the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and the Report of the Auditors of the Subsidiary Companies have not been attached to the Balance Sheet of the Company. The Company has presented Consolidated Financial Statements comprising Trigyn Technologies Limited and its subsidiaries duly audited by the Statutory Auditors of the Company. The Consolidated Financial Statements prepared by the Company are in compliance with the Accounting Standard AS-21 as prescribed by the Companies (Accounting Standards) Rules, 2006 and the Listing Agreement with the Stock Exchanges. The Annual Accounts and related documents of all the Subsidiary Companies shall be made available for inspection to the shareholders of the Company and its subsidiaries at the Registered Office of the Company from Monday to Friday during the working hours. The Company will also make available physical copies of such documents upon request by any Member of the Company or its subsidiaries interested in obtaining the same and the same would also be made available on the website of the Company. A statement under Section 212 (8) is annexed to this report as Annexure II.

MANAGEMENT DISCUSSION & ANALYSIS:

The Management Discussion & Analysis Report as annexed hereto and form an integral part of this report.

PUBLIC DEPOSITS

Your Company has not accepted any deposit within the meaning of Section 58A and 58AA of the Companies Act, 1956 during the years ended on March 31, 2012 and doesn't have any outstanding public deposits.

DIRECTORS

Mr. R. Ganapathi was appointed as Executive Directors of the Company with effect from April 1, 2012 for a period of Three years subject to the approval at the ensuing Annual General Meeting. Ms. P. Bhavana Rao was appointed as Executive Director for a period of three years with effect from April 1, 2012. Her remuneration being within the limits of Section 198 read with Sections 309, 310 and 269 and Schedule XIII part B the approval of Remuneration Committee and Board of Directors of the Company were duly accorded.

Mr. Maulik Shah, Mr. Vivek Khare and Mr. C.V. Rao directors of the Company who retire by rotation under Article 124 of the Article of Association of the Company, being eligible for re-appointment, offer themselves for re-appointment. A brief resume of the above mentioned Directors being appointed are attached to the Notice for the ensuing Annual General Meeting.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of and pursuant to Section 217 (2AA) of the Companies Act, 1956, in relation to the Annual Statement of Accounts for the Financial Year 2011-2012, your Directors state and confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. your 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 year;
3. your Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 as amended, for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; and
4. your directors have prepared the annual accounts on a "going concern" basis;

EMPLOYEE STOCK OPTION PLAN (ESOP):

Details required to be provided under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in Annexure I to this report.

CORPORATE GOVERNANCE:

A Report on Corporate Governance for the year 2011-12 is given separately in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY:

With a noble cause to help the deserving people in the society, during the year, your Company has donated Rs.560,000/- to the charitable institutions engaged in the activity of medical Centre, upliftment of the down trodden and assisting the old age people.

The donation amount is within the limits prescribed under Section 293(1) (e) of the Companies Act, 1956.

AUDITORS**a) Auditors Report:**

The Auditors Report form part of the Annual Report and your Directors are pleased to inform that there are no qualifications in the Auditors Report for the year ended March 31, 2012.

b) Appointment of Auditors

M/s. Price Waterhouse, Chartered Accountants, the existing Auditors retire at the ensuing Annual General Meeting of your Company. They have expressed their unwillingness in writing to be re-appointed as Auditors of the Company. It is therefore proposed to appoint M/s. Ford, Rhodes, Parks & Co., Chartered Accountants as statutory auditors of the Company. M/s. Ford, Rhodes, Parks & Co., Chartered Accountants has shown their willingness to be appointed as statutory auditors of your Company are qualified to be appointed under Section 224(1B) of the Companies Act, 1956. A resolution seeking your approval for the appointment of the said auditors has been included in the Notice convening the Annual General Meeting.

EMPLOYEES:

The Company has no employee whose Information is required to be given under the provisions of section 217 (2A) of the Companies Act, 1956 and the rules framed there under.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**A. CONSERVATION OF ENERGY**

Your company consumes electricity only for the operation of its computer and administration of its offices. Though the consumption of electricity is negligible as compare to the total turnover of the company, your company always endeavors to take effective steps to reduce the consumption of electricity.

RESEARCH & DEVELOPMENT

a)	Specific areas in which R&D carried out by the Company	N.A.
b)	Benefits derived as a result of the above R&D	N.A.
c)	Future plan of action	N.A.
d)	Expenditure on R&D	N.A.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company has not absorbed any new technology during the year under review. The statement pursuant to Sec 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Reports of Board of Directors) Rules, 1988 is hereunder

a)	Efforts made towards technology absorption, adaptation and innovation	N.A.
b)	Benefits derived as a result of the above efforts	N.A.
c)	Information regarding Imported Technology	N.A.

C. FOREIGN EXCHANGE EARNING/OUTGO:

The foreign exchange earnings of your Company during the year were Rs. 285,473,559/-(Previous year Rs. 272, 349,741/-) while the outgoings were Rs. 62,706,382/- (Previous year Rs.39, 360,422/-).

ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation of the contribution made by employee at all level to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation for the support provided by the Company's Bankers, Customers, Vendors, SEEPZ, regulatory and government authorities in India and abroad.

For Trigyn Technologies Limited

Sd/-

R. Ganapathi
Chairman and Executive Director

Place: Mumbai

Date August 27, 2012

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Directors including Executive Directors, Nonexecutive Directors and Senior Management Officials, which is available on the Company's web site.

I confirm that the Company has in respect of the financial year ended March 31, 2012, received from the Senior Management Officials of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Officials means personnel on the key management positions in the Company as on March 31, 2012.

For Trigyn Technologies Limited

R. Ganapathi
Chairman and Executive Director

Mumbai

Date: August 27, 2012

**INFORMATION REGARDING EMPLOYEE STOCK OPTION PLAN
(As on March 31, 2012)**

Annexure I

Sr.	Particulars	ESOP – 2000	ESOP – 1998
1	Number of stock options granted	10,78,000	31,000
2	Pricing Formula	Market Price	Rs.265 per option or prevailing market price whichever is higher
3	Number of options vested	5,59,950	500
4	Number of options exercised	Nil	Nil
5	Total number of shares arising as a result of exercise of option	Nil	Nil
6	Number of options cancelled / lapsed	Nil	Nil
7	Variation of terms of options	Exercise Period extended upto May 6, 2020	Nil
8	Money realized by exercise of options	Nil	Nil
9	Total number of options in force	5,59,950	500
10	employee wise details of options granted to:		
	(i) senior managerial personnel	Mr. R. Ganapathi – 1,00,000 Mr. Homi Panday – 2,40,000 Mr. Thomas Gordon – 1,50,000	Nil
	(ii) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Nil	Nil
	(iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Same as (i) above	Nil
11	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share	1.75	1.75
12	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Nil	Nil
13	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	No options were granted during the year	No options were granted during the year
14	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	Nil	Nil
	(i) risk-free interest rate,	Nil	Nil
	(ii) expected life,	Nil	Nil
	(iii) expected volatility,	Nil	Nil
	(iv) expected dividends,	Nil	Nil
	(v) the price of the underlying share in market at the time of option grant.(in Rs.)	Nil	Nil

Annexure I

Information on Subsidiary Companies					
As per Direction from Government of India, Ministry of Corporate Affairs vide General Circular No: 2 / 2011 No. 51/12/2007-CL-III dated February 8, 2011					
Statement under Section 212 (8) of the Companies Act, 1956 (All figures in Rs.)					
Particulars	Leading Edge Infotech Limited	eCapital Solutions (Bermuda) Limited	Trigyn Technologies (India) Private Limited	Trigyn Technologies Inc.	Trigyn Technologies Europe GmbH
Capital	5,000,000	151,312,960	147,104,400	486	1,377,420
Reserves	-	281,009,437	-	166,020,348	32,830,243
Total Assets	2,801,093	53,572,065	22,259,352	800,122,626	800,450
Total Liabilities	14,974,387	9,357,009	210,545,150	634,101,792	76,214,074
Details of Investment (Except in case of Investment in the subsidiaries).	50,000	-	485,600	-	-
Turnover	2,715,916	-	2,135,814	2,719,606,512	1,642,999
Profit / (Loss) before Taxation	(1,314,647)	(866,818)	(8,284,553)	99,023,947	(703,846)
Provision for Taxation	-	-	-	33,498,468	-
Profit / (Loss) after Taxation	(1,314,647)	(866,818)	(8,284,553)	65,525,479	(703,846)
Proposed Dividend	-	-	-	-	-
Reporting Currency	INR	BMD	INR	USD	EURO
Exchange Rate as on March 31, 2012.	-	51.8521	-	51.8521	69.1593
The annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.					
The annual accounts of the subsidiary companies shall be kept for inspection by any shareholders in the registered office of Trigyn Technologies Limited and of the subsidiary companies concerned.					

Note: Corresponding figures for previous year presented have been regrouped, wherever necessary to confirm to the current year's classification.

MANAGEMENT DISCUSSION & ANALYSIS

Overview

Trigyn Technologies Ltd., earlier known as Leading Edge Systems Ltd., (“Trigyn” or the “Company”) is a leading IT solutions and services Company with global operations, delivering cost effective and quality end to end solutions and services. Trigyn’s services help its customers to integrate business processes with technology and to operate in a marketplace that is no longer constrained by time and distance, thus providing a sustainable competitive advantage to its customers. The Company has a presence in the domains of International Organizations, Non-Governmental Organizations, State and Local Governments, and the Commercial sector including Financial Services, Pharmaceutical, Manufacturing and Distribution. The Company offers a comprehensive range of service offerings including Offshore Development and Maintenance Solutions and Services, Staff Augmentation, Managed Services, and Business Process Outsourcing. These services include Application Development and Maintenance, Reengineering, 24X7 Support Services, and more. The Company maintains Centers of Excellence in its Offshore Development Center focused on technologies which include Microsoft SharePoint (MOSS), Microsoft .Net, J2EE, Open Source, EMC’s Documentum, Helpdesk Services, Financial Products support for the Asia marketplace and others.

Quality

Trigyn maintains the prestigious CMMI for Development certification which it acquired during fiscal year 07-08 (CMMI Version 1.2 Level 3), which implies that strong management practices and processes are in place, and which aids in the planning and execution of projects. There is also a continuous effort to improve the quality management process which is evidenced by the Company’s ISO 9001:2008 recertification, and a commitment by the Company to achieve even higher levels of quality certifications throughout its operations. The Total Quality Management & Business Excellence culture followed by the Company, seeks to achieve a number of goals including:

- Customer Delight
- Respect for the Individual
- Honesty and Fairness
- Innovate, Achieve, Excel

Corporate Citizenship

Trigyn is committed to understanding and reducing the environmental impact of the Company and its employees in all geographies where we provide services. We are committed to improving the lives of our employees and those in the communities where we operate. Trigyn has engaged in a number of alternative “Green Energy” initiatives with its customers. These include:

- Green IT Operations & Data Centers
- Development of Green Technologies and Alternative Energy training programs
- Producing a Green Alternative Energy Guidelines Booklet

Diversity and Gender Equality

Trigyn is committed to diversity across all of the geographic locations where it provides services and solutions to its customers. To this end, the Company continues to enter into contracts with several US based Minority and Women owned businesses. Outside of the US, the Company has undertaken a number of initiatives aimed at broadening the diversity of its work force, from its operations in India to a number of its work locations around the globe. Trigyn has also taken steps to ensure Gender Equality throughout its operations and has launched specific initiatives to ensure Gender Equality throughout all facets of its operation. Trigyn developed and adopted an Affirmative Action Plan in the US, to ensure operational compliance with its objectives and values.

Solutions & Services

● Offshore Development Center (ODC) Services

Trigyn operates a highly effective, efficient and proven Offshore Development Center (ODC) based in Mumbai, India. Trigyn provides a host of services for its customers from its ODC, these include; 24X7 Helpdesk and Support Services, Application Development and Maintenance Services, Reengineering Services, Content Management Services, Web Application and Support Services, and Business Process Outsourcing Services. There is an ongoing endeavor to leverage the Company’s quality achievements which include CMMI Version 1.2 Level 3 process maturity, as well as its ISO 9001:2008 certification, to add value to its esteemed customer’s investments and to manage the delivery and

support services provided by the Company. The Company prides itself on having a proven team to oversee the ODC, along with a highly integrated and automated set of tools to track, manage and maximize its human capital resources, control risk and provide transparency in all its operations to ensure its customers remain satisfied and receive value from its services. To ensure that these objectives are achieved, the Company implemented an industry leading tool called Digité, during the fiscal year 07-08, which is used by a number of its multinational competitors.

- **Managed Services**

Trigyn's experience providing large scale Managed Services is extensive. Trigyn has delivered large scale Managed Services engagements globally, across 14 countries and has established infrastructure, management resources, and methodologies that ensure success. Trigyn has the experience to meet and exceed the most demanding Service Level Agreements (SLAs) in very challenging environments. Trigyn is able to mobilize and deploy IT and other logistical services resources to some of the most remote locations on earth. Today, Trigyn has over 400 highly skilled resources working in its Managed Services operation, providing services in more than 14 different countries. The services provided are as diverse as the resources deployed and include the following:

- Communications Infrastructure
- Information Technology
- Applications and Network Development & Support
- Website and Portal Development & Support
- Satellite / Radio / Broadcasting
- Radio / Broadcasting
- Video Conferencing
- VHF / UHF / HF
- Digital Trunking / Digital Microwave

Trigyn's Managed Services offerings provide a host of benefits to our clients, including:

- Improved service levels, security and availability
- Extended capabilities without the need to add staff
- Ability to manage change with agility & excellence
- Ability to align IT with business strategy
- Staff Augmentation Services

Trigyn operates a highly refined, mature and integrated Staff Augmentation business which provides qualified and reliable resources to its customer over a broad range of technologies and in diverse geographic locations. This operation is headed by a team of industry veterans with extensive industry knowledge and staffed by seasoned resource specialists both in the US and in our ODC facility in Mumbai, India. The Company has invested in human capital and tools to ensure that this sector of its business can respond to the highly competitive nature of this business and has achieved significant success measured by the growth in its base of esteemed customers. At the core of this offering is a fully integrated Resource Management System (RMS), which allows for the seamless integration of opportunities from around the globe to be sourced by the most cost effective means and managed from multiple locations. The Company continues to enjoy much success from its continued focus on the diversification of its Staff Augmentation business. The Company continues to add to its portfolio of clients in the International Governments, Non-Governmental, State and Local Governments and Commercial sectors. Most of the resources placed fall into the following areas or domains:

- Project Managers & Business Analysts
- Software Architects, Developers, Designers and Testers
- Helpdesk and Network Support Resources
- Network & Infrastructure Engineers
- ERP Technical and Functional Resources (SAP & Oracle)
- Web Architects, Developers, Designers and Usability Specialists

Organizational Strategy

The Management of Trigyn follows the Organizational Strategy and Roadmap put in place during fiscal year 07-08 and continued to implement a series of initiatives to streamline and refocus the Company to achieve certain objectives. A

number of these objectives include:

- Enhanced integration of the Company's US subsidiary, Trigyn Technologies Inc., with e-Government, and related initiatives being pursued across other geographies by the Company.
- Continued focus on consolidating overhead to least costly geographies, to realize savings and enhance service offerings as a result of further integration, automation, knowledge transfer and training.
- Reevaluation of initiatives in geographies where economic conditions are no longer favorable for continued expansion efforts and such geographies can be serviced through partnerships or from other locations. This activity would be carried out subject to obtaining requisite statutory approvals from the concerned authorities.
- Focus on the retention and development of existing talent through the offering of incentives such as stock options, optimum compensation structures, training and promotion from within.
- Ensure strict compliance of all laws and regulations in all regions where we operate and identify and bring to the fore all issues of non-compliance.

