



ANNUAL REPORT 2015 - 2016

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Corporate Information

Board of Directors : Mr Ravi Vishnu, Managing Director (DIN: 01144902)
Mr Bhopal Reddy, Whole-time Director (DIN: 01119839)
Mr. D. Vikram Reddy, Director (DIN: 01356778)
Mr R. Radha Krishna Murthy, Director (DIN: 02058837)
Mr T. Venkateswara Prasad, Director (DIN 00008136)
(Submitted his resignation w.e.f. 13-11-2015)
Mr T.Krishna Rao, Director (DIN: 01806780)
Wg.Cdr. V.L.Nanda Kumar, Director (DIN: 01822434)
Mr. V. Siva Rama Krishna Murthy, Director (DIN: 03642007)
Smt. R Kasturi, Director (DIN: 01936068)
Sri P Venkata Rao (DIN: 07300169)
Sri Rama Rao Karumanchi (DIN 07532854)

Company Secretary : Mr. Aravind Aitipamula

Registered Office : 6-1-85/10, Opp. Telephone Bhavan
Saifabad, HYDERABAD – 500 004
Tel : +91-40-2323 0305, 2323 0306
Fax : +91-40-2323 0313

Auditors : M/s. Rambabu & Co.,
6-3-1090/1/A, Pancom Chambers,
Raj Bhavan Road, HYDERABAD – 500 082, India.

Bankers : State Bank of India,
Balanagar Branch,
HYDERABAD – 500 037, India

**Registrar &
Share Transfer Agent** : M/s. XL Softech Systems Limited,
3, Sagar Soccity, Road No.2
Banjara Hills, Hyderabad – 500 034, India.
Tel : +91-40-2354 5913, 2354 5914
Fax : +91-40-2355 3214.

NOTICE

Notice is hereby given that the **22nd Annual General Meeting** of the members of the Company will be held on **Thursday the 29th day of September 2016 at 10.00 am** at, Jubilee Hills International Center, Jubilee Hills, **Hyderabad 500 033** to transact the following items of Business:

ORDINARY BUSINESS:

- 1 The Audited Financial Statements of the Company for the financial year ended 31 March, 2016, together with the Reports of Board of Directors and Auditors thereon; and
The Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2016, together with the Report of Auditors thereon.
2. To appoint Director in place of Mr. D. Vikram Reddy (DIN: 01356778) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary resolution.

"RESOLVED that pursuant to the provisions of section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the company hereby ratifies the appointment of M/s. Rambabu & Co., Chartered Accountants (ICAI Reg. No. 002976S) as the statutory auditors of the company, made at the 20th Annual General Meeting (AGM), to hold office until the conclusion of the 25th AGM of the Company to be held in the year 2019 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, as may be mutually agreed between the board of directors of the company and the auditors."

SPECIAL BUSINESS:

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

"RESOLVED that pursuant to the provisions of sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mr. Rama Rao Karumanchi (DIN 07532854), who was appointed as Additional Director, w.e.f. 30-05-2016 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from 30-05-2016 to 29-05-2021, not liable to retire by rotation."

5. Approval of Cosyn Limited Employee Stock Options Plan 2016 and grant of Employee Stock Options to the employees of the Company there under:

To Consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and are hereby accorded respectively to the 'Cosyn Limited Employee Stock Options Plan 2016' (hereinafter referred to as the “CL ESOP 2016”) and to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include 'CL Employees Benefit Trust' /Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time such number of Employee Stock Options (“Options”), to the permanent employees including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India, as may be decided solely by the Board under the Plan, exercisable into not more than 5,00,000 (Five Lakhs Only) fully paid-up Equity Shares in the Company in aggregate, of face value of Rs. 10/- each, directly by the Company and at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with the applicable laws and regulations.

FURTHER THAT the Board be and is hereby authorised to issue and allot Equity Shares upon exercise of Options from time to time in accordance with the CL ESOP 2016 and such Equity shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

FURTHER THAT the number of Employee Stock Options that may be granted to any employee including any Director of the Company (not being an independent director), in any financial year and in aggregate under the CL ESOP 2016 shall be lesser than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid of 5,00,000 (Five Lakhs Only) Equity Shares shall be deemed to increase in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the Option Grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the CL ESOP 2016 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the CL ESOP 2016 and do all other things incidental and ancillary thereof.

FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the CL ESOP 2016.

FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the securities allotted under the CL ESOP 2016 on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.

FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing the Compensation Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of CL ESOP 2016 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

6. Grant of Employees Stock Options to the employees of the Subsidiary Company(ies) of the Company under CL ESOP 2016:

To Consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and rules framed there under, the

Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBEB Regulations") and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and are hereby accorded respectively to the 'Cosyn Limited Employee Stock Options Plan 2016' (hereinafter referred to as the "CL ESOP 2016") and to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include 'COSYN Employees Benefit Trust' /Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time such number of Employee Stock Options ("Options"), to the permanent employees including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India, of any existing and future subsidiary Company(ies) of the Company whether in or outside India as may be decided solely by the Board under 'Cosyn Limited Employee Stock Options Plan 2016' (hereinafter referred to as the "CL ESOP 2016") exercisable into not more than 5,00,000 (Five Lakhs Only) fully paid-up Equity Shares in the Company in aggregate, of face value of Rs. 10/- each, directly by the Company and at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with the applicable laws and regulations.

FURTHER THAT the Board be and is hereby authorised to issue and allot Equity Shares upon exercise of Options from time to time in accordance with the CL ESOP 2016 and such Equity shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

FURTHER THAT the number of Employee Stock Options that may be granted to any employee including any Director of the Company (not being an independent director), in any financial year and in aggregate under the CL ESOP 2016 shall be lesser than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid of 5,00,000 (Five Lakhs Only) Equity Shares shall be deemed to increase in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the Option Grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/-

per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the CL ESOP 2016 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the CL ESOP 2016 and do all other things incidental and ancillary thereof.

FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the CL ESOP 2016.

FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the securities allotted under the CL ESOP 2016 on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.

FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing the Compensation Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of CL ESOP 2016 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

For and on behalf of the Board of Directors

Sd/-

Ravi Vishnu

Managing Director
(DIN-01144902)

Place: HYDERABAD
Date : August 12, 2016

Notes :

1. A shareholder entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll on behalf of him and the proxy need not be a member. The proxy form (available elsewhere in the annual report) should be deposited at the Registered Office of the company not less than 48 hours before the commencement of the AGM. A person can act as proxy on behalf of shareholders not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a shareholder holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Registers of Members and Share Transfer Books of the Company will remain closed from 23 September, 2016 to 29 September, 2016 (Both days inclusive).
3. An Explanatory Statement pursuant to provisions of section 102 of the Companies Act, 2013(Act), is annexed hereto for the item Nos.4 and 5.
4. The shareholders desiring any further information as regards the accounts and operations of the Company are requested to write to the Company so as to reach it at least one week prior to the date of the meeting for consideration of the management to deal at the meeting.
5. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or the Company's Registrar and Transfer Agent for assistance in this regard.
6. The shares of the company were earlier listed at Bangalore Stock Exchange Limited (BGSE). BGSE was derecognized as stock exchange vide SEBI notification dated 26.12.2014. The shares of the Company were listed at the Bombay Stock Exchange (BSE) under direct listing route under B Group vide BSE's letter dated 27.01.2015. Members are requested to note the new Security Code of the Company 538922, Security ID COSYN. The Annual listing fee to BSE for FY 2015-16 has been paid within the time.
7. The members requested to bring their copies of Annual report with them at the time of attending Annual General Meeting.
8. Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement.

Name of the Director	Date of Birth	Date of Appointment	Qualification	Expertise	Other Directorships	Chairmanship/ Membership of Committees of other Companies	Share-holding in the Company
Mr. D. Vikram Reddy	08-09-1960	08-09-2011	M.E.	More than 30 years of experience in the IT Industry	Ishaan Ventures Private Limited	NIL	740500
Mr. Rama Rao Karumanchi	01-01-1963	30-05-2016	Chartered Accountant	More than 30 years of experience in the lines of Financial Management, Accounting and Systems Development	NIL	NIL	NIL

9. In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed by the shareholders. Shareholders are requested to support this green initiative by registering/updating their e-mail addresses for receiving electronic communications.
10. Relevant documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.
11. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company has made arrangement for providing the facility to vote at the AGM by electronic means. Members of the Company can transact all the items of the business through electronic voting system as contained in the Notice of the Meeting.

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

- (A) The voting period begins on 22.09.2016, 10 AM and ends on 24.09.2016, 6 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18-09-2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (B) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (C) E-Voting to be done in the following manner:
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.

- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ❖ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ❖ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> ❖ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "COSYN LIMITED" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders and Custodians:
 - ❖ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - ❖ They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - ❖ After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - ❖ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ❖ They should upload a scanned copy of the Board Resolution and Power of Attorney

(POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Voting through Ballot

- i. A Ballot form is provided (annexed to this annual report) for the benefit of the members who do not have access to e-voting facility to enable them to send their assent or dissent by post.
 - ii. Ballot form duly filled should reach the Company before the end of business hours on 25th September 2016.
 - iii. The scrutinizer shall decide validity of the ballot form. The scrutinizer shall collate the votes downloaded from the e-voting and votes received through physical ballot, to declare the final result for each of the resolutions forming part of the AGM notice.
12. The Company has appointed Mrs. Putcha Sarada, Practicing Company Secretary as scrutinizer who will scrutinize the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of e-voting period, submit her report of the votes cast in favour or against, to the Chairman of the Company.
13. The Results of the voting shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.cosyn.in within two (2) days of passing of the resolutions at the AGM and communicated to the Stock Exchanges.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item 4

Mr. Rama Rao Karumanchi was appointed as Additional Director of the Company with effect from 30-05-2016 under section 161 of the Act. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that his presence on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption. None of the Directors except Mr. Rama Rao Karumanchi and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution. The Board recommends resolutions under Item No. 4 to be passed as an ordinary resolution.