Industry Outlook

Trigyn is well positioned to continue to grow along with the industry. With the continued economic slowdown which has impacted the US and EU markets, the advantages for companies operating in resource rich markets such as India, will continue to prove to be a source of stability and growth.

It has also been widely reported in the past from several multi nationals with multi-country operations as well as syndicated analysts comparing the various sourcing locations that India offers the best "bundle" of benefits being sought by the global sourcing industry.

Opportunities

Trigyn is well positioned to leverage the expanding human capital at its disposal through its unique global footprint anchored by its Offshore Development Center (ODC) in Mumbai, India. Trigyn has made impressive progress over the past few years on a number of fronts to ensure its continued growth. Trigyn has a stable operating management team which averages over 5 years with the Company and 15-20 years of industry experience. It has tenaciously and deliberately moved to ensure that its business is derived from multiple sources including Offshore Development, Managed Services and Staff Augmentation, as well as across diverse geographies such as the US, Europe, Africa and Asia. It has worked hard to ensure that a number of the critical business functions are serviced by resources in its ODC and has integrated the cultures across its operations.

Results of Operations

- Total Income

The total income of Trigyn for the year 2011-12 was Rs. 3008.45 lakhs as compared to Rs. 2746.92 lakhs during the year 2010-11. The increase in revenue was primarily due to the higher volume of business during the year under review.

- Total Expenditure

The total expenditure including interest and depreciation of Trigyn for the year 2011-12 was Rs. 2826.86 lakhs as compared to Rs. 2387.03 lakhs during the previous year. Cost control was a priority of the Management during the year and the total expenditure more than proportionately reduced over the last year due to measures initiated to contain direct and indirect costs.

- Gross Profit

The Gross Profit of Trigyn was Rs. 669.31 lakhs for the year 2011-12 as compared to Gross Profit of Rs. 544.00 lakhs during the previous year.

- Net Profit

The Net Profit of Trigyn was Rs. 521.54 lakhs for the year 2011-12 as compared to a profit of Rs. 544.00 lakhs during the previous year.

The Company mainly operates in a single segment i.e. Information Technology Services and therefore segment reporting as required under Accounting Standard -17 is not applicable.

Threats

The business revenues are sourced predominantly from the US market. Given the prolonged economic impact in this market, Trigyn's business could be adversely impacted. This impact could also be felt by the State and Local

Governments, as these entities are negatively impacted by a loss of tax revenues and institute budget cuts for resources and postpone or cancel projects. Another area of concern for the Company is the increasing level of competition across the IT services industry. With a shrinking number of client dollars and more competitors chasing these dollars, the threat to revenue and equally as significant, profit margins, become ever more likely.

Risks and Concerns

The revenue growth and profitability of the business of Trigyn is subject to the following:

- Changes in the domestic and international economic and business conditions
- Commoditization of the Offshore Software Services business
- Foreign exchange rate fluctuations
- Length of the sales cycle
- Success in expanding the global operations through direct sales force and indirect distribution
- Economic downturn impacting our customers
- Activities of our competitors
- Allocation and availability of resources
- Over reliance on business from one client, the United Nations.

Based on the preceding factors, the Company could experience a shortfall in revenues or earnings or fail to meet the public market expectations, which could materially and adversely affect the business operations, financial condition and market price of the Company's shares on the stock market.

Internal Controls and Adequacy

Trigyn continuously reviews its Internal Control system in order to further strengthen and make it commensurate with the size and nature of the business which currently is well defined and commensurate with the scale of operations of the Company.

Human Resource

The Company believes that effective human resource administration is the best way to ensure that personnel needs are well integrated and amalgamated in to long term organizational goals. Effective employee management tops the priority of the Human Resource Department of the Company.

The Company has overall 1050 employees including the employees of it's overseas subsidiaries.

Cautionary Statement

Some of the statements made in this section may contain certain 'forward looking statements' within the meaning of securities laws and regulations in force. Facts which are not historical in nature and include but are not limited to Trigyn business, financial condition, business strategy, plans relating to products and services, future prospects or any related assumptions thereto should be deemed to be 'forward looking statements' and should be considered as such. These 'forward looking statements' are inherently subject to risks and uncertainties, beyond the control of Trigyn and accordingly the actual results could differ materially from those indicated by the 'forward looking statements'. Trigyn shall not be liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein nor would be under any obligation to update the 'forward looking statements' to reflect the developments of events or circumstances hereafter.

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY:

Trigyn Technologies Limited ("the Company") believes in conducting its affairs in a fair, transparent and professional manner and maintaining the good ethical standards in its dealings with all its constituents.

The Company is committed to follow good Corporate Governance practices, which include having professional Directors on the Board, adopting pragmatic policies and effective systems and procedures and subjecting business processes to audits and checks measuring upto required standards.

The driving force behind the Company's management is "Tomorrow's Progress Today" and backed by "A culture of High - Tech and Quality". The Company quality policy is "To satisfy customer needs and retain leadership by delivering quality services through continuous improvement by motivated employees".

The policies and actions of the Company are in terms of applicable guidelines on Corporate Governance with endeavor to enhance shareholders' value. Pursuant to Clause 49 of the Listing Agreement of Stock Exchanges, the following details are presented:

BOARD OF DIRECTORS

The Board of Directors as on March 31, 2012 comprises of ten Directors, of which five are Independent Directors. The Chairman is an Executive Director.

The Company's Board of Directors met five times during the year 2011-12 and the minimum required information has been placed before the Board. The Board Meetings took place on May 10, 2011, August 12, 2011, August 24, 2011, November 9, 2011 and February 10, 2012.

The Composition of the Board, attendance at Board Meetings (BM) held during the financial year under review and the last Annual General Meeting (AGM), number of Directorships, Memberships/Chairmanships in Public Companies and their shareholding in the Company are as follows

Name	Category	FY Attendance at 2011-12		No. of Directorships in other public companies @ March 31, 2012		Outside Committee positions held *	
		BM	Last AGM	Chairman	Member	Chairman	Member
Mr. R. Ganapathi	Chairman and Executive Director	5	Yes	-	5	-	6
Dr. P. Raja Mohan Rao	Non-executive Director	3	No	-	2	-	-
Mr. C.V. Rao	Non-executive Director	1	No	-	8	-	-
Ms. P. Bhavana Rao	Non-executive Director	1	No	-	5	-	-
Dr. C. Rao Kasarabada	Non-executive Director	1	No	-	1	-	-
Mr. Ch. V.V. Prasad	Independent Director / Non-Executive Director	5	No	-	10	-	-
Mr. Vivek Kulkarni	Independent Director / Non-Executive Director	0	No	-	1	-	-
Mr. Maulik Shah	Independent Director / Non-Executive Director	0	No	-	-	-	-
Mr. Vivek Khare	Independent Director / Non-Executive Director	5	Yes	-	-	-	-
Dr. B.R. Patil	Independent Director / Non-Executive Director	2	Yes	-	-	-	-

* only two committees i.e. the Audit Committee and Share Transfer/Investor Grievance Committee are considered.

@ excluding Directorship in Private and Foreign Companies

As on March 31, 2012, none of the Directors hold any share in the Company.

None of the Directors on the Board hold the office of Directors in more than 15 companies or memberships of committees in more than 10 committees or Chairmanship of more than 5 committees across all companies.

The information as required under clause 49 (IV) (G) of the Listing Agreement is annexed to the Notice of the Annual General Meeting.

AUDIT COMMITTEE

The Company has constituted an Audit Committee of Directors in accordance with the requirements of Section 292A of the Companies Act 1956 read with Clause 49 of the Listing Agreement. No personnel have been denied access to the audit committee.

The Committee elects the Chairman of the meeting from the Independent Directors present at the meeting in the absence of Mr. Vivek Khare.

Amongst other things, the Audit Committee oversees the Company's financial reporting process and disclosures of its financial information to ensure that the financial statements are correct, sufficient, factual and credible. This Committee also periodically reviews the compliance requirements and various internal processes and systems, internal and statutory audit processes and reports. During the year 2011-12, the Committee met five times, on May 10, 2011, August 12, 2011, August 24, 2011, November 9, 2011 and February 10, 2012.

The composition of the Committee and attendance at its meeting is as under

Name of the Director	Attendance at the Audit Committee Meetings
Mr. R. Ganapathi	5
Ms. P. Bhavana Rao	1
Mr. Ch. V.V. Prasad	5
Mr. Vivek Khare	5
Mr. Maulik Shah	Nil
Dr. B. R. Patil	2

The Audit Committee has the following powers:

- I. to investigate any activity within its terms of reference
- II. to seek any information from any employee
- III. to obtain outside legal and professional advice
- IV. to secure attendance of outsiders with relevant expertise, if it considers necessary

REMUNERATION COMMITTEE

The Company is not paying remuneration to any of the Non-Executive Directors other than sitting fees.

The Remuneration Committee of the Company consists of the following Directors:

Mr. Ch. V.V. Prasad – Independent Director

Mr. Vivek Khare - Independent Director

Mr. Maulik Shah – Independent Director

Mr. R. Ganapathi – Executive Director

Ms. P. Bhavana Rao – Executive Director

Remuneration paid to Directors during 2011 – 2012 is as given below

Names	Sitting fees (Rs.)	Remuneration including Salary & Perquisites (Rs.)	Contribution to PF	Service Contracts	Notice Period
Mr. R Ganapathi*	-	3,000,000/-	360,000/-	01-04-2009 to 31-03-2012	1 month
Ms. Bhavana Rao#	-	-	-	-	-
Mr. Ch. V.V. Prasad	100,000/-	-	-	-	-
Mr. Vivek Kulkarni	Nil	-	-	-	-
Mr. Vivek Khare	100,000/-	-	-	-	-
Mr. Maulik Shah	Nil	-	-	-	-
Dr. B. R. Patil	40,000/-	-	-	-	-

*The remuneration has been revised to Rs. 50,00,000/- per annum w.e.f. April 1, 2012 to March 31, 2015, contribution to PF will be Rs. 600,000/-, Service Contract will be April 1, 2012 to March 31, 2015 and Notice Period of 1 month. A special resolution seeking the approval of members is part of the Notice for the 26th AGM.

Mr. R. Ganapathi holds 1, 00,000 stock options granted at a price of Rs.22.40 each exercisable into equal number of equity shares as per the ESOP 2000.

#Ms. Bhavana Rao has been appointed as an Executive Director w.e.f. April 1, 2012 to March 31, 2015 at a remuneration of Rs. 12,00,000/-, contribution to PF Rs. 1, 44,000/-, Service Contract April 1, 2012 to March 31, 2015 and Notice Period of 1 month. Her appointment was approved by the members of the Remuneration Committee of the Board of Directors of the Company in its Meeting held on May 14, 2012 and the Board of Directors of the Company in their meeting held on May 14, 2012. Her appointment is within the limits of Schedule XIII, Part II, Section II (A) of the Companies Act, 1956.

Amongst other things, the issues under the purview of this Committee are the administration of employee stock options, the compensation policy for key personnel, etc. The Remuneration Committee also functions as the Compensation Committee as per SEBI guidelines on the Employee Stock Option Scheme.

SHARE TRANSFER / INVESTOR GRIEVANCE COMMITTEE

The shares of the Company are listed on Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. The trading thereof is done in demat mode. The Share Transfer / Investor Grievance Committee of the Company as of March 31, 2012 consist of the following Directors:

Mr. Ch. V.V. Prasad – Independent Director

Mr. Vivek Khare – Independent Director

Dr. B. R. Patil - Independent Director

Mr. Maulik Shah – Independent Director

Mr. R. Ganapathi – Executive Director

Ms. P. Bhavana Rao – Executive Director

The Committee elects the Chairman of the meeting from the Independent Directors present at the meeting.

Amongst other things, this Committee reviews critical Investor Grievances and ensures the issues of Investors, both large and small are addressed timely which are referred to by the Company Secretary or by the Company's Registrar & Transfer Agents ('RTA'). The Committee met thrice during the year, on May 10, 2011, September 19, 2011 and February 10, 2012. Mr. Vivek Khare, Mr. V. V. Prasad and Mr. R. Ganapathi attended the respective meetings.

During the year, the Company has not received any complaint from Investor and from any of the Stock Exchanges or SEBI. No share transfers were pending as on March 31, 2012.

The Company Secretary acts as a Secretary to all the aforesaid three Committees of the Board and also acts as a Compliance Officer.

GENERAL BODY MEETINGS

Details of the location of the Annual General Meetings held during the last three years

Financial Year	Date	Time
2008 – 2009	September 30, 2009	3.00 p.m.
2009 – 2010	September 30, 2010	3.30 p.m.
2010 – 2011	September 28, 2011	3.30 p.m.

The following special resolutions were passed during the last three Annual General Meetings (AGM) :

- At the 23rd AGM held on September 30, 2009 towards approval for appointment and payment of remuneration to Mr. R. Ganapathi and consent under Section 163 of the Companies Act, 1956 for change in office place of M/s Sharepro Services (India) Pvt. Ltd., the Registrar and Transfer Agents for keeping the Register and Index of members, returns and documents of the Company.
- At the 24th AGM held on September 30, 2010 towards approval for extension of period of ESOP Scheme 2000 up to May 6, 2020, approval for extension period of ESOPs granted to employees and non-executive director, approval for extension of ESOPs granted to employees of subsidiary company, approval for extension of period of ESOPs granted exceeding 1% of the issued share capital.
- At the 25th AGM held on September 28, 2011 no Special resolution was passed.

24th and 25th AGMs for the financial year 2009-10 and 2010-11 were held at All India Plastic Manufacturers' Association Auditorium, AIIPMA House, A-52, Street No.1, M.I.D.C., Andheri (E), Mumbai - 400 093. 23rd AGM for the financial year 2008-09 was held at Hotel Suncity Residency, 16th Road, MIDC, Marol, Andheri (E), Mumbai – 400093.

No postal ballots were used / invited for voting at these meetings.

DISCLOSURES

- a) The relevant details of all transactions with related parties given in Note to Accounts No. 30 of the audited Accounts for the financial year 2011-2012, forms part of this report also. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.
- b) No penalty or stricture has been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to the capital markets, during the last 3 years.

COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

i. Management Discussion and Analysis

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under clause 49 (IV) (F) of the Listing Agreement

ii. Subsidiary Companies

The Company did not have a material non-listed Indian Subsidiary during the financial year 2011-12.

iii. Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

iv. Disclosures on Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures which is periodically reviewed by the Board.

v. Proceeds from the Preferential Issue of equity shares

During the year 2011-12, the Company has not made any Preferential Issue of equity shares.

vi. Code of Conduct

The Company has adopted the code of conduct and ethics for Directors and senior management which is displayed on Company's website www.trigyn.com. In compliance thereof, a declaration by the Executive Director of the Company forms part of the Director's Report.

vii. CEO/CFO Certification

A certificate from the Executive Director and Chief Financial Officer on the financial statements of the Company was placed before the Board.

viii. Review of Director's Responsibility Statement

The Board in its report have confirmed that the annual accounts for the period ended March 31, 2012 have been prepared as per applicable accounting standards and policies and sufficient care has been taken for maintaining adequate accounting records.

The Company has adopted the mandatory requirements as per the listing agreement for Corporate Governance.

MEANS OF COMMUNICATION

The financial results are currently being published in the leading Newspapers like Business Standard (English) and Mumbai Maha Nayak (Marathi). These results are also made available on the Company's website www.trigyn.com after the respective Stock Exchanges are intimated. Official news releases, details of presentations or analyst meets, if any, and material press coverage received by the Company is also uploaded on the said website for the information of the shareholders.

GENERAL SHAREHOLDERS' INFORMATION

• Date, time and venue of the Annual General Meeting

September 28, 2012 at 3.30 p.m. at HOTEL SUNCITY RESIDENCY 16th Road, MIDC, Marol, Andheri (E), Mumbai 400093.