Item No. 5 & 6

Approval for Cosyn Limited Employee Stock Options Plan 2016 ("CL ESOP 2016") and grant of Employee Stock Options to the employees of the Company there under:

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation scheme/ plan. Your Company believes in rewarding its employees including Directors of the Company for their continuous hard work, dedication and support, which has led the Company on the growth path. The Company intends to implement Cosyn Limited Employee Stock Options Plan 2016 ("CL ESOP 2016") with a view to attract and retain key talents working with the Company and its subsidiary Companies in India or abroad also to its future subsidiary Companies by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. Pursuant to provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 hereinafter called as 'SEBI (SBEB) Regulations', the Company seeks members' approval in respect of 'CL ESOP 2016' and grant of Options to the eligible employees/ Directors of the Company as decided by the Board of Directors or its Compensation Committee or a 'CL Employees Benefit Trust' (Trust) from time to time in due compliance of the SEBI SBEB Regulations. The main features of the 'CL ESOP 2016' are as under:

1. Brief Description of the Scheme(s):

This proposed Scheme called the Cosyn Limited Employee Stock Options Plan 2016 ("CL ESOP 2016") is intended to reward the Eligible Employees of the Company, its subsidiaries in India and abroad, for their performance and to motivate them to contribute to the growth and profitability of the Company. Your Company also intends to use this Scheme to retain talent in the organization as it views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come. The Company is implementing ESOP by issuing primary shares.

2. Total number of Options to be granted:

Such number of Options would be available for grant to the eligible employees of the Company and eligible employees of its subsidiaries under 'CL ESOP 2016', in one or more tranches exercisable into not exceeding 5,00,000 Lakhs (Five Lakhs only) Equity Shares in the Company of face value of Rs. 10/- each fully paid-up. Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled Options as per the provisions of 'CL ESOP 2016', within overall ceiling.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and

reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional Equity Shares are required to be issued pursuant to any corporate action, the above ceiling of Equity Shares shall be deemed to increase in proportion of such additional Equity Shares issued subject to compliance of the SEBI SBEB Regulations.

3. Identification of classes of employees entitled to participate in 'CL ESOP 2016':

Following classes of employees are entitled to participate in ESOP 2016:

- a) Permanent employees of the Company working in India or out of India; and
- b) Directors of the Company.

Following persons are not eligible:

- a) an employee who is a promoter or belongs to the promoter group;
- b) a Director who either by himself or through his relatives or through any Body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director within the meaning of the Companies Act, 2013.

4 Requirements of vesting and period of vesting:

The Options granted shall vest so long as an employee continues to be in the employment of the Company or the Subsidiary as the case may be. The Board of Directors or its Compensation Committee or a Trust, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to the minimum vesting period of 1 (one) year.

5. Maximum period within which the Options shall be vested:

Options granted under 'CL ESOP 2016' would vest subject to maximum period of 5 (five) years from the date of grant of such Options.

6. Exercise price or pricing formula:

The Exercise price per Options shall be equal to the Market price on the date of grant of Options or upto 50% of the discount to the Market Price on the date of grant, as decided by the Board of Directors or its Compensation Committee or a Trust may, at its discretion ("Exercise Price"). "Market price" under the SEBI SBEB Regulations means the latest available closing price on the stock exchange on which the equity shares of the Company are listed on the date immediately prior to the Relevant Date. If such shares are listed on more than one stock exchanges, then the closing price on the stock exchange having higher trade volume shall be considered as the market price.

"Relevant Date" under the SEBI SBEB Regulations means:

- (I) In the case of grant, the date of the meeting of the Board of Directors or its Compensation Committee or a Trust on which the Grant is made; or

- (ii) In the case of exercise, the date on which the notice of exercise is given to the Company by the employee.

7. Exercise period and the process of Exercise:

The Vested Options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 1 year from the date of vesting of such Options. The Vested Options shall be exercisable by the employees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Compensation Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

8. Appraisal process for determining the eligibility of employees under 'CL ESOP 2016':

The appraisal process for determining the eligibility of the employees will be decided by the Board of Directors or its Compensation Committee or a Trust from time to time. The employees would be granted Options under the 'CL ESOP 2016' based on various parameters such as performance rating, period of service, rank or designation and such other parameters as may be decided from time to time.

9. Maximum number of Options to be issued per employee and in aggregate:

The number of Options that may be granted to any specific employee of the Company, or of its Subsidiary Company under the Plan in any financial year and in aggregate under the 'CL ESOP 2016' shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

10. Maximum Quantum of benefits to be provided per employee under the 'CL ESOP 2016':

The Maximum quantum of benefits underlying the Options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of Exercise of Options.

11. Source of Shares:

The Scheme contemplates new Issue of Shares by the Company ("Primary Shares").

12. Maximum percentage of Secondary Acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purchase of the scheme:

The Company is implementing ESOP by issuing Primary Shares. The Company is not providing any loan for ESOP purpose.

13. Accounting and Disclosure Policies:

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure

requirements prescribed therein.

14. Method of Option Valuation:

To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the Options granted. 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 and the impact of this difference on profits and on Earnings per Share (EPS) of the Company shall also be disclosed in the Directors Report.

15. Trust means:

The 'Trust' means the existing 'CL Employees Benefit Trust' of the Company.

Consent of the members is being sought pursuant to Section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder and as per Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

The Board believes that the proposed offering is in the interest of the Company and therefore recommends the Special Resolutions set out at Item No. 5 & 6 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is directly or indirectly concerned or interested in this Resolution.

For and on behalf of the Board
Sd/-

Ravi Vishnu
Managing Director
(DIN-01144902)

Place: HYDERABAD
Date : August 12, 2016

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the 22nd Annual Report together with the Audited Accounts for the Financial Year ended 31st March 2016.

Financial Results

Your Company has been able to generate total revenue of Rs. 2,456.68 Lakhs during the financial year under review as against Rs. 1,975.86 Lakhs during the previous financial year despite the fact that the industry has been struggling due to overall economic slowdown. Brief Financials are as follows:

Rs. In Lakhs		
Particulars	31.03.2016	31.03.2015
Total Revenue	2,456.68	1,975.86
Less: Expenditure	2,092.93	1,829.44
Less: Exceptional Items	-	-
Profit before Tax	363.75	146.41
Less : Provision for Income Tax	(7.63)	(67.81)
Less: Provision for Deferred Tax (Current Year)	-	-
Net Profit	371.38	214.23
Earning Per Share	4.95	2.86

Dividend

In order to conserve resources for expansion activities, your Directors have not recommended any dividend for the year under review.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

Review of business operations :

The Company has achieved a turnover of Rs. 2,435.31 Lakhs and Net Profit of Rs. 371.38 Lakhs as against Rs. 1,968.12 Lakhs and Rs.214.23 Lakhs in the previous year respectively.

Future Outlook

Your Board of Directors has taken various initiatives to overcome the competition by adopting various strategies that helped your Company to bag various orders. This will pave a way for better visibility and higher revenues and profitability for the Company in coming financial years. Further, the Company is also taking measures to keep the operating costs low wherever possible.

Capital Expenditure

During the year under review the company has made Capital Expenditure of Rs. 1,36,84,173/-.

Deposits

The Company has not accepted any deposits and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet for the year ended on 31st March 2016.

ISO 9001-2008 Certification

Your Company continues to hold ISO 9001-2008 Certification by complying with all the requirements of Certification from time to time.

ISO 27001-2013 Certification

This Year your Company obtained Certification by complying with all the requirements of Certification.

ISO 20000-1: 2011 Certification

This Year your Company obtained Certification by complying with all the requirements of Certification.

Board of Directors & Key Managerial Personnel

None of the Directors of the company is disqualified under the provisions of the Act or under the Listing Agreement with the Stock Exchanges.

Appointments

Mr. Rama Rao Karumanchi was appointed as the Additional Director w.e.f 30-05-2016. His appointment as Director by the members is proposed at the ensuing AGM.

Pursuant to the articles of association of the company and the provisions of Section 152 of the Companies Act, 2013, Mr. D. Vikram Reddy retires by rotation at the ensuing AGM and offer himself for re-appointment. Pursuant to the provisions of Clause 49 of the Listing Agreement, brief particulars of the Directors who are proposed to be appointed/re-appointed are provided as an annexure to the notice convening the AGM.

Except as stated above, there is no change in the key managerial personnel during the year.

Policy on Directors' Appointment and Remuneration and other details

The Company's policy on Directors' Appointment and Remuneration and other matters provided in section 178(3) of the Act have been disclosed in the corporate governance report, which forms part of the Directors' report.

Number of Board meetings during the year

During the year, 5 meetings of the board were held, the details of which form part of the report on corporate governance.

Board Evaluation and Assessment

The Company believes that formal evaluation of the Board and of the individual Directors, on an annual basis, is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the Company, evaluations provide an ongoing means for Directors to assess their individual and collective performance and effectiveness. In addition to greater Board accountability, evaluation of Board members helps in:

- More effective Board processes
- Better collaboration and communication
- Greater clarity with regard to members roles and responsibilities and
- Improved Board relations

By focusing on the Board as a team and on its overall performance, the Company ensures that communication and overall level of participation and engagement also improves. In this background, the Board undertook a formal Board assessment and evaluation process during 2014-15. The Nomination & Remuneration Committee has overall stewardship for the process. The evaluation process covers the following aspects:

- Peer and self-evaluation of Directors
- Evaluation of the performance and effectiveness of the board
- Evaluation of the performance and effectiveness of Board Committees
- Feedback from the Non-Executive Directors to the Chairman, and
- Feedback on management support to the Board

The evaluation process elicits responses from the Directors in a judicious manner - ranging from composition and induction of the Board to effectiveness and governance. It also seeks feedback on Board and committee charters, strategy, risk management and quality of discussion and deliberations at the board. The same is discussed and acted upon accordingly at the Board.