- **Financial Calendar (tentative and subject to change)**

April 1, 2012 to March 31, 201

Financial reporting for the Quarter ended June 30, 2012	Board Meeting was held on August 10, 2012
Financial reporting for the Quarter/ Half Year ended September 30, 2012	On or before November 15, 2012
Financial reporting for the Quarter ended December 31, 2012	On or before February 15, 2013
Financial reporting for the Quarter ended March 31, 2013	On or before May 15, 2013
Annual General Meeting for the year ended March 31, 2013	On or before September 30, 2013

- **Date of Book Closure**

September 19, 2012 to September 28, 2012 (both days inclusive)

- **Dividend Payment Date**

No dividend has been declared by the Company during the year 2011-12

- **Listing on Stock Exchanges**

The Company is listed on:

Bombay Stock Exchange Ltd. (BSE) under Scrip Code 517562

National Stock Exchange of India Ltd. (NSE) under Scrip Code TRIGYN

The Annual Listing Fees in respect of the equity shares of the Company has been paid for the year 2012-13.

- **Stock Market Price Data**

During the year, the monthly High and Low prices of the Company's script were as under

Month / Year	Bombay Stock Exchange		National Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2011	24.70	20.50	24.70	20.10
May, 2011	21.20	17.00	21.65	17.10
June, 2011	19.75	16.65	20.10	16.55
July, 2011	20.40	16.25	21.00	16.00
August, 2011	16.70	13.25	16.85	12.55
September, 2011	15.50	12.35	15.10	12.25
October, 2011	16.29	12.40	15.50	12.60
November, 2011	14.89	12.33	14.90	11.65
December, 2011	15.20	10.16	15.15	10.30
January, 2012	14.00	10.55	15.10	10.50
February, 2012	19.14	13.30	19.95	13.05
March, 2012	18.80	12.00	16.40	12.10

- **Performance of the Company's share prices vis-à-vis the BSE SENSEX & NSE NIFTY**

Month / Year	BSE closing price	SENSEX closing	NSE closing price	NIFTY closing
April, 2011	20.90	19,135.96	20.95	5749.50
May, 2011	18.20	18,503.28	18.30	5560.15
June, 2011	17.55	18,845.87	17.65	5647.40
July, 2011	16.70	18,197.20	16.70	5482.00
August, 2011	14.30	16,676.75	14.30	5001.00
September, 2011	12.60	16,453.76	12.65	4943.25
October, 2011	13.25	17,705.01	13.50	5326.60
November, 2011	13.31	16,123.46	13.20	4832.05
December, 2011	10.55	15,454.92	10.95	4624.30
January, 2012	13.54	17,193.55	13.80	5199.25
February, 2012	15.82	17,752.68	15.80	5385.20
March, 2012	13.35	17,404.20	13.05	5295.55

- **Registrar and Transfer Agents**

- **M/s. Sharepro Services (India) Pvt. Ltd.**

- Unit: Trigyn Technologies Ltd.

- Samhita Warehousing Complex,

- 13 AB, Gala No. 52, 2nd Floor,

- Nr. Sakinaka Telephone Exchange,

- Off. Kurla Andheri Road,

- Sakinaka, Mumbai 400072.

- Tel.: 022 - 67720300 / 67720309

- Fax: 022 – 28591568

- E-mail: laxmanp@shareproservices.com / parving@shareproservices.com

- sharepro@vsnl.com

- **Share Transfer System**

The Company processes share transfers and such related issues twice in a month. Transfer or transmission documents which are complete in all respects are returned to the respective Shareholders / Lodgers within 30 days of lodgment. Since the Company's shares are currently being traded in dematerialised form, the shareholders are requested to send the shares if held in physical form, directly to their Depository Participant (DP), which would, then by sent to the Registrar and Transfer Agents for dematerialisation.

Based on the information given by our Registrars and Transfer Agents, no shareholder complaints were pending as on March 31, 2012. The complaints mainly related to issues related to revalidation of warrants, change of address, etc

- **Distribution of Shareholding as on 31st March, 2012**

Shareholding in No. of shares	Shareholders		Shares	
	Nos.	% to Total	Nos	% to Total
Less than 500	10356	76.626	1982743	6.756
501 – 1000	1551	11.476	1339346	4.564
1001 – 2000	772	5.712	1219464	4.155
2001 – 3000	248	1.835	642508	2.189
3001 – 4000	141	1.043	506977	1.727
4001 – 5000	118	0.873	564502	1.923
5001 – 10000	176	1.302	1288378	4.390
10001 and above	153	1.132	21804818	74.296
Total	13515	100.000	29348736	100.000

- **Shareholding Pattern as on 31st March, 2012**

Category	No of shares held	Percentage of shareholding
Promoter's Holding		
Promoters		
- Indian Promoters	1,41,59,020	48.24
- Foreign Promoters	-	-
Persons Acting in Concert	--	-
Sub-Total	1,41,59,020	48.24
Non- Promoters Holding		
Institutional Investors	-	-
Mutual Funds and UTI	-	-
Banks, Financial Institutions, Insurance Companies, (Central/ State Govt. Institutions/Non-Government Institutions)	-	-
FII's	3,400	0.01
Sub-Total	3,400	0.01
Others		
Bodies Corporate	17,07,211	5.82
Indian Public	12,807,139	43.63
NRIs	521,966	1.78
Foreign National	1,50,000	0.51
Sub-Total	15,186,316	51.74
Grand Total	29,348,736	100

- **Dematerialisation of Shares**

The shares of the Company are traded in a compulsory demat mode under ISIN: INE948A01012.
As on March 31, 2012, 99.14 % shares of the Company have been dematerialised.

- **Locations of Offices and Development Centre**

Registered / Corporate Office
Unit 27, SDF-I,
SEEPZ, Andheri (East),
Mumbai 400096
US Office
100, Metroplex Drive,
Edison, NJ 08817,
USA

- **Address for Shareholder Correspondence**

The Company has already displayed on its website a designated email ID viz.ro@trigyn.com, of the grievance redressal division for the purpose of registering complaints / correspondence by investors in terms of clause 47 (f) of the listing agreement.

All Shareholders / Investors should address their correspondence to:

Mr. Laxman Poojari/ Mr.Pravin Golatkar
Senior Manager

Sharepro Services (India) Pvt. Ltd.
Unit : Trigyn Technologies Limited
Samhita Warehousing Complex,
13 AB, Gala No. 52, 2nd Floor,
Nr. Sakinaka Telephone Exchange,
Off. Kurla Andheri Road,
Sakinaka, Mumbai 400072.

Tel. : 022 - 67720300 / 67720309
Fax : 022 – 28591568

E-mail : laxmanp@shareproservices.com
praving@shareproservices.com

Mr. Parthasarathy Iyengar

Company Secretary & Head - Legal
Trigyn Technologies Limited

Unit 27, SDF-I,
SEEPZ, Andheri (East),
Mumbai 400096

Tel. : 022 – 6140 0909, 022 – 6140 0888
Fax : 022 – 28291418

E-mail : ro@trigyn.com

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the members of **Trigyn Technologies Limited**

We have examined the compliance of conditions of Corporate Governance by **Trigyn Technologies Limited** for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and 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 Agreements.

We 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 Price Waterhouse
Chartered Accountants
Firm Registration No: **012754N**

Vilas Y. Rane
Partner
Membership No: F - 33220

Mumbai
August 27, 2012

PERFORMANCE AT A GLANCE

(Rs. In Millions)
for the year ending March 31,

	2012	2011	2010	2009	2008
Total income	349.62	293.10	270.60	245.97	158.48
Operating expenses	269.76	226.72	191.36	139.51	112.51
Operating profit	79.86	66.38	79.24	106.47	45.97
Interest and finance charges	3.56	3.00	3.30	2.90	1.85
Depreciation	9.37	8.97	7.99	5.52	3.25
Profit before taxes	66.93	54.40	67.95	98.05	40.87
Taxation	14.78	-	0.08	0.86	0.67
Net profit / (loss)	52.15	54.40	67.87	97.19	40.20
<u>Share Capital</u>					
Equity	293.49	279.04	265.03	250.05	249.90
Preference	-	-	-	0.00	0.00
Reserves & Surplus	733.80	668.91	602.37	481.95	378.74
Net worth	1,027.28	947.95	867.40	732.01	628.64
<u>Performance Indicators</u>					
as a % of total income					
Operating Margin	22.84	22.65	29.28	43.28	29.01
Net Margin	14.92	18.56	25.08	39.51	25.37
Taxation	4.23	-	0.03	0.35	0.42
Taxation / Net profit / (loss)	22.08	-	0.12	0.88	1.63
Current Ratio	4.26	4.24	4.46	2.31	2.24
Total income/net working capital(times)	0.64	0.61	0.67	0.96	1.17
Receivable (in days)	275.59	187.01	170.95	159.26	145.07
<u>Investment Indicators</u>					
Book value per share	35.00	33.97	32.73	29.27	25.16
Earnings per share	1.79	2.05	2.71	3.89	1.61
Share price as on March 31, (BSE) Rs.	13.35	21.30	20.10	8.00	17.60
Market capitalisation (in millions)	391.81	594.35	532.71	200.04	439.83

AUDITORS' REPORT TO THE MEMBERS OF TRIGYN TECHNOLOGIES LIMITED

1. We have audited the attached Balance Sheet of **Trigyn Technologies Limited** (the "Company") as at March 31, 2012, and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the 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 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 dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on March 31, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, 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 March 31, 2012;
 - (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Price Waterhouse**
Chartered Accountants
Firm Registration Number: 012754N

Vilas Y. Rane
Mumbai Partner
Membership Number: 33220

Date: August 27, 2012

Annexure to Auditors' Report

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Trigyn Technologies Limited on the financial statements as of and for the year ended March 31, 2012

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets, except for certain items of fixed assets purchased in earlier years, in respect of which the records are being updated.
 - (b) The fixed assets of the Company have not been physically verified by the management during the year.
 - (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. The Company did not held any inventories during the year. Accordingly, the provisions of paragraph 4 (ii) (a), (b) and (c) of the said Order are not applicable.
3. (a) The Company has granted interest free unsecured loans, to companies covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loans aggregated to Rs. 232,885,104 and Rs. 232,885,104, respectively. These loans have been already provided as doubtful of recovery to the extent of Rs. 227,640,448.
 - (b) The terms of repayment of the said loans are not stipulated. Hence, we have no comment on regularity of repayment of principal amounts.
 - (c) The Company has not taken any loans, secured or unsecured, from companies, firms and other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of paragraph 4(iii)(f) and 4(iii)(g) of the Order, are not applicable
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, during the year there have been no contracts or arrangements referred to in Section 301 of the Act to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company needs to strengthen its internal audit system to make it commensurate with the size of the Company and the nature of its business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, investor education and protection fund, income tax, wealth tax, service tax and other material statutory dues, as applicable, with the appropriate authorities. As explained to us, the provisions of sales tax, customs duty and excise duty are not applicable to the Company.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax as at March 31, 2012 which have not been deposited on account of a dispute are as follows

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act 1961	Income tax demand	122,547,027	Assessment year 2007 – 2008	Income Tax Appellate Tribunal
Income tax Act 1961	Income tax demand	19,718,246	Assessment year 2008 - 2009	Additional Commissioner of Income Tax
Income tax Act 1961	Income tax demand	18,810,020	Assessment year 2010 – 2011	Assistant Commissioner of Income Tax

10. In our opinion and according to the information and explanations given to us, the Company's accumulated losses exceed fifty of its net worth at the end of the financial year under reporting. The Company has neither incurred cash losses in the financial year under report nor in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken loans from any financial institution or bank or debenture holders as at the balance sheet date.
12. 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. The provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. The Company has not obtained any term loans.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion, and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The Company has made preferential allotment of shares to promoter company covered in the register maintained under Section 301 of the Act during the year. In our opinion, and according to the information and explanations given to us, the price at which such shares have been issued is not prejudicial to the interest of the Company.
19. The Company has not issued any debentures during the year; and does not have any debentures outstanding as at the year end.
20. The Company has not raised any money by public issues during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **Price Waterhouse**
Chartered Accountants
Firm Registration Number: 012754N

Vilas Y. Rane
Partner
Membership Number: 33220

Mumbai
Date: August 27, 2012

BALANCE SHEET AS AT MARCH 31, 2012*(Figures in Rupees)*

	Note No	As at March 31, 2012	As at March 31, 2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	293,487,360	279,037,360
Reserves and surplus	4	733,795,844	668,910,945
Equity share warrants	5	-	6,795,113
		<u>1,027,283,204</u>	<u>954,743,418</u>
CURRENT LIABILITIES			
Trade payables	6	8,445,853	6,356,498
Other current liabilities	7	152,935,074	139,746,932
Short-term provisions	8	6,134,464	3,710,950
		<u>167,515,391</u>	<u>149,814,380</u>
Total		<u>1,194,798,595</u>	<u>1,104,557,798</u>
ASSETS			
NON - CURRENT ASSETS			
Fixed assets			
- Tangible assets	9	10,906,876	8,304,368
- Intangible assets	9	5,826,314	7,470,647
- Capital work-in-progress		185,000	185,000
		<u>16,918,190</u>	<u>15,960,015</u>
Non-current investments	10	456,803,600	456,803,600
Deferred tax assets (net)	11	8,056,194	-
Long-term loans and advances	12	147,502,884	30,031,933
Other non-current assets	13	78,978,496	72,556,325
		<u>691,341,174</u>	<u>559,391,858</u>
CURRENT ASSETS			
Trade receivables	14	227,149,525	140,742,650
Cash and bank balances	15	63,895,974	183,980,155
Short-term loans and advances	16	30,510,446	10,943,951
Other current assets	17	164,983,286	193,539,169
		<u>486,539,231</u>	<u>529,205,925</u>
Total		<u>1,194,798,595</u>	<u>1,104,557,798</u>

The notes are an integral part of these financial statements.

As per our attached report of even date.For **Price Waterhouse**

Chartered Accountants

Firm Registration Number: FRN - 012754N

Vilas Y. Rane

Partner

Membership No. : F-33220

Mumbai: August 27, 2012

For and on behalf of the Board of Directors**R. Ganapathi**

Chairman and Executive Director

Dr. P. Raja Mohan Rao

Director

Parthasarathy Iyengar

Company Secretary

Mumbai: August 27, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012*(Figures in Rupees)*

	Note	Year ended March 31, 2012	Year ended March 31, 2011
REVENUE :			
Revenue from operations	18	300,845,841	274,692,008
Other income	19	48,772,303	18,411,678
TOTAL REVENUE		349,618,144	293,103,686
EXPENSES:			
Employee benefits expenses	20	213,847,951	163,662,463
Finance costs	21	3,557,801	3,009,059
Depreciation and amortisation expenses	9	9,372,121	8,973,727
Other expenses	22	55,908,372	63,057,803
TOTAL EXPENSES		282,686,245	238,703,052
PROFIT BEFORE TAX		66,931,899	54,400,634
Tax Expenses			
- Current tax		14,339,636	-
- Deferred tax charge / (credit)		(8,056,194)	-
- Prior year tax adjustments		8,494,008	-
		14,777,450	-
PROFIT FOR THE YEAR		52,154,449	54,400,634
Earnings per equity share: [Nominal Value per share: Rs.10 (Previous year - Rs.10)]			
Basic	28	1.79	2.05
Diluted	28	1.75	2.00

The notes are an integral part of these financial statements.

As per our attached report of even date.

For **Price Waterhouse**

Chartered Accountants

Firm Registration Number: FRN - 012754N

Vilas Y. Rane

Partner

Membership No. : F-33220

Mumbai: August 27, 2012

For and on behalf of the Board of Directors

R. Ganapathi

Chairman and Executive Director

Dr. P. Raja Mohan Rao

Director

Parthasarathy Iyengar

Company Secretary

Mumbai: August 27, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	Year ended March 31, 2012 Rs.	Year ended March 31, 2011 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	66,931,899	54,400,634
Adjustments for:		
Depreciation and amortisation expenses	9,372,121	8,973,727
Finance costs	3,557,801	3,009,059
Interest income from deposits with banks and others	(11,040,331)	(15,374,215)
Dividend income on long-term investment	(7,500)	(7,500)
ESOP forfeiture	-	(19,305)
Liabilities written back to the extent no longer required		(482,705)
Provision for doubtful advances	866,818	5,541,123
	<u>2,748,909</u>	<u>1,640,184</u>
Operating profit before working capital changes	69,680,808	56,040,818
Adjustments for:		
(Increase)/ decrease in trade receivables	(86,406,875)	(22,337,430)
(Increase)/ decrease in loans and advances and other current and non-current assets	2,543,422	(44,317,834)
Increase/ (decrease) in trade payables and other current and non-current liabilities and provisions	17,701,011	32,463,888
	<u>(66,162,442)</u>	<u>(34,191,376)</u>
Cash generated from / (used in) operations	3,518,366	21,849,442
Taxes paid	(43,859,324)	(12,141,482)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	<u>(40,340,958)</u>	<u>9,707,960</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(10,330,296)	(6,307,519)
Capital advance given for purchase of property	(90,000,000)	-
Advance given as share application money	(2,000,000)	-
Inter corporate deposits refunded	-	90,000,000
Term deposits with banks as margin money	(6,422,171)	(2,829,592)
Dividend income	7,500	7,500
Interest income	12,174,208	15,374,215
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	<u>(96,570,759)</u>	<u>96,244,604</u>

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)**1. GENERAL INFORMATION**

Trigyn Technologies Limited ('TTL' or 'the Company') was incorporated on March 25, 1986. TTL has its software development center in Mumbai, India ('the Head Office') and the Company operates in US through its subsidiary Trigyn Technologies Inc.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a) Basis of preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

b) Use of estimates

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

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

c) Tangible assets, intangible assets and capital work-in-progress

Tangible assets and intangible assets are stated at cost of acquisition, less accumulated depreciation/amortisation and impairments, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

d) Depreciation and amortisation

Depreciation on additions and disposals is provided pro-rata for the period of use.

Depreciation is provided on straight line basis at higher of the rates based on useful lives of the fixed assets as estimated by the management and those stipulated in Schedule XIV to the Companies Act, 1956.

The useful lives of fixed assets as estimated by the management are

Asset	Useful life
Buildings	20 years
Office equipments	3 to 4 years
Computer peripherals	3 years and 2 months
Computer software	3 years and 2 months
Furniture and fixtures	4 years
Motor vehicles	4 years and 2 months

Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition

Leasehold land is amortised over the primary period of the lease

e) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

temporary, in the value of the investments, such reduction being determined and made for each investment individually.

(f) Foreign currency translationInitial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

g) Revenue recognition

Income from Communications and information technology staffing support services comprise income from time and material and fixed price contracts. Revenue from 'time and material' contracts is recognised, as and when related services are performed and accepted by the customer. Revenue from fixed price contracts is recognised using the percentage of completion method of accounting, under which the sales value of performance, including the profit thereon, is determined by relating the actual man hours of work performed to date to the estimated total man hours for each contract. Provision for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable, based on current contract estimates.

Unbilled receivables represent costs incurred and revenues recognised on contracts, to be billed in subsequent periods as per the terms of the contract.

Interest and Other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

h) Employee benefits

Contributions to the employees' provident fund, which is a defined contribution scheme, are charged to the Profit and Loss account in the year in which the contributions are due. Leave encashment costs are provided for, based on an actuarial valuation carried out by an independent actuary at the balance sheet date. Gratuity costs, which are defined benefits, are based on an actuarial valuation carried out by an independent actuary at the balance sheet date.

i) Current and deferred tax

Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and the Company intends to settle the asset and liability on a net basis.

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

j) Provisions and contingent liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

k) Leases

Assets given under operating lease are reflected in the financial statements under fixed assets. Further, lease income from such operating lease arrangements have been recognised in the statement of profit and loss on a straight line basis over the lease term.

l) Cash & cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

n) Stock based compensation

Compensation cost relating to employee stock options granted by the Company has been accounted in accordance with the "SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999" issued by Securities and Exchange Board of India. Accordingly, the excess of the market price of the underlying equity share as at the date of grant of the option over the exercise price of the options on the date of grant has been recognized as employee compensation expense and is reflected as 'Employee Stock Options Outstanding' under the head 'Reserves and Surplus'.

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
3. SHARE CAPITAL		
(a) Authorised		
35,000,000 (35,000,000) equity shares of Rs. 10/- each	350,000,000	350,000,000
5,000,000 (5,000,000) preference share of Rs. 10/- each	50,000,000	50,000,000
	<u>400,000,000</u>	<u>400,000,000</u>
(b) Issued, subscribed and fully paid-up		
29,348,736 (27,903,736) equity shares of Rs. 10/- each fully paid-up	293,487,360	279,037,360
Total	<u>293,487,360</u>	<u>279,037,360</u>

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

(c) Reconciliation of number of shares	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	27,903,736	279,037,360	26,502,986	265,029,860
On conversion of equity warrants (Refer Note 5)	1,445,000	14,450,000	1,380,000	13,800,000
On exercise of Employee stock options (Refer Note 30)	-	-	20,750	207,500
Balance as at the end of the year	29,348,736	293,487,360	27,903,736	279,037,360

(d) Rights, preferences and restrictions attached to shares -
Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shared held	% of Holding	No. of Shared held	% of Holding
United Telecoms Limited	14,159,020	48.24%	12,714,020	45.56%

(f) Shares reserved for issue under options:
Refer Note 32 for details of shares to be issued under the Employee Stock Option Plan

(g) Terms of securities convertible into equity shares
Refer Note 5 for terms of warrants convertible into equity shares

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
4. RESERVES AND SURPLUS		
Securities premium reserve		
Balance as at the beginning of the year	6,597,496,665	6,585,338,865
Add : Receipt on conversion of equity warrants (Refer Note 5)	12,730,450	12,157,800
Balance as at the end of the year	6,610,227,115	6,597,496,665
Employee stock options outstanding account (Refer Note 32)		
Balance as at the beginning of the year	2,665,740	2,685,045
Less : Forefeited / lapsed	-	19,305
Balance as at the end of the year	2,665,740	2,665,740
Capital Reserve	8,100,000	8,100,000
Deficit in the Statement of Profit and Loss		
Balance as at the beginning of the year	(5,939,351,460)	(5,993,752,094)
Profit for the year	52,154,449	54,400,634
Balance as at the end of the year	(5,887,197,011)	(5,939,351,460)
Total	733,795,844	668,910,945
5. EQUITY SHARE WARRANTS		
Equity share warrants	-	6,795,113
Total	-	6,795,113

During the year, the promoter exercised the option to convert 1,445,000 (1,380,000) preference warrants into equity shares. Accordingly 1,445,000 (1,380,000) equity shares of face value of Rs. 10 each were issued at premium of Rs. 8.81 resulting in increase in share capital by Rs. 14,450,000 (Rs. 13,800,000) and share premium by Rs. 12,720,450 (Rs. 12,157,800). As at the year end Nil (1,445,000) warrants are outstanding, which are pending to be converted into equity shares at the option of promoters. Upfront money of Rs. Nil (Rs. 6,795,113) paid against these warrants is reflected as 'Equity share warrants'.

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
6. TRADE PAYABLES		
Trade payables	8,445,853	6,356,498
Total	8,445,853	6,356,498

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2012. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company.

7. OTHER CURRENT LIABILITIES

Book overdraft	-	896,984
Creditors for capital goods	1,066,906	931,725
Statutory dues including provident fund and tax deducted at source	3,415,936	2,797,476
Employee benefits payable	144,138,058	127,805,387
Security deposits	4,225,445	7,214,015
Others	88,729	101,345
Total	152,935,074	139,746,932

Employee benefits payable includes allowances of Rs. 135,983,349 (Rs. 121,454,451), payable to employees on onsite mission duties, which are recoverable from the customer, Trigyn Technologies Inc, step down subsidiary. (Refer Note 15)

8. SHORT-TERM PROVISIONS

Provision for employee benefits:

- Gratuity	1,230,943	525,280
- Compensated absences	4,903,521	3,185,670
Total	6,134,464	3,710,950

(Figures in Rupees)

9. Fixed Assets	Gross Block				Depreciations / Amortisation				Net Block	
	As at April 1, 2011	Additions	Deductions / Adjustments	As at March 31, 2012	As at April 1, 2011	For the year	Deductions / Adjustments	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011
<i>Tangible assets</i>										
Buildings (Refer note below)	6,467,893	-	-	6,467,893	4,331,757	364,752	-	4,696,509	1,771,384	2,136,136
Computers and peripherals	69,352,067	4,170,895	-	73,522,962	66,157,343	2,684,250	-	68,841,593	4,681,369	3,194,724
Office equipment	9,943,651	316,005	-	10,259,656	9,308,645	340,262	-	9,648,907	610,749	635,006
Furniture and fixtures	6,922,945	144,990	-	7,067,935	6,016,705	614,865	-	6,631,570	436,365	906,240
Leasehold improvements	77,381,247	2,725,133	-	80,106,380	75,948,985	750,386	-	76,699,371	3,407,009	1,432,262
Total - A	170,067,803	7,357,023	-	177,424,826	161,763,435	4,754,515	-	166,517,950	10,906,876	8,304,368
Previous Year	167,734,990	2,332,813	-	170,067,803	156,808,441	4,954,994	-	161,763,435	8,304,368	10,926,549
<i>Intangible assets</i>										
Computer softwares	16,849,450	2,973,273	-	19,822,723	9,378,803	4,617,606	-	13,996,409	5,826,314	7,470,647
Total - B	16,849,450	2,973,273	-	19,822,723	9,378,803	4,617,606	-	13,996,409	5,826,314	7,470,647
Previous Year	13,059,744	3,789,706	-	16,849,450	5,360,070	4,018,733	-	9,378,803	7,470,647	7,699,674
Total - A + B	186,917,253	10,330,296	-	197,247,549	171,142,238	9,372,121	-	180,514,359	16,733,190	15,775,015
As at March 31, 2011	180,794,734	6,122,519	-	186,917,253	162,168,511	8,973,727	-	171,142,238	15,775,015	

Note - Building includes value of properties in Co-operative societies including shares of respective societies.

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
10. NON-CURRENT INVESTMENTS		
Long-term		
(Valued at cost unless otherwise stated)		
Non-trade investments (unquoted)		
100 (100) equity shares of Rs. 36 each fully paid-up in Bombay Mercantile Co-operative Bank Limited	3,600	3,600
5,000 (5,000) equity shares of Rs. 10 each fully paid-up in North Kanara GSB Co operative Bank Limited	50,000	50,000
	<u>53,600</u>	<u>53,600</u>
Trade investments (Unquoted)		
Investment in wholly owned subsidiaries		
7,350,000 (7,350,000) equity shares of US \$ 0.40 each fully paid -up in eCapital Solutions (Bermuda) Limited	6,064,716,375	6,064,716,375
15,000 (15,000) equity shares of US \$ 1 each fully paid-up in Applisoft Inc. USA	421,629,079	421,629,079
500,000 (500,000) equity shares of Rs 10 each fully paid-up in Leading Edge Infotech Limited	5,000,000	5,000,000
	<u>6,491,345,454</u>	<u>6,491,345,454</u>
Less: Provision for diminution (other than temporary) in the value of investment in subsidiaries (Refer Note 26)	6,034,595,454	6,034,595,454
	<u>456,750,000</u>	<u>456,750,000</u>
Total	<u>456,803,600</u>	<u>456,803,600</u>
Aggregate amount of unquoted investments (At cost)	<u>456,803,600</u>	<u>456,803,600</u>
11. DEFERRED TAX ASSETS (NET)		
Deferred Tax assets:		
Lower depreciation/amortisation on fixed assets for tax purposes due to lower tax depreciation rates.	4,813,796	-
Provision for doubtful debts / advances that are deducted for tax purposes when written off	1,327,001	-
Liabilities / provisions that are deducted for tax purposes when paid	1,590,947	-
Others	324,450	-
Total	<u>8,056,194</u>	<u>-</u>
Deferred tax assets on provision for doubtful debts / advances are recognised to the extent there is reasonable certainty of allowances in the future years.		
12. LONG-TERM LOANS AND ADVANCES		
(Unsecured and considered good, unless otherwise stated)		
Loans and advances to related parties		
Considered good	5,244,656	4,098,934
Considered doubtful	227,640,448	226,773,630
	<u>232,885,104</u>	<u>230,872,564</u>
Less: Provision for doubtful advances	227,640,448	226,773,630
	<u>5,244,656</u>	<u>4,098,934</u>

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
Capital advances to:		
- Related party (Refer Note 30)	90,000,000	-
- Others	872,500	-
	<u>90,872,500</u>	<u>-</u>
Security deposits	551,275	556,525
Advance towards share subscriptions	2,000,000	-
Prepaid expenses	2,424,920	800,000
Service tax receivable	2,920,775	2,113,396
Income tax payments* (net of provision for income tax Rs. 19,664,933 (Rs. Nil))	43,488,758	22,463,078
Total	<u>147,502,884</u>	<u>30,031,933</u>

*Income tax payment includes Rs. 29,500,000 (previous Year Rs. Nil) towards disputed tax matters pending before appellate authorities (Refer note 23)

13. OTHER NON-CURRENT ASSETS

(Unsecured and considered good, unless otherwise stated)

Term deposits with banks @	78,764,154	72,341,983
Fringe benefit tax (net of provision of Rs. 1,650,108 (Rs. 1,650,108))	214,342	214,342
Total	<u>78,978,496</u>	<u>72,556,325</u>

@ Term deposits with bank are held as lien by bank against guarantees issued on behalf of the Company.