AUDITORS

Pursuant to the provisions of section 139 of the Act and the rules framed thereunder, M/s. Rambabu & Co.; Chartered Accountants, were appointed as statutory auditors of the company from the conclusion of the 20th AGM of the company held on 30th September 2014 till the conclusion of the 25th AGM to be held in the year 2019, subject to ratification of their appointment at every AGM.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The Auditors' Report and Secretarial Auditors' report do not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is annexed to the Directors Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to conservation, technology absorption, foreign exchange earnings and outgo forming part of director's report.

Conservation of Energy

The operations of your Company are not Energy intensive. The Company makes every effort to conserve energy as far as possible in its facilities. The Company continuously evaluates new technologies and techniques to make infrastructure more energy efficient.

Technology Absorption

Your Company did not invest in any R & D activity during the year under consideration. However, the up gradation of the technology in vogue is being given highest priority to give a better service to clientele.

Foreign Exchange Earnings and Outgo Particulars:

Particulars	2015-2016 (Rs.)	2014-2015 (Rs.)
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	16,05,640	NIL

Management Discussion & Analysis Report

Pursuant to the provisions of Clause 49 of the Listing Agreement, a report on Management Discussion & Analysis is enclosed to the Annual Report.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a going concern basis;
- They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Particulars of Loans, Guarantees And Investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

Related Party Transactions

None of the transactions with related parties falls under the scope of section 188(1) of the Act. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and is

annexed to the Directors Report.

Extract of Annual Return (MGT 9)

The extract of the annual return in Form MGT 9 as required under the provisions of section 92 of the Act is annexed to the Directors Report.

Particulars of Employees

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Executive Directors	Ratio to Median remuneration
Ravi Vishnu	99.57 : 0.43
A.Bhopal Reddy	99.57 : 0.43
Non - Executive Directors *	-

*Non- Executive Directors do not receive any remuneration from the Company except sitting fees and conveyance for attending the meetings.

- b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Ravi Vishnu, Managing Director	NIL
A.Bhopal Reddy, Whole Time Director	NIL
Aravind Aitipamula, Company Secretary	NIL
K. Raghupathi Rao, CFO	16.33%

- c. The percentage increase in the median remuneration of employees in the financial year: 18.99%

- d. The explanation on the relationship between average increase in remuneration and Company performance:

On an average, employees received an annual due increase of 21.83%. The individual increments varied from 7.32% to 62.50%, based on individual performance and market dynamics.

- e. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY'16	Rs. 64,36,931
Revenue	Rs. 24,56,68,534
Remuneration of KMPs (as % of revenue)	2.62%
Profit before Tax (PBT)	Rs. 3,48,31,174
Remuneration of KMP (as % of PBT)	18.48%

- f. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31 2016	March 31 2015	% Change
Market Capitalisation (Rs.)	33,22,50,000	6,81,00,000	387.88
Price Earnings Ratio	9.33	3.17	194.32

- g. Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	March 31 2016	IPO Date/ first listing date	IPO Price	Adjusted IPO price by considering CA*	% Change
Market Price (BSE)	44.30	May 15, 2000	20	N.A	-

- h. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 21.83%.

Increase in the managerial remuneration for the year is 0.98 %.

- i. **Comparison of each remuneration of the key managerial personnel against the performance of the Company:**

	Ravi Vishnu MD	Bhopal Reddy WTD	Aravind Aitipamula, CS	K. Raghupati Rao CFO
Remuneration in FY16	19,20,000	19,20,000	1,32,000	4,47,260
Revenue	24,56,68,534			
Remuneration as % of revenues	0.78	0.78	0.05	0.18
Profit before Tax (PBT)	3,63,75,391			
Remuneration (as % of PBT)	5.28	5.28	0.36	1.23

- j. **The key parameters for any variable component of remuneration availed by the Directors:** None.
- k. **The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:** None.
- l. **Affirmation that the remuneration is as per the remuneration policy of the Company:**
The Company affirms remuneration is as per the remuneration policy of the Company
- m. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

RISK MANAGEMENT

The Board of Directors has formed a risk management committee to identify, evaluate, mitigate and monitor the risk management in the company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls.

A comprehensive enterprise risk management mechanism has been put in place and the same is regularly reviewed.

Corporate Governance

The Company will continue to uphold the true spirit of Corporate Governance and implement the best governance practices. A report on Corporate Governance pursuant to the provisions of Clause 49 of the Listing Agreement forms part of the Annual Report. Full details of the various

board committees are also provided therein. As required under Clause 49 of the Listing Agreement, the Auditors' Certificate regarding compliance of conditions of corporate governance is annexed to the Directors' Report.

Disclosure Requirements

Details of the familiarization programme of the independent Directors are available on the website of the Company, www.cosyn.in.

Policy for determining material subsidiaries of the Company is available on the website of the Company, www.cosyn.in.

Policy on dealing with related party transactions is available on the website of the Company, www.cosyn.in.

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the section 177(9) of the Act and the revised Clause 49 of the Listing Agreements with stock exchanges, The said policy is available on the website on the company, www.cosyn.in.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All associates of the Company are covered under this policy. There were no complaints received under the policy during 2015-16.

Managing Director / CEO's Declaration

Pursuant to the provisions of clause 49 (II)(E) of the Listing Agreement, a declaration by the Managing Director & CEO of the Company declaring that all the members of the Board and the senior management personnel of the Company have affirmed compliance with the Code of Conduct of the company is annexed to the Directors Report. The CEO/CFO certification to the Board pursuant to clause 49(V) of the listing agreement is annexed to the Directors Report.

Acknowledgments

Your Directors extend their gratitude to the valuable customers, investors, Bankers, Central and State Government officers, agencies and the confidence, which they have reposed in the Management.

We place on record our appreciation of the contribution made by employees at all levels. Our consistent performance was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of the Board of Directors

Sd/-

Ravi Vishnu
Managing Director
(DIN-01144902)

Sd/-

A.BHOPAL REDDY
Whole-Time Director
(DIN-01119839)

Place: HYDERABAD
Date : August 12, 2016

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NONE
2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

For and on behalf of the Board of Directors

Sd/-

Ravi Vishnu
Managing Director
(DIN-01144902)

Place: HYDERABAD
Date : August 12, 2016

SECRETARIAL AUDITORS' REPORT

FORM NO. MR-3

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

To,
The Members,
Cosyn Limited
6-1-85/10, Opp. Telephone Bhavan
Saifabad, Hyderabad
Telangana – 500 004

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Cosyn Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2016 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (6) Contract Labour (Regulation and Abolition) Act, 1970
- (7) Employees State Insurance Act, 1948
- (8) Employees Compensation Act, 1923
- (9) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (10) Factories Act, 1948
- (11) Industrial Disputes Act, 1947
- (12) Industrial Employment (Standing Orders) Act, 1946
- (13) Indian Contract Act, 1872
- (14) Income Tax Act, 1961 and Indirect Tax Laws
- (15) Indian Stamp Act, 1999
- (16) Minimum Wages Act, 1948
- (17) Payment of Bonus Act, 1965
- (18) Payment of Gratuity Act, 1972
- (19) Payment of Wages Act, 1936

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Notified w.e.f. 1st July, 2015)
- (ii) The Listing Agreement entered into by the Company with BSE Limited

The existing Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) w.e.f. 1st December, 2015 entered into by the Company with BSE Limited. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review there was a gap in filling Independent Director during the period 13th November, 2015 to 29th May, 2016 due to the time taken to identify a competent Independent Director and the gap was filled by appointment of Independent Director on 30th May, 2016.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

All meetings were duly held in compliance with provisions of the Companies Act, 2013, rules thereof and the Secretarial Standard 1 issued by the Institute of Company Secretaries of India and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions in the Board meeting were taken unanimously during the audit period.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances

- (i) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- (ii) Redemption/buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger/amalgamation/reconstruction, etc.
- (v) Foreign technical collaborations

**Sd/-
Putcha Sarada
Practicing Company Secretary**

Place: HYDERABAD
Date : August 12, 2016

**ACS No. 21717
CP No. 8735**

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

'Annexure A'

To,

The Members

COSYN Limited

6-1-85/10, Opp. Telephone Bhavan, Saifabad, Hyderabad – 500 004

My Report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Putcha Sarada
Practicing Company Secretary

Place: HYDERABAD
Date : August 12, 2016

ACS No. 21717
CP No. 8735

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We at COSYN Limited, have celebrated the past year with the theme of the Cloud Enterprise. This happens to be a historic year for YOUR COMPANY. Armed with the experience of the past year in the most sought after domain of SME Business Productivity solutions, YOUR COMPANY continues to morph itself into the IT company for the SMEs. It has also reinvented itself to be able to compete in the global arena with primary focus of serving the SME segment companies across the world. COSYN aims to serve the needs of its clients in the domains of Cloud Solution services for Energy and Utilities, HR Management and GPS Based Vehicle tracking solutions.

YOUR COMPANY is certified for ISO 9001, ISO 20000-1 and ISO 27001 certifications for Software Development, IT BPO Services, Data management services and Infrastructure Management by JASANZ.

YOUR COMPANY is shortly launching the Cloud Services and Products over the next few months and in line with the global forecast predicting high-maturity of SMB segment companies being more open and positive about adopting Cloud Services or enabling their stand alone applications onto the Cloud. Currently only 1/3rd of the SME businesses have adopted Cloud Computing in some form for their Business Applications. There is an expected upsurge in Cloud Solution adoption in US, Middle East and European countries over the next 2 years.

Cloud computing is becoming a game changer for Small-Medium Enterprises (SMEs) by offering scalable infrastructure and capabilities available as services. It is a paradigm where computing resources are available when needed, and you pay for their use in much the same way as for household utilities.

Cloud is a shift in the consumption and delivery of IT with the goal of simplifying to manage complexity more effectively. Cloud represents the industrialization of delivery for IT-supported services. Cloud models are delivering on the promise to help businesses work smarter by providing flexible, cost-effective access to technology and information.