14. TRADE RECEIVABLES

Unsecured, considered good :

Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
Others	227,149,525	140,742,650
	<u>227,149,525</u>	<u>140,742,650</u>

Unsecured, considered doubtful :

Outstanding for a period exceeding 6 months from the date they are due for payment	179,026,567	179,026,567
Others	-	-
	<u>179,026,567</u>	<u>179,026,567</u>
Less : Provision for doubtful debts	<u>179,026,567</u>	<u>179,026,567</u>
Total	<u>227,149,525</u>	<u>140,742,650</u>

15. CASH AND BANK BALANCES

Cash and cash equivalents:

Cash on hand	20,146	4,676
Bank balances:		
In current accounts	62,463,627	103,147,714
Demand deposits (less than 3 months maturity)	1,412,201	80,827,765
Total	<u>63,895,974</u>	<u>183,980,155</u>

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
16. SHORT-TERM LOANS AND ADVANCES		
(Unsecured and considered good, unless otherwise stated)		
Loans and advances to related parties (Refer Note 30)	15,999,210	1,378,750
Loans and advances to others:		
- Considered good	1,965,696	612,134
- Considered doubtful	4,090,000	4,090,000
	6,055,696	4,702,134
Less: Provision for doubtful loans and advances	4,090,000	4,090,000
	1,965,696	612,134
Loans and advances to employees	4,138,665	2,286,869
Advances to suppliers	333,200	-
Service tax receivable	1,517,865	792,758
Prepaid expenses	6,555,810	5,873,440
Total	30,510,446	10,943,951
17. OTHER CURRENT ASSETS		
(Unsecured and considered good, unless otherwise stated)		
Unbilled receivables:		
Unsecured, considered good	-	-
Unsecured, considered doubtful	1,319,189	1,319,189
	1,319,189	1,319,189
Less: Provision for doubtful advances	1,319,189	1,319,189
	-	-
Contractual receivable from a related party (Refer Note 7)	162,964,533	190,252,693
Interest receivable	2,018,753	3,152,630
Insurance claims receivable	-	133,846
Total	164,983,286	193,539,169
18. REVENUE		
Revenue from operations:		
Income from Communications and information technology staffing support services	291,926,203	274,692,008
Other operating income	8,919,638	-
Total	300,845,841	274,692,008
19. OTHER INCOME		
Interest income from deposits with banks and others	11,040,331	15,374,215
Dividend income on long-term investment	7,500	7,500
Net gain on foreign currency transactions and translations	35,782,325	-
Lease rental income	1,942,147	2,545,755
Liabilities written back to the extent no longer required	-	482,705
Other non operating income	-	1,503
Total	48,772,303	18,411,678
20. EMPLOYEE BENEFITS EXPENSES		
Salaries, wages and bonus	195,717,899	152,037,070
Contribution to provident and other funds	10,278,317	7,548,642
Gratuity and leave encashment	6,390,866	2,965,689
Staff welfare expenses	1,460,869	1,111,062
Total	213,847,951	163,662,463

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
21. FINANCE COSTS		
Bank charges and commission	2,566,651	3,004,852
Other interest	991,150	4,207
Total	3,557,801	3,009,059
22. OTHER EXPENSES		
Payments to consultants	7,491,164	5,894,416
Power and fuel	4,544,360	4,858,401
Rent	1,009,500	1,306,823
Repairs to:		
-Plant and machinery	50,602	315,810
-Others	238,954	440,193
	289,556	756,003
Insurance	1,563,545	1,292,805
Travelling, conveyance and vehicle expenses	13,368,282	12,653,974
Auditors' remuneration		
- Statutory audit fees	2,350,000	2,091,200
- Tax audit fees	200,000	150,000
- Other services	100,000	200,000
- Out of pocket expenses	62,416	13,589
	2,712,416	2,454,789
Legal and professional charges	10,314,985	8,592,042
Advertisement and sales promotion	978,622	7,198,289
Communication expenses	2,557,171	2,920,280
Recruitment expense	461,681	803,259
Net loss on foreign currency transactions and translations	-	1,608,504
Provision for doubtful debts	866,818	5,541,123
Bad debts	-	539,591
Miscellaneous expenses	9,750,272	6,637,504
Total	55,908,372	63,057,803
23. CONTINGENT LIABILITIES		
(A) Claims against the Company not acknowledge as debts		
- Income tax matters (Refer note 12)	196,846,518	153,857,300
- Services tax matters	1,176,441	1,928,441
- Guarantees issued by bank on behalf of the Company	87,305,030	72,048,000
(B) Capital commitments	122,800,000	-
Total	285,327,989	227,833,741
24. EXPENDITURE IN FOREIGN CURRENCY		
Travelling, conveyance and vehicle expenses	9,205,287	3,725,633
Advertisement and sales promotion	103,890	4,375,047
Overseas payroll cost	45,423,732	24,468,060
Payments to consultants	5,766,400	5,500,600
Insurance	1,563,545	1,291,082
Other expenses	1,340,729	-
Total	63,403,583	39,360,422
25. EARNINGS IN FOREIGN CURRENCY		
Income from Communications and information technology staffing support services	285,473,559	272,349,741
Total	285,473,559	272,349,741

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

26. Provision for decline other than temporary in the value of investments

The Company has made provisions for decline in the value of investments in eCapital Solutions (Bermuda) Limited, Leading Edge Infotech Limited and Applisoft Inc. aggregating Rs. 6,034,595,454 upto the year end March 31, 2012 (includes part provision of Rs 5,607,966,375 against carrying value of investment of Rs 6,064,716,375 in eCapital Solutions (Bermuda) Limited). Carrying, value at investment in eCapital Solutions (Bermuda) Limited as on March 31, 2012 is Rs. 456,750,000.

During the year, the management has carried out the business valuation of its step down subsidiary, Trigyn Technologies Inc, a subsidiary of the Company's subsidiary, eCapital Solutions Bermuda Limited, from an Independent valuer. Based on the valuation report, the Board of Directors believes that the diminution in value, other-than-temporary, in the carrying value of its investment in eCapital Solutions Bermuda Limited has been adequately provided for.

27. The Company has not entered into any Derivative transactions during the year. Net foreign currency exposures not hedged as at the year-end are as under:

	Currency	March 31, 2012		March 31, 2011	
		Amount in Foreign Currency	Equivalent Amount in Rs. at the year end	Amount in Foreign Currency	Equivalent Amount in Rs. at the year end
Trade receivables	USD	4,322,056	224,098,604	3,114,118	141,038,389
Loans and advances	USD	73,405	3,806,049	--	--
Other current liabilities	USD	2,671,896	138,537,782	2,721,347	123,249,787
Cash and bank balances	USD	526,040	27,275,174	2,130,871	96,507,166
Other current assets	USD	3,143,000	162,964,533	4,200,766	190,252,693

28. Earnings per share:

	March 31, 2012	March 31, 2011
Profit after tax	52,154,449	54,400,634
Equity shares outstanding as at the year end	29,348,736	27,903,736
Weighted average number of equity shares used as denominator for calculating basic earnings per share	29,107,243	26,529,194
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	29,779,192	27,201,143
Nominal value per equity share	Rs. 10	Rs. 10
Basic earnings per equity share	Rs. 1.79	Rs. 2.05
*Diluted earnings per equity share	Rs. 1.75	Rs. 2.00

*Diluted EPS has been calculated after taking into account options granted to certain eligible employees as referred in note 3(d).

Reconciliation of Basic and Diluted Shares used in computing earnings per share

	March 31, 2012	March 31, 2011
Number of shares considered as basic weighted average shares outstanding	29,107,243	26,529,194
Add: Effect of dilutive stock options	671,949	671,949
Number of shares considered as weighted average shares and potential shares outstanding	29,779,192	27,201,143

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

29. Segment Information

The Company has only one reportable segment- "Communications and information technology staffing support services" - in terms of Accounting Standard 17 "Segment Reporting" mandated by Rule 3 of the Companies ("Accounting Standards") Rules, 2006. Based on the location of the customer, the Company has only one reportable geographical segment, i.e. United States of America.

30. Related Party disclosures :

- a) Name of related parties and nature of relationship:
- i) Subsidiary companies
 - Leading Edge Infotech Limited
 - eCapital Solutions (Bermuda) Limited
 - Applisoft Inc. (till May 18, 2010 as company was voluntarily liquidated)
 - ii) Step down subsidiary companies
 - Trigyn Technologies (India) Private Limited
 - Trigyn Technologies Europe GmbH
 - Trigyn Technologies Inc
 - iii) Entity which has a substantial interest in the Company
 - United Telecoms Limited
 - iv) Key management personnel (KMP)
 - R. Ganapathi
 - v) Others – Entities in which United Telecoms Limited has significant influence, with whom transactions have been entered into.
 - Andhra Networks Limited
 - Promuk Hoffmann International Limited
- b) Particulars of related party transactions during the year ended March 31, 2012

Nature of transactions	Transactions	
	March 31, 2012	March 31, 2011
Transactions during the year		
a. Subsidiary Company		
<u>Loans given</u>		
Leading Edge Infotech Limited	2,517,759	1,046,213
eCapital Solutions (Bermuda) Limited	866,818	1,451,123
<u>Provision for loans given</u>		
eCapital Solutions (Bermuda) Limited	866,818	1,451,123
Balances as at year end		
<u>Loan given</u>		
Leading Edge Infotech Limited	14,451,757	13,335,702
Applisoft Inc	1,252,081	1,252,081
ecapital Solutions (Bermuda) Limited	4,509,691	3,642,873
<u>Provision for loan given</u>		
Leading Edge Infotech Limited	12,289,489	12,289,489
Applisoft Inc	1,252,081	1,252,081
eCapital Solutions (Bermuda) Limited	4,509,691	3,642,873

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

Nature of transactions	Transactions	
	March 31, 2012	March 31, 2011
Transactions during the year		
b. Step down Subsidiary Company		
<u>Loan given</u>		
Trigyn Technologies (India) Private Limited	29,667	152,721
<u>Expenses Incurred on behalf of the Company</u>		
Trigyn Technologies Inc.	22,643,363	19,307,136
<u>Expenses incurred by the Company</u>		
Trigyn Technologies Inc.	1,046,620,723	1,032,099,007
<u>Services rendered</u>		
Trigyn Technologies Inc.	285,165,273	269,819,679
Balances as at year end		
<u>Loans given</u>		
Trigyn Technologies (India) Private Limited	210,350,596	210,320,929
eVector (India) Private Limited	9,505	9,505
Trigyn Technologies Limited UK	2,075,814	2,075,814
eVector Inc. USA	26,713	26,713
<u>Provision for loans given</u>		
Trigyn Technologies (India) Private Limited	207,268,208	207,268,208
eVector (India) Private Limited	9,505	9,505
Trigyn Technologies Limited UK	2,075,814	2,075,814
eVector Inc. USA	26,713	26,713
<u>Advances receivable</u>		
Trigyn Technologies Inc.	162,964,532	190,252,693
<u>Trade receivables</u>		
Trigyn Technologies Inc.	224,098,610	139,514,419
Transactions during the year		
c. Entity which has a substantial interest in the Company		
<u>Expenses Incurred by the Company</u>		
United Telecoms Limited	992,360	1,378,750
<u>Issue of equity shares on conversion of equity warrants</u>		
United Telecoms Limited	14,450,000	13,800,000
Balances as at year end		
United Telecoms Limited	2,371,110	1,378,750
United Telecoms Limited - Equity share warrants	--	6,795,113

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

Nature of transactions	Transactions	
	March 31, 2012	March 31, 2011
Transactions during the year		
d. Entities in which United Telecoms Limited has significant influence		
<u>Loans and advances given for purchase of property</u>		
Promuk Hoffman International Limited	28,653,100	--
<u>Advance given for purchase of property</u>		
Andhra Networks Limited	90,000,000	--
Balances as at year end		
Promuk Hoffman International Limited	13,628,100	--
Andhra Networks Limited – Capital advances	90,000,000	--

- c) For remuneration paid to Directors refer Note 31
d) For ESOP issued to Mr. R. Ganapathi refer Note 32

31. Managerial Remuneration

Nature of transactions:	March 31, 2012 Rs.	March 31, 2011 Rs.
Payments and provisions on account of remuneration to Chairman and Executive Director included in the Statement of Profit and Loss		
Salary	3,000,000	3,000,000
Contribution to provident and other funds	360,000	360,000
	3,360,000	3,360,000
Remuneration to non-whole time directors (including Sitting fees)	240,000	220,000

- (a) The above remuneration to Chairman and Executive Director does not include contribution to gratuity fund and provision for Leave encashment, as these are lump sum amounts for all relevant employees based on actuarial valuation.
(b) Since no commission is payable during the year, computation of net profit for the year under section 198 of the Companies Act, 1956 has not been given

32. Employee Stock Option Plans

- (a) The 1998 Employee Stock Option Plan

The 1998 Employees Stock Option Plan ('the Plan') provided for the issue of options up to 5% of the paid up equity share capital at a minimum exercise price of Rs 265 per equity share, with a vesting period of 36 months from the date of grant of option. In 2002, the Company revised the Plan, whereby the options granted to the employees would vest in four equal installments from the date of the grant of the options.

Presented below is a summary of the Company's 1998 stock option plan activity during the year ended 31 March 2012

Number of options granted, exercised and foreited during	Year ended March 31, 2012	Year ended March 31, 2011
Options Outstanding, beginning of period	500	1,500
Less:- Exercised	--	--
Forfeited	--	1,000
Options outstanding, end of period	500	500

- (b) Employee Stock Option Plan 2000

In June 2000 the shareholders of the Company approved the Employees Stock Option Plan 2000 ("the 2000 Plan"), which covers the employees of the Company including its subsidiaries and affiliates. These options would vest equally over a period of four years, with a minimum vesting period of one year from the date of the grant of these options.

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

During the year ended March 31, 2001, the Company issued 156,060 options including 34,250 options to employee of its subsidiary, at an exercise price of Rs 380 per option and the prevalent market price of the shares, on the date of grant of these options was Rs 394.3 per share.

In the AGM held on 30 December 2003, the Company passed a resolution to grant Mr. Homiyar Panday, President - US Operations and Employee of the step down Subsidiary Company, Trigyn Technologies Inc., upto a maximum limit of 240,000 stock options convertible into equivalent amount of equity shares in one tranche at an exercise price of Rs.10/- per equity share. These shares, if opted for are to vest after a lock in period of one year from the date of grant of the said stock options.

The period for exercise of the option has been extended to May 6, 2020

During the previous year, in terms board resolution passed in board meeting and remuneration committee meeting held on May 7, 2010 the Company granted 100,000 stock options convertible into equivalent amount of equity shares at an exercise price of Rs. 22.40 per equity share under ESOP 2000 Scheme to Mr. R. Ganapathi (Chairman and Executive Director) The vesting period for same is within one year from the date of the grant.

Presented below is a summary of the Company's 2000 stock option plan activity during the years ended 31 March 2012:

Number of options granted, exercised and foreited during	Year ended March 31, 2012	Year ended March 31, 2011
Options Outstanding, beginning of period	559,950	492,050
Granted during the year	--	100,000
Less:- Exercised	--	20,750
Forfeited	--	11,350
Options outstanding, end of period	559,950	559,950

33. The Following table sets forth the funded status of the plan and the amounts relating to gratuity and leave encashment recognized in the Company's financials:

A. Defined Benefit plan (Gratuity):

	March 31, 2012	March 31, 2011
I. Actuarial assumptions for Gratuity benefits and Compensated absence for employees:		
Discount rate	8.50%	8.05%
Rate of return on Plan assets*	7.50%	7.50%
Future salary rise**	7.00%	7.00%
Mortality	Published notes under the IC (1994-96) Mortality tables	

*The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.

**The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.

	March 31, 2012 Rs.	March 31, 2011 Rs.
II. Changes in benefit obligations:		
Liability at the beginning of the year	6,235,229	4,301,106
Interest cost	625,943	453,073
Current service cost	1,740,213	1,346,494
Past service cost	--	893,763
Benefits paid	(1,379,984)	(466,175)
Actuarial (gain)/loss on obligations	1,951,961	(293,032)
Liability at the end of the year	9,173,362	6,235,229

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

	March 31, 2012 Rs.	March 31, 2011 Rs.
III. Fair value of plan assets :		
Fair value of plan assets at the beginning of the year	5,709,949	5,671,003
Expected return on plan assets	450,764	418,693
Contributions	3,067,037	--
Benefits paid	(1,379,984)	(466,175)
Actuarial gain/(loss) on plan assets	39,603	86,428
Fair value of plan assets at the end of the year	7,887,369	5,709,949

	March 31, 2012 Rs.	March 31, 2011 Rs.
IV. Actual return on plan assets :		
Expected return on plan assets	450,764	418,693
Actuarial gain/(loss) on plan assets	39,603	86,428
Actual return on plan assets	490,367	505,121

	March 31,				
	2012	2011	2010	2009	2008
V. Amount recognised in the Balance Sheet :					
Liability at the end of the year	9,173,362	6,235,229	4,301,106	3,143,269	2,609,901
Fair value of plan assets at the end of the year	(7,887,369)	(5,709,949)	(5,671,003)	(3,660,746)	(1,674,276)
Difference	1,173,158	356,027	(1,369,897)	(517,477)	935,625
Unrecognized past service Cost	112,835	169,254	--	--	--
(Assets) / Liability recognized in the Balance Sheet	1,285,993	525,281	(1,369,897)	(517,477)	935,625

VI. Percentage of each category of plan assets to total fair value of plan assets.	March 31, 2012	March 31, 2011
Insurer managed funds	100%	110%
Total	100%	100%

VII. Expenses recognised in the Statement Profit and Loss :	March 31, 2012 Rs.	March 31, 2011 Rs.
Current service cost	1,740,213	1,346,494
Interest cost	625,943	453,073
Expected return on plan assets	(450,764)	(418,693)
Net actuarial (gain)/loss to be recognized	1,912,358	(379,460)
Past service cost	56,418	724,510
(Income) / Expense recognised in the Statement of Profit and Loss	3,884,168	1,725,924

Notes annexed to and forming part of accounts for the year ended March 31, 2012 (Contd.)

	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008
VIII. Experience adjustments:					
On plan liability (gains)/osses	2,377,519	(362,641)	234,012	152,638	1,396
On plan assets (losses)gains	39,603	86,428	22,328	29,068	(412,044)

As per actuarial valuation report, expected employer's contribution in next year is Rs. 1,000,000 (Rs. 1,000,000).

B. Privileged leave (Compensated absence for employees):

Amount recognized in the Balance Sheet and movements in net liability

Particulars	March 31, 2012 Rs.	March 31, 2011 Rs.
Opening balance of compensated absences (a)	3,185,670	2,791,743
Present value of compensated absences(As per actuary valuation) as at the year end (b)	4,903,521	3,185,670
(Excess)/ Unfunded liability of Compensated Absences recognized in the Statement of Profit and Loss for the year (b-a)	1,717,851	393,927

The privileged leave liability is not funded.

C. Defined contribution plan :

The Company has recognised Rs. 8,841,379 (Rs. 6,555,117) towards contribution to provident fund and Rs. 77,277 (Rs. 83,671) towards employee state insurance plan in the Statement of Profit and Loss.

34. Following balances in the accounts relating to subsidiary companies which were wound up / liquidated / under liquidation in the earlier years are fully provided for:

Particulars	March 31, 2012	March 31, 2011
Investments		
Applisoft Inc	421,629,079	421,629,079
Debtors		
Trigyn Technologies Limited, UK	6,009,496	6,009,496
Loans and Advances		
Applisoft Inc	1,252,081	1,252,081
Trigyn Technologies Limited, UK	2,075,814	2,075,814
eVector Inc USA	26,713	26,713
eCapital Solutions (Mauritius) Limited	208,946	208,946
eVector India Private Limited	9,505	9,505

These balances are carried forward in the financial statements and would be written off upon compliance with formalities with Reserve Bank of India.

The Company had, in earlier years, applied to Reserve Bank of India for condonations/ permissions in respect of certain non-compliances relating to non-realisation of export debtors. These applications are pending disposal. Most of these non-compliances were a result of the persistent down trend in the past in the software industry, particularly in the United States, which was the largest customer market for the Company. These unrealised balances included in sundry debtors have been fully provided in earlier years.

35. The Company derives significant part of its revenue from its step down subsidiary, Trigyn Technologies Inc, which has contracts with United Nations. One of its significant contracts with United Nations is due to expire on October 31, 2012. The management is hopeful for the long term renewal of the contract.

36. Previous year figures

- a) The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.
- b) The figures in brackets represent those of the previous year.

As per our attached report of even date.For **Price Waterhouse**

Chartered Accountants

Firm Registration Number: FRN - 012754N

Vilas Y. Rane

Partner

Membership No. : F-33220

Place : Mumbai

Mumbai: August 27, 2012

For and on behalf of the Board of Directors**R. Ganapathi**

Chairman and Executive Director

Dr. P. Raja Mohan Rao

Director

Parthasarathy Iyengar

Company Secretary

Place : Mumbai

Mumbai: August 27, 2012

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of Trigyn Technologies Limited

1. We have audited the attached consolidated Balance Sheet of Trigyn Technologies Limited (the "Company") and its subsidiaries; hereinafter referred to as the "Group" (refer Note 2 to the attached consolidated financial statements) as at March 31, 2012, the related consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have relied on the unaudited financial statements of two subsidiaries included in the consolidated financial statements, which constitute total assets of Rs. 893,018 and net liabilities of Rs. 8,677,308 as at March 31, 2012, total revenue of Rs. 1,642,999, net loss of Rs. 703,846 and net cash outflows amounting to Rs. 523,234 for the year then ended. These unaudited financial statements have been furnished to us by the Management and our report is so far as it relates to the amounts included in respect of these subsidiaries is based solely on such approved unaudited financial statements.
4. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements notified under sub-section 3C of Section 211 of the Companies Act, 1956.
5. Based on our audit and on consideration of management approved separate financial statements and on the other financial information of the components of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
 - (b) in the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date: and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For **Price Waterhouse**
Chartered Accountants
Firm Registration Number: 012754N

Vilas Y. Rane
Partner
Membership Number: 33220

Mumbai
Date: August 27, 2012

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012

(Figures in Rupees)

	Note No	As at March 31, 2012	As at March 31, 2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	4	293,487,360	279,037,360
Reserves and surplus	5	519,381,501	374,286,088
Equity share warrants	6	-	6,795,113
		<u>812,868,861</u>	<u>660,118,561</u>
NON-CURRENT LIABILITIES			
Long-term borrowings	7	4,925,750	4,302,550
Other Long-term liabilities	8	754,245	658,818
		<u>5,679,995</u>	<u>4,961,368</u>
CURRENT LIABILITIES			
Trade payables	9	129,125,020	78,676,334
Other current liabilities	10	189,369,481	175,149,190
Short-term provisions	11	20,307,947	33,702,323
		<u>338,802,448</u>	<u>287,527,847</u>
Total		<u>1,157,351,304</u>	<u>952,607,776</u>
ASSETS			
NON - CURRENT ASSETS			
Fixed assets			
- Tangible assets	12	11,438,911	9,175,094
- Intangible assets	12	5,826,313	7,470,646
- Capital work-in-progress		185,000	185,000
		<u>17,450,224</u>	<u>16,830,740</u>
Non-current investments	13	103,600	103,600
Deferred tax assets (net)	14	8,056,194	-
Long-term loans and advances	15	147,788,745	31,779,555
Other non-current assets	16	78,982,739	72,560,568
		<u>234,931,278</u>	<u>104,443,723</u>
CURRENT ASSETS			
Trade receivables	17	725,377,266	564,816,326
Cash and bank balances	18	131,295,241	226,889,896
Short-term loans and advances	19	36,606,288	27,200,400
Other current assets	20	11,691,007	12,426,691
		<u>904,969,802</u>	<u>831,333,313</u>
Total		<u>1,157,351,304</u>	<u>952,607,776</u>

The notes are an integral part of these financial statements

As per our attached report of even date.For **Price Waterhouse**

Chartered Accountants

Firm Registration Number: FRN - 012754N

Vilas Y. Rane

Partner

Membership No. : F-33220

Mumbai: August 27, 2012

For and on behalf of the Board of Directors**R. Ganapathi**

Chairman and Executive Director

Dr. P. Raja Mohan Rao

Director

Parthasarathy Iyengar

Company Secretary

Mumbai: August 27, 2012

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

(Figures in Rupees)

	Note	Year ended March 31, 2012	Year ended March 31, 2011
REVENUE :			
Revenue from operations	21	2,739,355,909	2,345,472,145
Other income	22	52,237,855	19,860,306
TOTAL REVENUE		2,791,593,764	2,365,332,451
EXPENSES:			
Employee benefits expenses	23	934,456,661	727,025,814
Finance costs	24	4,290,241	3,482,838
Depreciation and amortisation expenses	12	10,000,093	9,585,212
Other expenses	15	1,646,706,906	1,974,980,063
TOTAL EXPENSES		2,595,453,901	2,215,073,927
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		196,139,863	150,258,524
Exceptional items - expenses / (income)	26	40,486,330	(311,910,177)
PROFIT BEFORE TAX		155,653,533	462,168,701
Tax Expenses			
- Current tax		47,838,104	40,103,333
- Deferred tax charge / (credit)		(8,056,194)	-
- Prior year tax adjustments		8,494,008	496,665
		48,275,918	40,599,998
PROFIT FOR THE YEAR		107,377,615	421,568,703
Earnings per equity share: [Nominal Value per share: Rs.10 (Previous year - Rs.10)]			
Before exceptional items			
Basic		5.08	4.13
Diluted		4.97	4.03
After exceptional items			
Basic		3.69	15.89
Diluted		3.61	15.50

The notes are an integral part of these financial statements.

As per our attached report of even date.

As per our attached report of even date.For **Price Waterhouse**

Chartered Accountants

Firm Registration Number: FRN - 012754N

Vilas Y. Rane

Partner

Membership No. : F-33220

Mumbai: August 27, 2012

For and on behalf of the Board of Directors**R. Ganapathi**

Chairman and Executive Director

Dr. P. Raja Mohan Rao

Director

Parthasarathy Iyengar

Company Secretary

Mumbai: August 27, 2012

Consolidated Cash Flow Statement for the year ended March 31, 2012

	Year ended March 31, 2012 Rs.	Year ended March 31, 2011 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX	196,139,863	150,258,524
Adjustments for:		
Depreciation and amortisation expenses	10,000,093	9,585,212
Finance costs	4,290,241	3,482,838
Interest income from deposits with banks and others	(11,453,838)	(15,896,019)
Dividend income on long-term investment	(15,000)	(15,000)
ESOP forfeiture	-	(19,305)
Liabilities written back to the extent no longer required	-	(489,860)
One time settlement charges (Note 28 (b))	(30,351,988)	-
Provision for doubtful advances - net (Refer Note 28 (c))	(10,134,342)	-
Bad debts and sundry advances written off	-	27,758,350
Less: Provision for doubtful debts and advances utilised	-	(27,520,655)
Provision for doubtful advances	586,439	4,629,591
	<u>(37,078,395)</u>	<u>1,515,152</u>
Operating profit before working capital changes	159,061,468	151,773,676
Adjustments for:		
(Increase)/ decrease in trade receivables	(160,560,940)	(183,898,204)
(Increase)/ decrease in loans and advances and other current and non-current assets	(13,914,682)	(2,637,047)
Increase/ (decrease) in trade payables and other current and non-current liabilities and provisions	70,721,249	42,811,173
	<u>(103,754,373)</u>	<u>(143,724,078)</u>
Cash generated from / (used in) operations	55,307,095	8,049,598
Taxes paid	(96,453,728)	(65,691,630)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	(41,146,633)	(57,642,032)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(10,619,577)	(6,994,268)
Capital advance given for purchase of property	(90,000,000)	-
Advance given as share application money	(2,000,000)	-
Inter corporate deposits refunded	-	90,000,000
Term deposits with banks as margin money	(6,422,171)	(2,829,592)
Dividend income	15,000	15,000
Interest income	12,569,121	15,896,019
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	(96,457,627)	96,087,159

Consolidated Cash Flow Statement for the year ended March 31, 2012 (Contd.)

	Year ended March 31, 2012 Rs.	Year ended March 31, 2011 Rs.
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from fresh issue of equity shares	20,385,337	19,675,850
Loans taken / (repayment of loans)	718,627	(3,627,201)
Finance costs	(4,290,241)	(3,482,838)
NET CASH INFLOW FROM FINANCING ACTIVITIES	16,813,723	12,565,811
D NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(120,790,537)	51,010,938
E Adjustment on account of currency translation reserve	24,987,348	(28,769,424)
F Cash and cash equivalents - opening balance	222,987,007	200,745,493
G Cash and cash equivalents - closing balance (Refer Note 18)	127,183,818	222,987,007

Notes:

1. The above Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statements' as specified in Companies (Accounting Standards) Rules, 2006.
2. The figures for the previous year have been regrouped where necessary to conform to current year's classification.

As per our attached report of even date.For **Price Waterhouse**

Chartered Accountants

Firm Registration Number: FRN - 012754N

Vilas Y. Rane

Partner

Membership No. : F-33220**For and on behalf of the Board of Directors****R. Ganapathi**

Chairman and Executive Director

Dr. P. Raja Mohan Rao

Director

Parthasarathy Iyengar

Company Secretary

Place : Mumbai

Mumbai: August 27, 2012

Place : Mumbai

Mumbai: August 27, 2012

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12**1. GENERAL INFORMATION**

Trigyn Technologies Limited (TTL or 'the Company' or 'the Parent Company') was incorporated on March 25, 1986 under the Indian Companies Act, 1956, with its registered office in Mumbai, India.

TTL is the holding company of the Trigyn Group of companies.

TTL has its software development center in Mumbai, India ('the Head Office') and the Company mainly operates in US through its step down subsidiary Trigyn Technologies Inc.

2. Subsidiaries considered in Consolidated Financial Statements

Subsidiaries	Country of incorporation and other particulars	Percentage of holding (%)
eCapital Solutions (Bermuda) Limited, ('EB')*	A subsidiary of TTL organised under the laws of Bermuda.	100 (100)
Leading Edge Infotech Limited, ('LEIL')	A subsidiary of TTL incorporated under the laws of India.	100 (100)
Trigyn Technologies Inc., ('TTI')	A subsidiary of EB organised under the laws of Delaware, USA.	100 (100)
Trigyn Technologies (India) Private Limited, ('TTIPL')	A subsidiary of EB incorporated under the laws of India.	100 (100)
Trigyn Technologies Europe GmbH, Pforzheim, Germany ('TTE')*	A subsidiary of EB organised under the laws of Germany.	100 (100)

* The Company is in the process of initiating voluntary liquidation proceedings of eCapital Solutions (Bermuda) Limited and Trigyn Technologies Europe GmbH, Pforzheim, Germany.

The accounts of eCapital Solutions (Bermuda) Limited and Trigyn Technologies Europe GmbH used for consolidation are approved by the management of respective companies and the same are not audited.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of preparation**

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on an accrual basis, except for certain financial instruments which are measured at fair values and are in conformity with mandatory accounting standards, as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

(b) Basis of Preparation of Consolidated Financial Statements

The Consolidated Financial Statements relate to the Company and its subsidiaries and have been prepared on the following basis:

- (i) In respect of Subsidiary companies, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits / losses on intra-group transactions as per Accounting Standard (AS 21) "Consolidated Financial Statements". The results of subsidiaries are included from the date of acquisition of a controlling interest.
- (ii) In case of foreign subsidiaries, being Non-Integral Foreign Operations, revenue items are consolidated at the average rate prevailing during the year. All asset and liabilities are converted at the rate prevailing at the end of the year. The resultant translation gains and losses are shown separately as 'Foreign Currency Translation Reserve' under 'Reserves and Surplus'.
- (iii) The excess of cost to the Group of its investments in subsidiary companies over its share of equity and reserves of its subsidiary companies at the dates on which investments are made, is recognized in the financial statements as Goodwill, which is tested for impairment at every balance sheet date. The excess of Group's share of equity and reserves of its subsidiary companies over the cost of acquisition is treated as Capital Reserve.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

- (iv) Minority interests in the net assets of consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments.
- (v) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements, except for, In case of certain subsidiaries referred in Note 3(i) below, leave encashment and gratuity is provided on arithmetical basis instead of actuarial basis. These liabilities represent 20% of the total consolidated gratuity and leave encashment liability of the Group as at the year end.

(c) Use of estimates

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

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

(d) Tangible assets, intangible assets and capital work-in-progress

Tangible assets and intangible assets are stated at cost of acquisition, less accumulated depreciation/amortisation and impairments, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

(e) Depreciation and amortization

Depreciation is provided on straight line basis at higher of the rates based on useful lives of the fixed assets as estimated by the management and those stipulated in Schedule XIV to the Companies Act, 1956.