IT planning should begin with an understanding of the overall business strategy. From experience, many businesses, irrespective of their size, lack business-IT alignment; hence IT planning becomes a matter of trying to hit a moving target. When IT planning, as the cornerstone of Plan, Build, and Run, is inadequately developed, IT organizations provision and operate IT assets that are of questionable value to the business. To make matters worse, small businesses struggle with a lack of skilled IT personnel, operational insufficiencies, and poor IT management. As a result, IT organizations often fail to demonstrate satisfactory business outcomes, such as improved financial performance.

Cloud computing won't be the answer to all of the above. But it can help simplify IT so that SMEs stay business-focused.

Whether SMEs enter into new markets and therefore need related IT capabilities to support

the business or SMEs acquire business lines or entire businesses and therefore need to deploy their standard application stack, IT organizations can, due to the adoption of Cloud services, support the business by instantly provisioning related IT services.

This increased agility helps the business with rapid time-to-market and, as a result, attracts new customers in a timely fashion. The reduced time-to-market not only gains new customers who otherwise would have gone to competitors, it prevents those competitors from becoming stronger and therefore enhances the SME's competitive strength in the market. Furthermore, IT organizations help SMEs to stay nimble as IT services can be provisioned in a timely way, on-demand, and with the illusion of unlimited capacity. The adoption of Cloud computing, and with it the shift from traditional IT provisioning (in-house) to sourcing IT services from Cloud service providers, clearly demonstrates multi-dimensional benefits.

Market Indicators:

Even though all the providers are talking about the Cloud and related services, the penetration of Cloud services in the SME marketplace has only just begun. One reason is that SMEs have, for the most part, only a basic knowledge of Cloud services; hence it is difficult to trigger such a conversation for Cloud providers. A recent study done by Microsoft surveyed more than 3,000 SMEs across 16 countries with the objective of understanding whether SMEs have an appetite for adopting Cloud computing. One of the findings was that within three years: "43% of workloads will become paid Cloud services"

Another data point that comes from Gartner, predicts is that 20% of businesses will not own any IT assets anymore by 2012. Note that this prediction doesn't distinguish between SMEs and LEs. The Western Europe Cloud services market is: "...set to grow at a CAGR (Compound Annual Growth Rate) of 12.6% between now and 2015"

Cloud computing is the coming together of a number of existing technologies e.g., the Internet, virtualization and grid computing. It involves the hosting of data, applications, communications and services in a data centre, and enables them to be provisioned on any device, anywhere, at any time, as long as there is an Internet connection.

Like enterprises, cloud computing can prove commercially viable for many small and medium enterprises (SMEs) due to its flexibility and pay-as-you-go cost structure. This makes SMEs nimble, quick and agile, and enables them to conduct business faster and better.

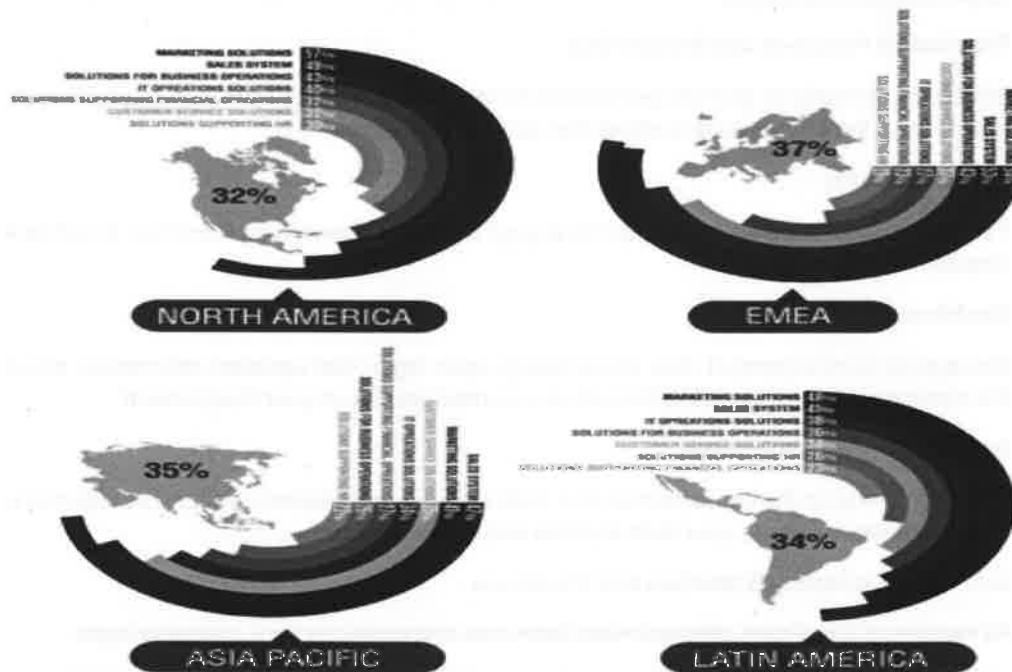
Ironically though, not many SMEs understand the benefits that cloud computing can bring to their business especially with regard to cost effectiveness, operational efficiency and scalability. While many do not use cloud computing, there are others who might not understand the term. Many who understand cloud computing do not deem it necessary to adopt the technology.

Global analyst corporations predict a CAGR for Cloud Services of almost 20% YoY which makes it an inevitable platform for delivering value to our clients and features in the list of 'Game Changers' technologies.

The cloud has changed the fundamental nature of computing and how business gets done and it will continue to do so through 2020. COSYN seeks to ride the business adoption wave and garner a fair share of the Cloud Services market through strategically selected and designed Cloud offerings for the SMB segment. COSYN will also adopt a CLOUD-FIRST and MOBILE-FIRST vision for its existing Cloud Centric products as well as the new ones in the making. Cloud Computing is simply the new way business is done and IT is provisioned. To be competitive in this world of break-neck innovation and fast paced advancements against larger enterprises with unlimited IT budgets, SMBs must be armed with the right information to guide their business appropriately. For many SMBs - Cloud represents the opportunity to exceed goals and change the competitive landscape.



SMB Planned Adoption of Customer Service Cloud Application



Source: Techstyle SMB & Midmarket Cloud Adoption Trends Study

www.timefrank.com:

In line with its SME Cloud Focus, COSYN has launched the beta version of a SME Staff attendance application named as timeFrank, targeted at the US and Indian markets. The application employs feature rich, easy to use User Interfaces and low cost Staff attendance capture systems. It deploys advanced analytics for updated dashboards and employee interaction. It is browser based and makes staff data available anytime anywhere to the Supervisors and the Senior Management of the company. It also uses advanced GPS location positioning systems to capture the attendance locations which can be used for audit/approval processes.

Some of its innovative features include:

❖ **Real Time Attendance**

No matter where you are, you will have anytime access to the latest staff attendance

❖ **Mobile App**

All versions of timeFrank come with the free Android and iPhone app for attendance capture

❖ **Easy Customizations**

timeFrank has easy options to customize the staff attendance card or the settings to be applied to the attendance

❖ **Web based Punch-In and Punch-Out**

Staff can optionally be granted permission to use their cloud login to Punch-In and Punch-Out, in case the employee is working from another location

❖ **Online Reports**

Feature rich and wide variety of reports at your fingertips. Download, Print from timeFrank directly!

❖ **Dashboard**

Managerial level snapshot view immediately upon login. Get updated information about the company attendance in the form of easy to read graphs on your Dashboard!

❖ **Anytime Anywhere Access**

time Frank runs on the cloud, hence your data is saved and backed up on the best servers. You also have access to your data anytime and from anywhere

❖ **Unlimited Company Branches and Positions**

All variants of timeFrank offer unlimited branches and positions for a company login

YOUR COMPANY is also investing in a promising cloud platform (SaaS) targeted at the Oil Industry in the US and Middle East. It seeks to simplify data sharing, data conversion, data analysis etc among the various stakeholders of the Oil Industry. YOUR COMPANY is positive about the good response received from the target segment customers in the US pertaining to the problem area being addressed by this online service. The service is in its final stages of Beta testing and will be made live for select US Oil industry customers and other stakeholders in a few months. YOUR COMPANY expects major foreign currency traction from this service.

YOUR COMPANY has not only been successful in retaining the existing clients in the Utility domain but is also successful in increasing the project values. YOUR COMPANY is also looking forward to starting pilot Spot Metering and Billing projects in multiple Discoms in India on a BOOT basis for a few months to exhibit the immense advantages of Spot Metering and Billing compared to manual diary / ledger entry billing.

YOUR COMPANY is in the final stages of developing another state of the art Cloud based application targeted at the Utilities industry. In addition to the focus on the new technologies, COSYN will continue its existing businesses and seeks to add additional revenue from the new initiatives of the Governments of India. A brief summary of the business opportunity and our go to market strategy has been described below:

1. Energy Efficiency Services Limited (EESL) – Distribution of Energy Efficient devices and Electrical Items across India
2. Smart Grid Solutions
3. Distribution Franchisees
4. Aadhaar Enabled services
5. Meter to Cash for Utilities

EESL (Energy Efficiency Services Limited) – Distribution of Energy Efficient devices and Electrical Items across India:

The overall size of energy efficiency market is estimated to be Rs. 74,000 Crores. Till now, only 5% of this market has been tapped through Energy Service Companies (ESCOs) mode mainly in the areas of lighting and some industrial applications and the large-scale implementation of energy efficiency is constrained by a number of important regulatory, institutional and financing barriers. The concept of performance contracting implemented by ESCOs is being increasingly considered as a mechanism to overcome some of the barriers hindering and discouraging the large-scale implementation of energy efficiency projects. However, despite the fact that the potential for application of performance contracting in both the public and private sectors in developing nations is enormous, the growth of the ESCO industry has been particularly slow in the country. In order to develop a viable ESCO industry, Ministry of Power has set up Energy Efficiency Services Limited (EESL), a Joint Venture of NTPC Limited, PFC, REC and POWERGRID to facilitate implementation of energy efficiency projects. EESL will work as ESCO, as Consultancy Organization for CDM, Energy Efficiency, etc.; as a Resource Centre for capacity building of Utilities, Financial Institutions, etc. EESL will also lead the market-related actions of the National Mission on Enhanced Energy Efficiency (NMEEE). It will

be the first such company exclusively for implementation of energy efficiency in South Asia and amongst a very few such instances in the world.