Depreciation on additions and disposals is provided pro-rata for the period of use.

The useful lives of fixed assets as estimated by the management are

Asset	Useful life
Buildings	20 years
Office equipment	3 to 4 years
Computer peripherals	3 years and 2 months
Computer software	3 years and 2 months
Furniture and fixtures	4 years
Motor vehicles	4 years and 2 months

Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition

Leasehold land is amortised over the primary period of the lease

(f) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

(g) Foreign currency translation**Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)**Subsequent recognition**

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period and the resultant exchange differences on restatement are recognised in the Statement of Profit and Loss.

Non-Indian operations

The consolidated financial statements are reported in Indian rupees. The translation of the local currency of each foreign subsidiary, considered as non integral operations, and conversion of foreign branches, which are integral to the operations within the Group into Indian rupees is performed in respect of assets and liabilities other than fixed assets using the exchange rate in effect at the balance sheet date and for revenue and expense items other than the depreciation costs using a simple average exchange rate for the year. Fixed assets are translated at exchange rates on the date of the transaction and depreciation on fixed assets is translated at exchange rates used for translation of the underlying fixed assets.

Net exchange difference resulting from the above translation of the financial statements of foreign subsidiaries has been transferred to 'Foreign Exchange Translation Reserve' and in respect of foreign branches the exchange difference is recognised in the Consolidated Statement of Profit and Loss.

(h) Revenue recognition

Income from information technology staffing support and consultancy services comprise income from time and material and fixed price contracts. Revenue from 'time and material' contracts is recognised, as and when related services are performed and accepted by the customer. Revenue from fixed price contracts is recognised using the percentage of completion method of accounting, under which the sales value of performance, including the profit thereon, is determined by relating the actual man hours of work performed to date to the estimated total man hours for each contract. Provision for estimated losses on uncompleted contracts are recorded in the period in which such losses become probable, based on current contract estimates. The revenue allocated to post-contract customer support is recognized ratably over the term of the support and revenue allocated to service elements such as training, installation and customization is recognized as the services are performed.

Unbilled receivables represent costs incurred and revenues recognised on contracts, to be billed in subsequent periods as per the terms of the contract.

Interest and Other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

(i) Employee benefits**Gratuity:**

Liabilities with regard to the gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method, except for Leading Edge Infotech Limited and Trigyn Technologies Europe GmbH, where such liabilities are determined on arithmetical basis instead of actuarial valuation. Actuarial gains and losses arising from changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

Leave encashment / Compensated absences:

The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation, except in case of Leading Edge Infotech Limited, where such liabilities are determined on arithmetical basis instead of actuarial valuation.

(j) Current and deferred tax

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax after the tax holiday period. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and the Group intends to settle the asset and liability on a net basis.

(k) Provisions and contingent liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

(l) Leases

Assets given under operating lease are reflected in the financial statements under fixed assets. Further, lease income from such operating lease arrangements have been recognised in the statement of profit and loss on a straight line basis over the lease term.

(m) Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(o) Stock based compensation

Compensation cost relating to employee stock options granted by the Company has been accounted in accordance with the "SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999" issued by Securities and Exchange Board of India. Accordingly, the excess of the market price of the underlying equity share as at the date of grant of the option over the exercise price of the options on the date of grant has been recognized as employee compensation expense and is reflected as 'Employee Stock Options Outstanding' under the head 'Reserves and Surplus'.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

(p) Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
4. SHARE CAPITAL		
(a) Authorised		
35,000,000 (35,000,000) equity shares of Rs. 10/- each	350,000,000	350,000,000
5,000,000 (5,000,000) preference shares of Rs. 10/- each	50,000,000	50,000,000
	400,000,000	400,000,000
(b) Issued, subscribed and fully paid-up		
29,348,736 (27,903,736) equity shares of Rs. 10/- each fully paid-up	293,487,360	279,037,360
Total	293,487,360	279,037,360

(c) Reconciliation of number of shares	As at March 31, 2012		As at March 31, 2011	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	27,903,736	279,037,360	26,502,986	265,029,860
On conversion of equity warrants (Refer Note 6)	1,445,000	14,450,000	1,380,000	13,800,000
On exercise of Employee stock options (Refer Note 33)	-	-	20,750	207,500
Balance as at the end of the year	29,348,736	293,487,360	27,903,736	279,037,360

(d) Rights, preferences and restrictions attached to shares -

Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shared held	% of Holding	No. of Shared held	% of Holding
United Telecoms Limited	14,159,020	48.24%	12,714,020	45.56%

(f) Shares reserved for issue under options:

Refer Note 33 for details of shares to be issued under the Employee Stock Option Plan

(g) Terms of securities convertible into equity shares

Refer Note 6 for terms of warrants convertible into equity shares

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

(Figures in Rupees)

5. RESERVES AND SURPLUS

	As at March 31, 2012	As at March 31, 2011
Securities premium reserve		
Balance as at the beginning of the year	6,597,496,665	6,585,338,865
Add : Receipt on conversion of equity warrants (Refer Note 5)	12,730,450	12,157,800
Balance as at the end of the year	<u>6,610,227,115</u>	<u>6,597,496,665</u>
Employee stock options outstanding account (Refer Note 33)		
Balance as at the beginning of the year	2,665,740	2,685,045
Less : Forefeited / lapsed	-	19,305
Balance as at the end of the year	<u>2,665,740</u>	<u>2,665,740</u>
Capital Reserve	8,100,000	8,100,000
Foreign currency translation reserve		
Balance as at the beginning of the year	(1,549,791)	27,219,633
Exchange gain/(loss) on translation during the year	24,987,348	(28,769,424)
Balance as at the end of the year	<u>23,437,557</u>	<u>(1,549,791)</u>
Deficit in the Statement of Profit and Loss		
Balance as at the beginning of the year	(6,232,426,526)	(6,653,995,229)
Profit for the year	107,377,615	421,568,703
Balance as at the end of the year	<u>(6,125,048,911)</u>	<u>(6,232,426,526)</u>
Total	519,381,501	374,286,088

6. EQUITY SHARE WARRANTS

Equity share warrants	-	6,795,113
Total	-	6,795,113

During the year, the promoter exercised the option to convert 1,445,000 (1,380,000) preference warrants into equity shares. Accordingly 1,445,000 (1,380,000) equity shares of Rs. 10 each were issued at premium of Rs. 8.81 resulting in increase in share capital by Rs. 14,450,000 (Rs. 13,800,000) and share premium by Rs. 12,730,450 (Rs. 12,157,800). As at the year end Nil (1,445,000) warrants are outstanding, which are pending to be converted into equity shares at the option of promoters. Upfront money of Rs. Nil (Rs. 6,795,113) paid against these warrants is reflected as 'Equity share warrants'.

7. LONG TERM BORROWINGS

Unsecured:		
Loan from others - Interest free	4,925,750	4,302,550
Total	4,925,750	4,302,550

8. OTHER LONG TERM LIABILITIES

Others liabilities	754,245	658,818
Total	754,245	658,818

9. TRADE PAYABLES

Trade payables	129,125,020	78,676,334
Total	129,125,020	78,676,334

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2012. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
10. OTHER CURRENT LIABILITIES		
Book overdraft	-	896,984
Creditors for capital goods	1,066,906	931,725
Statutory dues including provident fund and tax deducted at source	13,157,714	17,320,953
Employee benefits payable	170,682,956	145,503,721
Security deposits	4,235,445	10,134,615
Others	226,460	361,192
Total	189,369,481	175,149,190
11. SHORT-TERM PROVISIONS		
Provision for employee benefits:		
- Gratuity	4,796,878	3,877,490
- Compensated absences	13,849,588	8,716,704
	18,646,466	12,594,194
Provision for federal income tax (net of payments)	1,661,481	21,108,129
Total	20,307,947	33,702,323

(Figures in Rupees)

12. Fixed Assets	Gross Block			Depreciations / Amortisation				Net Block		
	As at April 1, 2011	Additions	Deductions / Adjustments (Note 2)	As at March 31, 2012	As at April 1, 2011	For the year	Deductions / Adjustments (Note 2)	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011
Tangible assets										
Buildings (Note 1)	6,467,893	-	-	6,467,893	4,331,757	364,752	-	4,696,509	1,771,384	2,136,136
Computers and peripherals	72,366,140	4,330,287	(372,486)	77,068,913	68,286,777	3,164,653	(273,942)	71,725,372	5,343,541	4,079,363
Office equipment	10,025,430	316,005	-	10,341,435	9,461,861	340,262	-	9,802,123	539,312	563,569
Furniture and fixtures	9,679,195	180,089	(80,498)	9,939,782	8,715,431	762,434	(84,252)	9,562,117	377,665	963,764
Leasehold improvements	116,501,308	2,725,133	-	119,226,441	115,069,046	750,386	-	115,819,432	3,407,009	1,432,262
Total - A	215,039,966	7,551,514	(452,984)	223,044,464	205,864,872	5,382,487	(358,194)	211,605,553	11,438,911	9,175,094
Previous Year	270,604,544	3,019,562	58,584,140	215,039,966	255,723,150	5,566,479	55,424,757	205,864,872	9,175,094	14,881,394
Intangible assets										
Computer softwares	16,849,450	2,973,273	-	19,822,723	9,378,804	4,617,606	-	13,996,410	5,826,313	7,470,646
Total - B	16,849,450	2,973,273	-	19,822,723	9,378,804	4,617,606	-	13,996,410	5,826,313	7,470,646
Previous Year	36,992,529	3,789,706	23,932,785	16,849,450	28,792,857	4,018,733	23,432,786	9,378,804	7,470,646	8,199,672
Total - A + B	231,889,416	10,524,787	(452,984)	242,867,187	215,243,676	10,000,093	(358,194)	225,601,963	17,265,224	16,645,740
As at March 31, 2011	307,597,073	6,809,268	82,516,925	231,889,416	284,516,007	9,585,212	78,857,543	215,243,676	16,645,740	

Note 1 - Building includes value of properties in Co-operative societies including shares of respective societies.

Note 2 - Deductions / adjustment of Gross block and depreciation also includes translation difference on account of foreign currency translation

(Figures in Rupees)

13. NON-CURRENT INVESTMENTS**Long-term****(Valued at cost unless otherwise stated)****Non-trade investments (unquoted)**

100 (100) equity shares of Rs. 36 each fully paid-up in Bombay Mercantile Co-operative Bank Limited	3,600	3,600
10,000 (10,000) equity shares of Rs. 10 each fully paid-up in North Kanara GSB Co operative Bank Limited	100,000	100,000
	103,600	103,600
Others:		
100,000 (100,000) shares of \$0.01 each of Empowertel systems, fully paid up	485,600	485,600
	485,600	485,600
Less: Provision for diminution (other than temporary) in the value of investment	485,600	485,600
	-	-
Total	103,600	103,600

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
14. DEFERRED TAX ASSETS (NET)		
Deferred Tax assets:		
Lower depreciation/amortisation on fixed assets for tax purposes due to lower tax depreciation rates.	4,813,796	-
Provision for doubtful debts / advances that are deducted for tax purposes when written off (Refer Note below)	1,327,001	-
Liabilities / provisions that are deducted for tax purposes when paid	1,590,947	-
Others	324,450	-
Total	8,056,194	-
Deferred tax assets on provision for doubtful debts / advances are recognised to the extent there is reasonable certainty of allowances in the future year.		
15. LONG-TERM LOANS AND ADVANCES		
(Unsecured and considered good, unless otherwise stated)		
Capital advances to:		
- Related party (Refer Note 32)	90,000,000	-
- Others	872,500	-
	90,872,500	-
Security deposits	1,855,347	1,669,327
Advance towards share subscriptions	2,000,000	-
Prepaid expenses	3,421,995	1,953,672
Service tax receivable	2,920,775	2,113,396
Income tax payments (Net of provision for income tax)	46,718,128	26,043,160
Total	147,788,745	31,779,555
16. OTHER NON-CURRENT ASSETS		
(Unsecured and considered good, unless otherwise stated)		
Term deposits with banks @	78,764,154	72,341,983
Fringe benefit tax (Net of provision)	218,585	218,585
Term deposits with banks are held as lien by banks against guarantees issued on behalf of the Company.		
Total	78,982,739	72,560,568
17. TRADE RECEIVABLES		
Unsecured, considered good :		
Outstanding for a period exceeding 6 months from the date they are due for payment	20,190,442	40,357,257
Others	705,186,824	524,459,069
	725,377,266	564,816,326
Unsecured, considered doubtful :		
Outstanding for a period exceeding 6 months from the date they are due for payment	229,661,315	229,088,429
Others	-	-
	229,661,315	229,088,429
Less : Provision for doubtful debts	229,661,315	229,088,429
Total	725,377,266	564,816,326

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

(Figures in Rupees)

	As at March 31, 2012	As at March 31, 2011
18. CASH AND BANK BALANCES		
Cash and cash equivalents:		
Cash on hand	21,705	6,119
Bank balances:	-	-
In current accounts	86,446,569	118,919,775
Demand deposits (less than 3 months maturity)	40,715,544	104,061,113
	<u>127,183,818</u>	<u>222,987,007</u>
Other bank balances :		
Fixed deposits with maturity more than three months but less than twelve months	<u>4,111,423</u>	<u>3,902,889</u>
Total	<u>131,295,241</u>	<u>226,889,896</u>
19. SHORT-TERM LOANS AND ADVANCES		
(Unsecured and considered good, unless otherwise stated)		
Loans and advances to related parties (Refer Note 32)	15,999,210	1,378,750
Loans and advances to others:		
- Considered good	4,108,677	13,942,329
- Considered doubtful	19,225,148	5,901,600
	<u>23,333,825</u>	<u>19,843,929</u>
Less: Provision for doubtful loans and advances	<u>19,225,148</u>	<u>5,901,600</u>
	4,108,677	13,942,329
Loans and advances to employees	4,693,475	2,460,360
Service tax receivable	1,517,865	792,758
Prepaid expenses	10,287,061	8,626,203
Total	<u>36,606,288</u>	<u>27,200,400</u>
20. OTHER CURRENT ASSETS		
(Unsecured and considered good, unless otherwise stated)		
Unbilled receivables:		
Unsecured, considered good	8,541,356	8,057,724
Unsecured, considered doubtful	1,319,189	1,319,189
	<u>9,860,545</u>	<u>9,376,913</u>
Less: Provision for doubtful advances	<u>1,319,189</u>	<u>1,319,189</u>
	8,541,356	8,057,724
Interest receivable	2,103,616	3,218,899
Insurance receivable	-	133,846
Gratuity fund receivable	725,876	672,107
Others	320,159	344,115
Total	<u>11,691,007</u>	<u>12,426,691</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

(Figures in Rupees)