COSYN is targeting the various tenders being called for under hiring of agencies to carry out large-scale Distribution, Storage, and Inventory Management of LED Bulbs & Data Base Preparation etc. as per scope of work for DELP (Domestic Efficient Lighting Program), CCC (Customer Care Cell) and cloud based CCMS (Centrally - Controlled Monitoring System). Under the program, quality LEDs would be distributed to grid-connected residential households in exchange of an incandescent bulb (ICL) per LED. LEDs shall be adequately stamped OR unique identification number may be given, to forbid them to enter into market for re-sale.

This business opportunity will scale to distribution of LED bulbs across all Indian states and then scale up to include other Energy Efficient devices like Fans, ACs etc.

SMART CITIES AND SMART GRID SOLUTIONS in INDIA:

Although the idea of smart cities is an evolving concept of recent years, Government of India has embarked on an ambitious program of developing 100 Smart Cities on fast track. While cities in the developed nations with reliable physical infrastructure (electricity, water, transport etc) and minimal population growth in urban areas have the main focus of smart cities development in asset optimization, operations monitoring, data communications and analytics with the main objective of transition to a low carbon economy, developing countries where cities have inadequate physical infrastructure need to focus on building modern physical infrastructure that are scalable, intelligent and interoperable to build smarter cities.

India with a federal democratic structure need the cooperation and coordination of federal government, state governments and urban local bodies to build smart cities. Ministry of Urban Development (MoUD) has been made the nodal agency for driving the smart cities program by Government of India.

Smart Grid facilitates efficient and reliable end-to-end intelligent two-way delivery system from source to sink through integration of renewable energy sources, smart transmission and distribution. In this way Smart Grid technology shall bring efficiency and sustainability in meeting the growing electricity demand with reliability and best of the quality.

McKinsey estimates that the Smart Grid business opportunity across the world will be around USD 15 to 31 Billion . Smart Grid also enables real time monitoring and control of power system as well as helps in reduction of AT&C losses, demand response and demand side management, power quality management, outage management, smart home energy system etc. Smart Grid will act as a backbone infrastructure to enable new business models like smart city, electric vehicles, smart communities apart from more resilient and efficient energy system and tariff structures.

The electric power utility industry in India has been undergoing significant transformation of its operating landscape, driven primarily by rising energy demands of a fast growing economy, market operations and regulatory mandates.

COSYN specializes in the Geographical Information Systems (GIS), Meter Data Management System (MDMS), Asset Management (AM) and Consumer Information Systems (CIS) elements in the Smart Grid structure and is strategically placed to partner Smart Grid implementation programs in India and abroad. Your Company in order to leverage its expertise in multiple platforms, has initiated a dialogue for joining a consortium to execute Smart City projects.

ELECTRICITY DISTRIBUTION FRANCHISEES:

Distribution Franchisee (or Distribution Power Franchisee or Power Distribution Franchisee or Power Franchisee or DF) is an emerging PPP model in Indian Distribution power sector. While it is not complete privatization, it is a step to leverage best corporate practices, cut down high utility losses (National Average ATC of 35+%), realize predictable cash flows directly from end-consumers and hence offers an attractive big market.

With modernization of Utility infrastructure (IT automation, Measurements and Monitoring) under Government of India's R-APDRP program, the scale-up of Distribution Franchisee business stands at market inflection point. Further integration of the existing Distribution Franchisee model with Distributed Generation (DGBDF – Distributed Generation Based Distribution Franchisee) and consumer demand management would be advent of India into Smart Distribution or smart grid.

Power Distribution Franchisee – evolving Public Private Partnership (PPP) model has picked traction since 2009 after successful demonstration by Torrent Power Ltd. at Bhiwandi, Maharashtra, which got operational in 2007.

The licensee (state utility) appoints a private company on the basis of rationale bidding for distribution of electricity in a specified area for specified years of contract. This Distribution Franchisee model stands midway between licensee and full PPP model and is considered as one of the major energy reforms in power distribution sector that has the potential to turnaround the sector and take electricity to rural areas as well.

Out of the variants available, 'Input based Distribution Franchisee' model has recently seen an increase, currently with five cities across India, out of which distribution in three cities was handed over to private companies in 2011. Three new cities in MP have recently been franchised and undergoing handover, further boosting up the DF model. Input based Distribution Franchisee, by far, has been mostly used operating model in urban areas.

Investments in this space are driven by the emerging nature of the 'Input based Distribution Franchisee' model which promises high returns, has low entry barriers, maintains proximity to end-consumers, involves high Capex with predictable cash flows and easy financial leverage when operating efficiently.

COSYN with its long standing domain expertise in the Electricity Domain is a leading contender for partnerships in bidding for the upcoming Electricity Distribution Franchisees across India. The Central government which was satisfied with the performance of power distribution franchisees (DFs) and private licensees in states of Gujarat, Maharashtra, Uttar Pradesh, Odisha and Delhi, is planning to direct state-run discoms to go in for this model. It has drawn up a list of 200 cities where the franchisee model is to be implemented. COSYN also seeks to

deploy its Combined Utilities Expertise (Electricity, Water & Sewer and Gas) for the various Discoms in India.

Aadhaar Enabled services: UIDAI:

Developing on its vision of "Empowering residents of India with a unique identity and a digital platform to authenticate anytime, anywhere", the Unique Identification Authority of India (UIDAI) unveiled three new Aadhaar-Enabled Services and announced the establishment of first set of permanent enrolment centres (Aadhaar Kendras). The services that were launched are Authentication services using Iris, Authentication service using One Time Pin and eKYC (Electronic- Know Your Customer) service. Aadhaar Enabled Service Delivery is currently or will soon be linked to various government schemes such as MNREGA wage payments, PDS distribution, payment of social security benefits such as old-age payments, distribution of LPG subsidy etc. Currently more than 100 Crore residents have enrolled themselves for the UIDAI Aadhaar number.

Micropayments using Aadhaar authentication:

In the last twenty years India has undergone a transformation of its economic and regulatory structures. Policy reforms in this period have led to the increasing maturity of our markets, as well as healthy regulation. The emphasis on de-licensing, entrepreneurship, the use of technology and decentralisation of governance to the state and local level have in particular, shifted India from a restrictive, limited access society to a more empowered, open access economy, where people are able to access resources and services more easily and effectively.

But despite these efforts, access to finance has remained scarce in rural India, and for the poorest residents in the country. Today, the proportion of rural residents who lack access to bank accounts remains at 40%, and this rises to over three-fifths of the population in the east and north-east parts of India. To mitigate the lack of financial access in India, the regulator has focused on improving the reach of financial services in new and innovative ways — through no-frills accounts, the liberalization of banking and ATM policies, and branchless banking with business correspondents (BCs), which enables local intermediaries such as self-help groups and kirana stores to provide banking services. Related efforts have also included the promotion of core-banking solutions in Regional Rural Banks; and the incorporation of the National Payment Corporation of India (NPCI) to provide a national infrastructure for payments and settlements in the country.

Advancements in technology such as core banking, ATMs, and mobile connectivity have also had enormous impact on banking. Mobile phones in particular present an enormous opportunity in spreading financial services across India. These technologies have reduced the need for banks to be physically close to their customers, and banks have been consequently able to experiment with providing services through internet as well as mobile banking. These options, in addition to ATMs, have made banking accessible and affordable for many urban non-poor residents across the country. The Aadhaar and the accompanying authentication mechanism coupled with rudimentary technology application can provide the desired micropayment solution. This can bring low-cost access to financial services to everyone, a short distance from their homes. COSYN with its vast Aadhaar data collection and implementation expertise is well suited to morph itself for the next round of Aadhaar enabled

services to be delivered to the residents in India through Micropayments, Authentication services and Aadhaar enabled service delivery in Civil Supplies/Ration Card and Election card integration projects.

Meter to Cash for Utilities (Electricity, Water and Gas):

In the existing Metering billing system, the Energy bill of the consumer is calculated and printed on the spot using a handheld computer or mobile phone - immediately after the meter reading is taken. In MRBD system – Meter Reading and Bill Distribution, there is a gap of around 5 to 7 days from the date of meter reading to bill delivery. This gap is eliminated in metering & Billing using Hand Held Device. Using advanced state of the art GPS and GPRS/Edge/3G/4G technologies data is also immediately sent to the server which enables immediate access to billing progress and revenue billed. One visit to consumer premises is all that is required as compared to two visits. This improves the consumer satisfaction and also improves the revenue realization cycle. Most of the current Power DISCOMs (Distribution Companies) are expected to migrate to the Spot Billing system using GPS and GPRS to overcome the shortcomings of the other Metering billing processes and also improve reliability and accuracy of metering.

COSYN has been the pioneer in implementation of Metering, Billing and Collection services in the country and has been at the forefront in introduction of new technologies. Its in-house developed Android based GPS+GPRS/3G Spot billing and collection software and app is well suited for offering reliable and diverse field based metering requirements for Electricity, Gas, Water & Sewerage consumers. It is also the first Company in India to develop the Android application for combined billing of Electricity, Water & Sewerage consumers in a single bill. COSYN estimates the Metering & Billing market to grow by INR 500 Crores per annum over the next 2 years and is gearing up to garner a substantial share of this market.

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31 March 2016

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U72200TG1994PLC017415
ii.	Registration Date	25.04.1994
iii.	Name of the Company	COSYN LIMITED
iv.	Category/Sub-Category of the Company	Company Limited by shares/Indian Non-Government Company
v.	Address of the Registered office and contact details	# 6-1-85/10, Opp. Telephone Bhavan, Saifabad, Hyderabad – 500 004
vi.	Whether Listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. XL Softech Systems Limited, 3, Sagar Soccity, Road No.2 Banjara Hills, Hyderabad – 500 034, India. Tel : +91-40-23545913, 23545914 Fax : +91-40-23553214.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of Main Products/ Services	NIC Code of the Product/ Service	% to total turnover of the Company (Rs. In Lakhs)
1	IT ENABLED SERVICES	8920	2456.68

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -- NIL

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	COSYN LLC	802278211	Subsidiary	100	2(87)
2	-	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1. Indian									
a) Individual/ HUF	3950742	0	3950742	52.68	3898585	0	3898585	51.98	0.70
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	468460	0	468460	6.24	468460	0	468460	6.24	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) State Govt(s)	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	4419202	0	4419202	58.92	4367045	0	4367045	58.22	0.70
2. Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
B. Public Shareholding	-	-	-	-	-	-	-	-	-
l) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	0	0	0	0	0	0	0	0	0
2.Non Institutions									
a) Bodies Corp									
(i) Indian	83028	6700	89728	1.20	229424	6700	236124	3.15	1.95
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	924842	137240	1062082	14.16	924842	137240	1062082	14.16	-
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1665245	99000	1764245	23.52	1665245	99000	1764245	23.50	-
c) Others(Specify)									
Clearing Members	7745	0	7745	0.10	18092	0	18092	0.24	0.14
NRIs'	20458	136540	156998	2.09	37037	136540	173577	2.31	0.22
Sub-total(B)(2)	2701318	379480	3080798	41.08	2754374	378581	3132955	41.77	0.69

Total Public Shareholding (B)=(B)(1)+ (B)(2)	2701318	379480	3080798	41.08	2754374	378581	3132955	41.77	0.69
C.Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	7120520	379480	7500000	100	7121419	378581	7500000	100	0

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share Holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to Total Shares	
1	Ravi Vishnu	850539	11.34	0	850539	11.34	0	-
2	R Radha kirshna Murthy	541100	7.21	0	541100	7.21	0	-
3	D Vikram Reddy	740500	9.87	0	740500	9.87	0	-
4	Ravi Vishnu	270850	3.61	0	270850	3.61	0	-
5	R Seetha	258731	3.45	0	258731	3.45	0	-
6	Bhopal Reddy A	481400	6.42	0	481400	6.42	0	-
7	R Radha Krishna Murthy	158400	2.11	0	158400	2.11	0	-
8	Granada Engineers Limited	145000	1.93	0	145000	1.93	0	-
9	Ravi Kasturi	293800	3.92	0	285800	3.81	0	0.11
10	RRK Enterprises Private Limited	323460	4.31	0	323460	4.31	0	-
11	N Bhardwaj	23757	0.32	0	0	0	0	0.32
12	A Srinivasa Rao	17215	0.23	0	17215	0.23	0	-
13	K Chaitanya Reddy	13000	0.17	0	0	0	0	0.17
14	Ravi Anand Kumar	83750	1.12	0	83750	1.12	0	-
15	U Rajani Kumari	7700	0.10	0	0	0	0	0.10
16	Ravi Aiswarya	75000	1.00	0	75000	1.00	0	-

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17	B Triveni	135000	1.80	0	135000	1.80	0	0
	Total	4419202	58.92	0	4366745	58.22	0	0.70

iii.Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company *
1	Ravi Vishnu	850539	11.34		
	Change during the year Increase / (Decrease)	187977	2.51	662562	8.83
2	R Radha Krishna Murthy	541100	7.21		
	Change during the year Increase / (Decrease)	NIL	NIL	541100	7.21
3	D Vikram Reddy	740500	9.87		
	Change during the year Increase / (Decrease)	NIL	NIL	740500	9.87
4	Ravi Vishnu	270850	3.61		
	Change during the year Increase / (Decrease)	NIL	NIL	270850	3.61
5	R Seetha	258731	3.45		
	Change during the year Increase / (Decrease)	NIL	NIL	258731	3.45
6	Bhopal Reddy A	481400	6.42		
	Change during the year Increase / (Decrease)	NIL	NIL	481400	6.42
7	R Radha Krishna Murthy	158400	2.11		
	Change during the year Increase / (Decrease)	NIL	NIL	158400	2.11
8	Granada Engineers Limited	145000	1.93		
	Change during the year Increase / (Decrease)	NIL	NIL	145000	1.93
9	Ravi Kasturi	293800	3.92		
	Change during the year Increase / (Decrease)	8000	0.11	285800	3.81
10	RRK Enterprise Private Limited	323460	4.31		
	Change during the year Increase / (Decrease)	NIL	NIL	323460	4.31
11	N Bhardwaj	23757	0.32		
	Change during the year Increase / (Decrease)	23757	0.32	NIL	NIL

12	A Srinivasa Rao	17215	0.23		
	Change during the year Increase / (Decrease)	NIL	NIL	17215	0.23
13	K Chaitanya Reddy	13000	0.17		
	Change during the year Increase / (Decrease)	13000	0.17	NIL	NIL
14	Ravi Anand Kumar	83750	1.12		
	Change during the year Increase / (Decrease)	NIL	NIL	83750	1.12
15	U Rajani Kumari	7700	0.10		
	Change during the year Increase / (Decrease)	7700	0.10	NIL	NIL
16	Ravi Aiswarya	75000	1.00		
	Change during the year Increase / (Decrease)	NIL	NIL	75000	1.00
17	B Triveni	135000	1.80		
	Change during the year Increase / (Decrease)	NIL	NIL	135000	1.80

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

Sr. No	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	M Sarvothama Reddy	153373	2.04	119886	1.60
2.	Edelweiss Broking Ltd	75	0.00	112697	1.50
3.	Sasidhar Purushottaman	107100	1.43	107100	1.43
4.	Rajendra Naniwadekar	18	0.00	79682	1.06
5.	Ravi Patel	50000	0.67	50000	0.67
6.	Ajay S Desai	42540	0.57	42540	0.57

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7.	Vishram Moreshwar Naniwadekar	40753	0.54	40753	0.54
8.	Jayesh Purshottambhai Patel	75200	1.00	40200	0.54
9.	Jagat Singh Dudheria	0	0.00	40000	0.53
10.	Konda Sanjay Reddy	40000	0.53	40000	0.53

v. Shareholding of Directors and Key Managerial Personnel

Sr. No	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Ravi Vishnu	850539	11.34	850539	11.34
2.	A.Bhopal Reddy	481400	6.42	481400	6.42
3.	Aravind Aitipamula	NIL	NIL	NIL	NIL
4.	K. Raghupathi Rao	100	0.00	100	0.00

V. INDEBTEDNESS

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

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount (CC)	197.53	-	-	197.53
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	197.53	-	-	197.53

Change in Indebtedness during the financial year				
- Addition	7.97	18.50	-	26.47
- Reduction	-	-	-	-
Net Change	7.97	18.50	-	26.47
Indebtedness at the end of the financial year				
i) Principal Amount	189.56	-	-	189.56
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	189.56	-	-	189.56

VI. I.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Whole-Time Director

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ravi Vishnu	A.Bhopal Reddy	(Rs.)
1	Gross salary			
	(a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961	28,80,000.00	28,80,000.00	57,60,000.00
	(b)Value of perquisites u/s 17(2) Income-tax Act, 1961	10,620.00	10,620.00	21,240.00
	(c)Profits inlieu of salary undersection 17(3)Income- taxAct,1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	60,209.00	16,222.00	76,431.00
6	Total(A)	29,50,829.00	29,06,842.00	58,57,671.00
	Ceiling as per the Act	84,00,000.00	84,00,000.00	1,68,00,000.00

B. Remuneration to other Directors:

Sl. No.	Name and category of Directors	Fee for attending board/committee meetings	Commission	Others please specify Conveyance	Total
1	Independent Directors				
i	Mr. T. Venkateswara Rao	2,000	-	2,000	4,000
ii	Mr. T Krishna Rao	4,000	-	4,000	8,000
iii	Wg. Cdr. V.L. Nanda Kumar	5,000	-	5,000	10,000
iv	Mr. V. Sivarama Krishna Murthy	2,000	-	2,000	4,000
v	Mrs. R. Kasturi	4,000	-	4,000	8,000
vi	Mr. P. Venkat Rao	2,000	-	2,000	4,000
	Total (1)	19,000	-	19,000	38,000
2	Other Non-Executive Directors				
	Total (2)	-	-	-	
	Total (B) =(1+2)	19,000		19,000	38,000
	Total Managerial Remuneration	-	-	-	58,95,671
	Overall Ceiling as per the Act	1,68,00,000.00			

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Aravind Aitipamula	K. Raghupathi Rao	Total
1	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2) Income-tax Act,1961 (c)Profits in lieu of salary under section 17(3)Income-tax Act,1961	1,32,000	4,47,260	5,79,260
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as %of profit -others, specify...	-	-	-
5	Others, please specify	-	-	-
6	Total	1,32,000	4,47,260	5,79,260

VII. PENALTIES /PUNISHMENT /COMPOUNDING OF OFFENCES: - NIL

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any (give details)
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A. Company

Penalty					
Punishment					
Compounding					

B. Directors

Penalty					
Punishment					
Compounding					

C. Other Officers In Default

Penalty					
Punishment					
Compounding					

Managing Director and CFOs' Certification

We have reviewed the financial statements, read with the cash flow statement of COSYN Limited for the year ended March 31st, 2016 and that to the best of our knowledge and belief, we state that;

- a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
- (ii) These statements present true and fair view of the Company's affairs and are in compliance with current Accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the auditors and audit committee deficiencies in the design or operation of internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the auditors and audit committee that:
 - (i) There are no significant changes in internal control over financial reporting during the Year;
 - (ii) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements;

And

- (iii) There are no instances of fraud involving the management or an employee.