	Year ended March 31, 2012	Year ended March 31, 2011
21. REVENUE		
Revenue from operations:		
Income from information technology staffing support and consultancy services	2,730,436,271	2,345,472,145
Other operating income	8,919,638	-
Total	<u>2,739,355,909</u>	<u>2,345,472,145</u>
22. OTHER INCOME		
Interest income from deposits with banks and others	11,453,838	15,896,019
Interest on income tax refund	-	61,278
Dividend income on long-term investment	15,000	15,000
Net gain on foreign currency transactions and translations	37,612,585	-
Lease rental income	1,942,147	2,545,755
Liabilities written back to the extent no longer required	-	489,860
Other non operating income	1,214,285	852,394
Total	<u>52,237,855</u>	<u>19,860,306</u>
23. EMPLOYEE BENEFITS EXPENSES		
Salaries, wages and bonus	835,511,566	655,282,628
Contribution to provident and other funds	15,441,566	11,972,201
Gratuity and leave encashment	8,895,461	4,618,586
Staff welfare expenses	74,608,068	55,152,399
Total	<u>934,456,661</u>	<u>727,025,814</u>
24. FINANCE COSTS		
Bank charges and commission	3,298,277	3,478,511
Other interest	991,964	4,327
Total	<u>4,290,241</u>	<u>3,482,838</u>
25. OTHER EXPENSES		
Payments to consultants	1,552,651,776	1,378,274,877
Power and fuel	4,544,360	4,858,401
Rent	5,670,165	5,803,352
Repairs to:		
-Plant and machinery	50,602	315,810
-Others	290,224	440,193
	<u>340,826</u>	<u>756,003</u>
Insurance	4,410,160	3,244,675
Travelling, conveyance and vehicle expenses	17,116,447	16,244,961
Auditors' remuneration		
- Statutory audit fees	3,000,043	2,656,403
- Tax audit fees	312,360	260,300
- Other services	100,000	200,000
- Out of pocket expenses	68,415	13,589
	<u>3,480,818</u>	<u>3,130,292</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

(Figures in Rupees)

	Year ended March 31, 2012	Year ended March 31, 2011
Legal and professional charges	22,987,955	19,077,017
Advertisement and sales promotion	1,655,566	7,604,378
Communication expenses	4,022,946	4,484,069
Recruitment expense	10,118,078	9,531,855
Discount to customers	4,956,087	4,781,290
Net loss on foreign currency transactions and translations	-	15,35,963
Prior period expenses	-	790,308
Provision for doubtful debts and advances	586,439	4,090,000
Bad debts	229,552	801,181
Less: Provision for doubtful debts utilised	-	255,918
	<u>229,552</u>	<u>545,263</u>
Sundry advances written off	264,430	27,496,737
Less: Provision for doubtful advances utilised	-	27,496,737
	<u>264,430</u>	<u>-</u>
Miscellaneous expenses	13,671,301	10,227,359
Total	<u>1,646,706,906</u>	<u>1,474,980,063</u>

26. EXCEPTIONAL ITEMS AND CAPITAL COMMITMENTS

Adjustments on winding up / liquidation of subsidiaries (Note 28(a))	-	(311,910,177)
One time settlement charges (Note 28(b))	30,351,988	-
Provision for doubtful advances - net (Note 28(c))	10,134,342	-
Total	<u>40,486,330</u>	<u>(311,910,177)</u>

27. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

(A) Disputed tax demands / claims		
- Income tax matters	197,424,589	154,435,371
- Services tax matters	1,176,441	1,928,441
- Guarantees issued by bank on behalf of the Company	87,305,030	72,048,000
- Sales tax matters	1,310,303	1,310,303
- Claims against the Company not acknowledge as debts	6,688,650	5,842,410
(B) Capital Commitments	122,800,000	-
Total	<u>416,705,013</u>	<u>2,355,645,525</u>

28. Exceptional items in Statement of Profit and Loss

(a) Accounting adjustments/assumptions in consolidation

The Consolidated financial statements for the previous years ended upto March 31, 2010, included financials of the following non operational subsidiaries accounts of which were unaudited and updated upto a particular date and were prepared by the management.

- Name of the Subsidiaries	- Updated upto	- Status
- Trigyn Technologies Limited, UK	- March 31, 2002	- Liquidated in 2004
- eVector (Cayman) Limited and its subsidiaries ('EVCL')	- March 31, 2002	- Under liquidation since 2002
- eCapital Solutions (Mauritius) Limited	- March 31, 2005	- Liquidated in 2009
- Applisoft Inc	- January 2010	- Liquidated in 2010

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

The effect of the winding up of the aforesaid subsidiaries/step down subsidiaries had not been given due to lack of latest financial statements and adequate details regarding certain inter company balances across all subsidiaries.

During the previous year ended March 31, 2011, the management had reconsidered the matter and had decided to exclude the said entities from consolidation as the said entities are not in existence and the management has not received or aware of any claims or pending litigations relating to these entities. The management has also confirmed that there had been no changes in the financial status of these entities from the date on which the last financial statements had been drawn. Having regard to the said facts and significant lapse of time since the liquidation process, the management had decided to give effect to the winding up of the said entities in the consolidated financial statements of current year. Consequently, following adjustments were carried in the Consolidated financial statements for the year ended March 31, 2011.

- a. Minority interest aggregating Rs. 347,106,880 relating to EVCL were been written back in the Consolidated Statement of Profit and Loss.
- b. Other adjustment of Rs. 35,196,703 on account of winding up / liquidation of aforesaid entities were charged to Consolidated Statement of Profit and Loss.

Net effect of Rs. 311,910,177 (Credit) was reflected as exceptional item in the Consolidated Statement of Profit and Loss.

- (b) One time settlement charges for the represents claims of Rs. 30,351,988, settled out of court by Trigyn Technologies Inc, the Step down subsidiary of the Company.
- (c) During the year, the management has made provision of Rs. 10,134,342 (net of deposit received), towards long outstanding due from a party, in the books of Trigyn Technologies (India) Private Limited, step down subsidiary of the Company.

29. The Company has not entered into any Derivative transactions during the year. Net foreign currency exposures not hedged as at year end are as under:

	Currency	March 31, 2012		March 31, 2011	
		Amount in Foreign Currency	Equivalent Amount in Rs. at the year and	Amount in Foreign Currency	Equivalent Amount in Rs. at the year and
Loans and advances	USD	73,405	3,806,049	-	-
Other current liabilities	USD	2,671,896	138,537,782	2,721,347	123,249,787
Cash and bank balances	USD	526,040	27,275,174	2,130,871	96,507,166

30. Earnings per share

	March 31, 2012	March 31, 2011
Profit after tax and exceptional items	107,377,615	421,568,703
Profit after tax and before exceptional items	147,863,945	109,658,526
Equity shares outstanding as at the year end	29,348,736	27,903,736
Weighted average number of equity shares used as denominator for calculating basic earnings per share	29,107,243	26,529,194
Weighted average number of equity shares used as denominator for calculating diluted earnings per share	29,779,192	27,201,143
Nominal value per equity share	Rs. 10	Rs. 10
Earnings per share after tax and exceptional items		
Basic earnings per equity share	Rs. 3.69	Rs. 15.89
*Diluted earnings per equity share	Rs. 3.61	Rs. 15.80
Earnings per share after tax and before exceptional items		
Basic earnings per equity share	Rs. 5.08	Rs. 4.13
*Diluted earnings per equity share	Rs. 4.97	Rs. 4.03

*Diluted EPS has been calculated after taking into account options granted to certain eligible employees as referred in note 3(d).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

Reconciliation of Basic and Diluted Shares used in computing earnings per share

	March 31, 2012	March 31, 2011
Number of shares considered as basic weighted average shares outstanding	29,107,243	26,529,194
Add: Effect of dilutive stock options	671,949	671,949
Number of shares considered as weighted average shares and potential shares outstanding	29,779,192	27,201,143

31. Segment Information

The Group's financial reporting is organized in two segments viz. Government contracts, mainly United Nations and its agencies and others. These divisions are the basis on which the Group is reporting its primary segment information. Segments are identified based on the types of customers

i) Primary segment information:

	Government contracts	Others	Total
Segment revenue	2,383,127,404 (2,039,245,615)	356,228,505 (306,226,530)	2,739,355,909 (2,345,472,145)
Segment results – Profit	202,163,725 (196,402,510)	56,300,947 (49,663,360)	258,464,672 (246,065,870)
Unallocable expenses			110,272,422 (112,184,814)
Unallocable income			40,784,017 (3,964,287)
Finance costs			4,290,241 (3,482,838)
Interest income			11,453,838 (15,896,019)
Profit before tax and exceptional items			196,139,863 (150,258,524)
Exceptional items – Income / (expense) – net			(40,486,330) 311,910,177
Profit before tax			155,653,533 (462,168,701)
Taxation on the above			48,275,918 (40,599,998)
Profit after tax			107,377,615 (421,568,703)
Other information			
Segment assets	750,317,461 (586,721,921)	64,273,403 (60,531,948)	814,590,864 (647,253,869)
Unallocable assets			342,760,441 (305,353,907)
Total assets			1,157,351,304 (952,607,776)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

	Government contracts	Others	Total
Segment liabilities	242,549,269 (184,948,629)	28,830,769 (20,154,577)	271,380,038 (205,103,206)
Unallocable liabilities			73,102,405 (87,386,009)
Total liabilities			344,482,443 (292,489,215)
Capital expenditure *	-- (--)	-- (--)	-- (--)
Depreciation and amortisation *	-- (--)	-- (--)	-- (--)

ii) Secondary segment information

The Group has identified geographical markets, based on location of customer, as the Secondary segment.

	USA (Rs.)	Others (Rs.)	Total (Rs.)
Revenue	2,719,526,834 (2,326,603,017)	10,909,437 (18,869,128)	2,730,436,271 (2,345,472,145)
Carrying amount of assets	800,122,626 (613,333,541)	357,228,678 (339,274,235)	1,157,351,304 (952,607,776)
Capital expenditure	194,491 (686,749)	10,330,296 (6,122,519)	10,524,787 (6,809,268)

*Segment wise allocation is not applicable as capital expenditure, Depreciation and amortisation is for common un-allocable assets.

32. Related Party disclosures :

a) Name of related parties and nature of relationship:

- i) Entity which has a substantial interest in the Company
United Telecoms Limited
- ii) Key management personnel (KMP)
R. Ganapathi
- iii) Others-Entities in which united telecoms has significant influence with whom transactions have not been entered into.
Andhra Network Limited
Promuk Hoffmann International Limited

b) Particulars of related party transactions during the year ended March 31, 2012

Nature of transactions	Transactions	
	March 31, 2012	March 31, 2011
Transactions during the year		
Entity which has a substantial interest in the Company		
Expenses Incurred by the Company		
United Telecom Limited	992,360	1,378,750
Issue of equity shares on conversion of equity warrants	14,450,000	13,800,000
Balances as at year end		
United Telecom Limited	2,371,110	1,378,750
Equity share warrants	--	6,795,113
Transactions during the year		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 2011-12 (Contd.)

Nature of transactions	Transactions	
	March 31, 2012	March 31, 2011
Entities in which United Telecoms Limited has significant influence		
<u>Loans and advances given</u>		
Promuk Hoffmann International Limited	28,653,100	--
<u>Advance given for purchase of property</u>		
Andhra Networks Limited	90,000,000	--
Balances as at year end		
Promuk Hoffmann International Limited	13,628,100	--
Andhra Networks Limited – Capital advances	90,000,000	--

c) Employee benefits expenses includes managerial remuneration paid to above key managerial personnel as follows:

Nature of transactions:	March 31, 2012 Rs.	March 31, 2011 Rs.
Payments and provisions on account of remuneration to Chairman and Executive Director included in the Statement of Profit and Loss		
Salary	3,000,000	3,000,000
Contribution to provident and other funds	360,000	360,000
	3,360,000	3,360,000
Remuneration to non-whole time directors (including Sitting fees)	240,000	220,000

- The above remuneration to Chairman and Executive Director does not include contribution to gratuity fund and provision for Leave encashment, as these are lump sum amounts for all relevant employees based on actuarial valuation.
- Since no commission is payable during the year, computation of net profit for the year under section 198 of the Companies Act, 1956 has not been given

a) For ESOP issued to Mr. R. Ganapathi refer Note 33

33. Employee Stock Option Plans

(a) The 1998 Employee Stock Option Plan

The 1998 Employees Stock Option Plan ('the Plan') provided for the issue of options up to 5% of the paid up equity share capital at a minimum exercise price of Rs 265 per equity share, with a vesting period of 36 months from the date of grant of option. In 2002, the Company revised the Plan, whereby the options granted to the employees would vest in four equal installments from the date of the grant of the options.

Presented below is a summary of the Company's 1998 stock option plan activity during the year ended 31 March 2012

Number of options granted, exercised and foreited during	Year ended March 31, 2012	Year ended March 31, 2011
Options Outstanding, beginning of period	500	1,500
Less:- Exercised	--	--
Forfeited	--	1,000
Options outstanding, end of period	500	500

(b) Employee Stock Option Plan 2000

In June 2000 the shareholders of the Company approved the Employees Stock Option Plan 2000 ("the 2000 Plan"), which covers the employees of the Company including its subsidiaries and affiliates. These options would vest equally over a period of four years, with a minimum vesting period of one year from the date of the grant of these options.

During the year ended March 31, 2001, the Company issued 156,060 options including 34,250 options to employee of its subsidiary, at an exercise price of Rs 380 per option and the prevalent market price of the shares, on the date of grant of these options was Rs 394.3 per share.

GREEN INITIATIVE

To be given by shareholder holding shares in Physical Form only. Shareholders holding shares in demat mode are requested to give there E-mail ID to their Depository Participant in the format provided by them.

Date:

To,
M/s. Sharepro Services (India) Pvt. Ltd.
Unit: Trigyn Technologies Limited
 13AB, Samhita Warehousing Complex,
 Second Floor, Sakinaka Telephone Exchange Lane,
 Off Andheri-Kurla Road, Sakinaka, Andheri (E),
 Mumbai - 400 072.

Sub: Request for E-mail ID Registration

Unit: Trigyn Technologies Limited

Folio Number: _____

Name of First Shareholder: _____

E-mail ID: _____

Signature of First Shareholder: _____

Note:

Members are requested to send this E-mail registration request letter to Company’s Registrar & Transfer Agent as aforesaid. Such registration of E-mail ID will help the Company to send communication related to the Company on such registered E-mail ID on regular basis.

TRIGYN TECHNOLOGIES LIMITED

Regd. Office: 27, SDF I, SEEPZ - SEZ, M.I.D.C., Andheri (East), Mumbai 400 096. INDIA
PHONE: +91 (22) 6140 0909, FAX: +91 (22) 2829 1418

PROXY FORM

DP ID _____ Client ID _____

Folio No _____ No. of Shares held _____

I/We _____ of

_____ being a Member / Members of Trigyn Technologies Limited hereby

appoint _____ or failing him / her

_____ of _____ as

my / our proxy in my / our absence to attend and vote on my / our behalf at the Twenty Sixth Annual General Meeting of the Company to be held at HOTEL SUNCITY RESIDENCY 16th Road, MIDC, Marol, Andheri (E), Mumbai 400093 on September 28, 2012 at 3.30 p.m.

Signed this _____ day of _____, 2012

Signature _____

Please Affix
1 ₹
Revenue
Stamp
here

Note: The proxy must be returned so as to reach registered office of the Company not less than forty eight hours before the time for holding the aforesaid meeting.

----- TEAR HERE -----

TRIGYN TECHNOLOGIES LIMITED

Regd. Office: 27, SDF I, SEEPZ - SEZ, M.I.D.C., Andheri (East), Mumbai 400 096. INDIA
PHONE: +91 (22) 6140 0909, FAX: +91 (22) 2829 1418

ATTENDANCE SLIP

DP ID _____ Client ID _____

Folio No _____ No. of Shares held _____

Full name of Member (s) _____

I / We hereby record my / our presence at the Twenty Sixth Annual General Meeting of the Company to be held at HOTEL SUNCITY RESIDENCY 16th Road, MIDC, Marol, Andheri (E), Mumbai 400093 on September 28, 2012 at 3.30 p.m.

Signed of the Member / Proxy / Representative * _____

Note: Please fill in this attendance slip and hand over at the entrance to the meeting.

* Strike out whichever is not applicable.

Book Post

If Undelivered please return to:
M/s Sharepro Services (India) Pvt.Ltd.
Unit: **Trigyn Technologies Limited**
13AB, Samhita Warehousing Complex,
Second Floor, Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road, Sakinaka, Andheri (E)
Mumbai - 400 072