Sd/-
K. Raghupathi Rao
CFO

Sd/-
Ravi Vishnu
Managing Director

Place: Hyderabad
Date : 12-08-2016

Report on Corporate Governance

(As required under Clause 49 of the Listing Agreement)

The Corporate Governance Report has been prepared in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges

1. CORPORATE GOVERNANCE PHILOSOPHY

The Company believes that good corporate governance ensures that we engage in open and democratic process and are held accountable for our business decisions. This is vital to gain and retain investor trust. We also believe that corporate governance norms and processes ensure effective engagement with changing business environment. The Company considers it as inherent responsibility to disclose timely and accurate information regarding financials and performance as well as governance of the Company.

The Company has complied with the requirements of the Corporate Governance code in terms of Clause 49 of the Listing Agreement with the Stock Exchanges as disclosed herein below.

2. BOARD OF DIRECTORS

The Board of Directors along with its committees provides focus and guidance to the Company's Management as well as directs and monitors the performance of the Company.

The Board presently comprises of Ten (10) Directors, having rich and vast experience with specialized skills in their respective fields, out of which Five (5) are Non-Executive Independent Directors. The Board comprises 50% of Independent Directors out of the total Directors.

All the Directors on the Board of the Company have made necessary declarations/disclosures regarding their other Directorships along with Committee positions held by them in other Companies.

During the year under review five Board Meetings were held on 27.05.2015, 11.06.2015, 12.08.2015, 13.11.2015 and 12.02.2016. The maximum gap between two consecutive meetings did not exceed four months. The details of Directors and the meetings held are as follows:

Sl. No.	Name of the Director	No. of Board Meetings attended	Attendance at the last AGM	Membership as on 31st March, 2016		
				Other Boards #	No of Outside Committee positions held	
					Chairman	Member
1.	Ravi Vishnu	5	YES	1	NIL	1
2.	ABhopal Reddy	4	YES	NIL	NIL	NIL
3.	D Vikram Reddy	NIL	NO	NIL	NIL	NIL
4.	R Radha Krishna Murthy	4	YES	1	1	NIL
5.	T Venkateswara Prasad***	3	YES	1	2	NIL
6.	T Krishna Rao	4	YES	NIL	1	1
7.	Wg. Cdr. V L Nanda Kumar	5	YES	NIL	NIL	2
8.	V Sivarama Krishna Murthy	2	YES	NIL	NIL	NIL
9.	R Kasturi *	5	YES	1	NIL	1
10.	P Venkata Rao **	2	NO	NIL	NIL	NIL
11.	Rama Rao K ****	NIL	NO	NIL	NIL	NIL

Excluding Directorship in Foreign and Private Limited Companies.

\$ Only Membership of Audit and Investor Grievance Committees are considered.

* Appointed as Additional Director with effect from 01.04.2015

** Appointed as Additional Director with effect from 12.08.2015

*** Resigned as Director with effect from 13.11.2015

**** Appointed as Additional Director with effect from 30.05.2016

1. COMMITTEES OF DIRECTORS

A. Audit Committee

The Company constituted a Qualified and Independent Audit Committee comprising of three Non-Executive Independent Directors in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange and Section 292A of the Companies Act, 1956.

COSYN LIMITED

The Committee is empowered with the powers as prescribed under Clause 49 of Listing Agreement and Section 292A of the Companies Act, 1956. The Committee also acts in terms of reference and directions of the Board from time to time.

The composition of the Audit Committee and the attendance of each Member of the Committee at the meetings were as follows:

Sl. No.	Name of the Director	Category	No. of meetings held during the tenure of member	No. of meetings attended
1	T. Venkateswara Prasad *	Chairman (till 13-11-2015)	4	2
2	T. Krishna Rao	Member	4	4
3	Wg. Cdr. V.L.Nanda Kumar	Member	4	4
4.	Ravi Kasturi	Member (w.e.f. 13.11.2015)	4	2

* Resigned as Director with effect from 13.11.2015

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

The Managing Director, Head of the Finance Department and Statutory Auditors are also invited to the meetings, as required, to brief the Committee Meetings. The Company Secretary acts as the Secretary of the Committee.

The Audit Committee meetings were held during the year under review on the following dates 27.05.2015, 12.08.2015, 13.11.2015 and 12.02.2016. The gap between two audit Committee meetings was not more than four months.

B. Nomination & Remuneration Committee

The Remuneration Committee comprises of Three (3) Non-Executive Independent Directors. The composition of the Remuneration Committee is as follows:

Sl. No.	Name of the Director	Category
1.	T. Venkateswara Prasad*(till 13-11-2015)	Chairman
2.	T. Krishna Rao	Member
3.	Wg. Cdr. V L Nanda Kumar	Member
4.	Ravi Radhakrishna Murthy (w.e.f. 13.11.2015)	Member

* Resigned as Director with effect from 13.11.2015

The Remuneration Committee reviews the remuneration package payable to Executive Director(s) and Other Senior Executives in the top level management of the Company and other elements of their appointment and gives its recommendations to the Board and acts in terms of reference of the Board from time to time.

The details of remuneration and commission paid during the year to the Managing Director and Whole-time Director are as follows:

Description of Amount	Mr.Ravi Vishnu Managing Director	A.Bhopal Reddy Whole-time Director
Basic Salary	19,20,000	19,20,000
House Rent Allowances	9,60,000	9,60,000
Medical Expenses	57,709	13,722
Other Allowances	2,500	2,500
Perquisites	10,620	10,620
Total	29,50,829	29,06,842

Apart from the above, they are also eligible for the Leave encashment, Leave Travel Concession, Gratuity and other benefits in terms of their appointment and rules of the Company.

Compensation paid to Non-Executive Directors and their shareholding is as follows:

Name of the Director	Sitting fees paid (Rs.)	No. of shares held on 31.03.2016
T. Venkateswara Prasad	2,000	NIL
T. Krishna Rao	4,000	NIL
Wg. Cdr. V L Nanda Kumar	5,000	NIL
Ravi Radha Krishna Murthy	NIL	5,41,400
D. Vikram Reddy	NIL	7,40,500
V. Sivarama Krishna Murthy	2,000	NIL
R. Kasturi *	4,000	2,85,800
P. Venkata Rao **	2,000	NIL

* Appointed as Additional Director with effect from 01.04.2015

** Appointed as Additional Director with effect from 12.08.2015

Other than the sitting fees to Non-Executive Directors, there was no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its Directors/Employees.

C. SHARE TRANSFER / STAKEHOLDERS' RELATIONSHIP COMMITTEE

The present composition of the Shareholders'/ Investors' Grievances Committee is as under:

Name of the Director	Nature of Directorship	Membership
R. Radha Krishna Murthy	Non-Executive	Chairman
Ravi Vishnu	Executive	Member

This Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of Annual Reports, dividend payments, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with Clause 49 of the Listing Agreement with Stock Exchanges, the Board has authorized the Compliance Officer to approve the share transfers/transmissions and comply with other formalities in relation thereto. All investors' complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement.

There were no pending share transfers and un-resolved shareholders' grievances pertaining to the Financial Year ended 31st March, 2016.

D. GENERAL BODY MEETINGS

I) The Details of the last three Annual General Meetings are given below:

Financial year ended	Date	Venue	Time	Special Resolutions passed
March 31st , 2015	30th September, 2015	Jubilee Hills International Center, Jubilee Hills, Hyderabad	10:00 AM	<p>1. Appt. of Mr. Ravi Vishnu as Managing Director for a period of 5 years w.e.f. 15th January, 2015 and remunerating him</p> <p>2. Borrowing in excess of paid up share capital and free reserves subject to ceiling of Rs. 20 Crores.</p> <p>3. Hypothecation, mortgaging, charge etc., of properties for loans upto Rs. 20 Crores.</p>

March 31st, 2014	30th September, 2014	Film Nagar Cultural Center, Dr. D Ramanaidu Building, Road No: 6, Film Nagar, Jubilee Hills, Hyderabad	10:00 AM	1. Appt. of Mr. Bhopal Reddy as Whole – Time Director for a period of 5 years w.e.f. 7th August, 2014 and remunerating him 2. Borrowing in excess of paid up share capital and free reserves subject to ceiling of Rs. 15 Crores. 3. Hypothecation, mortgaging, charge etc., of properties for loans upto Rs. 15 Crores.
March 31st, 2013	30th September, 2013	Film Nagar Cultural Center, Dr. D Ramanaidu Building, Road No: 6, Film Nagar, Jubilee Hills, Hyderabad	10:00 AM	NIL

I) During the last three years the following Extra-Ordinary General Meetings were held at the registered office.

Year	Date	Time	Special Resolutions Passed
2012-2013	22.12.2012	10:30A.M.	Preferential Issue upto 10,23,460 equity shares / warrants to promoter group.

4. DISCLOSURES

A. Disclosures on Materially Significant Related Party Transactions

There were no materially significant related party transactions compared to the business volume of the Company during the year conflicting with the interest of the Company.

B. Details of Non-Compliance and Penalties

There was no non-compliance during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by the Stock exchanges, SEBI and any statutory Authority relating to Capital markets.

C. As per the Internal Code of Conduct the employees have been given access to the Audit Committee.

D. CEO/CFO Certification

The Managing Director and Sr. Manager (Finance) (who is heading the finance functions) have certified to the Board in accordance with Clause 49 (v) of the Listing Agreement pertaining to CEO certification for the financial year ended 31st March, 2016.

E. Compliance Certificate

Compliance certificate for Corporate Governance of the Company is annexed hereto and forms part of this report.

F. Code of Conduct

The Company has framed the Code of Conduct for Directors and Senior Management. The Code of Conduct is applicable to all Directors and Senior Management of the Company. All the members of the Board and Senior Management of the Company have affirmed compliance with their respective Codes of Conducts for the financial year ended 31st March, 2016. A declaration to this effect, duly signed by the Managing Director is annexed hereto and forms part of this Report.

G. Details of Compliances with Mandatory Requirements and Adoption of the non-Mandatory Requirements

The Company has complied with the mandatory requirements of Clause 49 and is in the process of implementation of Non-Mandatory requirements.

H. Relationship inter-se among Directors

In accordance with the provisions of Section 6 read with Schedule IA of the Companies Act, 1956, Managing Director, Mr. Ravi Vishnu, Smt. R Kasturi and Mr. R.Radha Krishna Murthy belongs to promoter group and are related to each other.

5. Means of Communication

- A. Quarterly and half-yearly reports are published in two Newspapers- One in English and one in Telugu.
- B. The financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and simultaneously displayed on the Company's website www.cosyn.in. The Secretarial Department serves to inform the investors by providing key and timely information like details of Directors, Financial results, Shareholding pattern, etc.
- C. The Company is also displaying official news announcements on its website www.cosyn.in
- D. Management Discussion and Analysis forms part of this Annual Report.

6. General Shareholder's Information

A. Annual General Meeting

Date and Time	Thursday, 29th September 2016 – 10.00 AM
Venue	Jubilee Hills International Center, Jubilee Hills, Hyderabad
Last Date of Proxy forms submission	10.00 AM on 27.09.2016.

B.Financial Year: April 1st to March 31st

C.Book Closure: 23rd Sep., 2016 to 29th Sep., 2016 (Both days inclusive)

D.Listing on StockExchanges:

1. Bangalore Stock Exchange Limited, No.51, "Stock Exchange Towers", 1st Cross, J.C.Road, Bangalore - 560 027	The Company's shares were primarily listed on Bangalore Stock Exchange Limited, which was de-recognised vide its letter dated 30th December, 2014 intimating their de-recognition as Stock Exchange. vide SEBIs' "Exit Order" No.WTM/RKA/MRD/163/2014 issued on December 26, 2014
2. Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	The Company got Direct Listing Approval with Bombay Stock Exchange Limited with effect from 29th January, 2015.

E.Stock Code

Name of the Stock Exchange	Security Code	Security ID
BSE LIMITED	538922	COSYN
Demat ISIN No. for NSDL & CDSL	INE029B01019	

The listing fee for the year 2015-2016 has been paid to the Stock Exchange.

F. Market Price Data & Share Performance of the Company

The monthly High, Low prices and trading volumes of the Companies Equity Shares during the last financial year 2015-2016 at The Bombay Stock Exchange Limited are given below:

S. No.	Month	Bombay Stock Exchange Limited		
		High (Rs)	Low (Rs)	No. of Shares traded
1	April 2015	15.47	8.63	3,279
2	May 2015	14.80	11.55	75,746
3	June 2015	12.08	8.55	1,32,986
4	July 2015	20.48	9.55	2,50,758
5	August 2015	21.50	15.50	1,12,660
6	September 2015	18.20	12.65	77,751
7	October 2015	23.25	17.50	4,23,431
8	November 2015	28.85	19.15	3,94,350
9	December 2015	34.90	28.00	4,86,041
10	January 2016	53.75	33.30	1,071,036
11	February 2016	42.95	31.30	2,95,570
12	March 2016	50.00	34.00	5,51,887

All Services relating to share transfer/transmissions and information may be addressed to:

G. Registrar and Share Transfer Agent

XL Softech Systems Limited
 3, Sagar Society, Road No.2, Banjara Hills
 Hyderabad – 500 034, INDIA
 Tel: +91-40 – 23545913, 23545914
 Fax: +91-40 – 23553214
 E-mail: xlfield@gmail.com
 Website: www.xlsofttech.com

The Company periodically audits the operations of share transfer agent.

H. Share Transfer System

Share Transfers in physical form shall be lodged with the Registrar at the said address. The share transfers are generally processed by our Registrars within 15 days from the date of receipt provided the documents are complete in all respects.

Pursuant to Clause 47 (c) of the Listing Agreement and Regulation 7(3) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation

2015 filed with the Stock Exchanges, certificates, on half-yearly basis, have been given by a Practicing Company Secretary for due compliance of shares transfer formalities

I. Shareholding Pattern as on 31st March, 2016

Category	No. of Shares held	% of Capital
Indian Promoters	43,67,045	58.23
Banks, Financial institutions, Insurance Companies (Central/State Govt Institutions/ Non-Govt. institution)	NIL	-
Indian Public	28,17,859	37.57
Private Corporate Bodies	1,23,427	1.65
NRI's/OCB's/FCB's, others	1,73,577	2.31
Mutual Funds	Nil	-
HUF's	Nil	-
Clearing Members	18,092	0.24
Total	75,00,000	100

J. Dematerialization of Shares and Liquidity

The Company has made necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) limited (CDSL) for dematerialization facility. As on 31st March, 2016, 94.95% of the Company's Equity shares are in dematerialized form. The ISIN NO. / Code for the Company's Equity Shares is INE029B01019. Shareholders can open an account with any of the depository participants registered with any of these depositories.

K. Address for Correspondence

COSYN LIMITED
6-1-85/10, Opp. Telephone Bhavan,
Saifabad, Hyderabad-500 004.
Telangana, INDIA.
Tel: +91-40- 23230305, 23230306
Fax: +91-40- 23230313

for and on behalf of the Board

Place : Hyderabad
Date : 12.08.2016

Sd/-
RAVI VISHNU
Managing Director

Independent Auditor's Report

To
The Members of
COSYN LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of COSYN LIMITED ("the Company") (formerly known as CSS Technergy Limited) which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order under Section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the Directors as on March 31, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31st March 2016 on its financial position in its financial statements as referred to in note 27 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which require to be transferred to the Investor Education and Protection Fund by the company during the year ended 31st March, 2016.

FOR RAMBABU & Co.,
Chartered Accountants
FRN: 002976S.

Sd/-
G V L PRASAD
Partner
M.No.026548

Place: Hyderabad
Date : 30-05-2016

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii) In respect of Inventories:.
 - a) As explained to us the inventories have been physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.
 - c) In our opinion and according to the information and explanations given to us the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable except Service Tax of Rs.1,01,29,465/-, Tax Deducted at Source of Rs.11,85,294/- and ESI of Rs.6,59,549/-.

COSYN LIMITED

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company for the year ended 31st March, 2016.
- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not issued any debentures.
- ix) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

FOR RAMBABU & Co.,
Chartered Accountants
FRN: 002976S.

Sd/-
G V L PRASAD
Partner
M.No.026548

Place : Hyderabad
Date : 30-05-2016

"Annexure B" to the Independent Auditor's Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of COSYN LIMITED ("the Company") (formerly known as CSS Technergy Limited) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those

policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR RAMBABU & Co.,
Chartered Accountants
FRN: 002976S.

Sd/-
G V L PRASAD
Partner
M.No.026548

Place: Hyderabad
Date : 30-05-2016

Balance Sheet as at 31st March, 2016

(Amount in ₹)

Particulars		Note No.	As at 31 March, 2016	As at 31 March, 2015
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	7,50,00,000	7,50,00,000
	(b) Reserves and surplus	4	8,14,76,521	4,43,38,308
			15,64,76,521	11,93,38,308
2	Non-current liabilities			
	(a) Long-term borrowings	5	18,69,169	20,15,658
	(b) Deferred tax liabilities (net)	6	43,72,471	51,35,293
			62,41,640	71,50,951
3	Current liabilities			
	(a) Short Term Borrowings	7	1,89,55,769	2,16,03,270
	(b) Trade payables	8	4,71,88,787	4,56,63,163
	(c) Other current liabilities	9	5,03,56,104	4,49,56,498
			11,65,00,660	11,22,22,931
TOTAL			27,92,18,821	23,87,12,190
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	10	1,98,09,101	2,28,86,559
	(ii) Intangible assets		1,41,70,682	49,25,624
			3,39,79,783	2,78,12,183
	(b) Investments	11	66,920	-
	(c) Long-term loans and advances	12	4,21,38,919	3,56,91,908
	(d) Other non-current assets	13	32,22,530	64,45,066
2	Current assets			
	(a) Inventories	14	5,30,61,934	6,86,28,763
	(b) Trade receivables	15	12,94,71,724	7,15,68,282
	(c) Cash and Bank Balances	16	60,62,939	87,30,847
	(d) Short-term loans and advances	17	1,12,14,072	1,98,35,141
			19,98,10,669	16,87,63,033
TOTAL			27,92,18,821	23,87,12,190

See accompanying notes forming part of the financial statements

In terms of our report attached.

For RAMBABU & Co.,
Chartered Accountants
Firm Reg No: 002976S

Sd/-

G V L Prasad

Partner

Membership No:026548

Place : Hyderabad

Date : 30.05.2016

For and on behalf of the Board

Sd/-

Ravi Vishnu

Chairman & Managing Director

Sd/-

A.Bhopal Reddy

Whole Time Director

Sd/-

K. Raghupathi Rao

CFO

Sd/-

A. Aravind

Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2016

(Amount in ₹)

Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
CONTINUING OPERATIONS			
1 Revenue from operations	18	24,35,31,462	19,68,91,253
2 Other income	19	21,37,072	6,94,403
Total revenue		24,56,68,534	19,75,85,656
3 Expenses			
(a) Cost of materials consumed	20	86,28,520	76,66,542
(b) Operating Expenses	21	4,58,09,368	4,81,83,566
(c) Changes in inventories of work-in-progress	22	1,54,72,261	(29,90,113)
(d) Employee benefits expense	23	11,16,67,684	9,86,57,462
(e) Finance costs	24	34,79,100	34,21,990
(f) Depreciation and amortisation expense	10	75,16,574	97,33,030
(g) Other expenses	25	1,67,19,636	1,82,71,724
Total expenses		20,92,93,143	18,29,44,201
4 Profit before Tax		3,63,75,391	1,46,41,455
5 Tax expense:			
(a) Current tax expense for current year		57,00,000	-
(b) Deferred tax (Asset) / Liability		(762,822)	(67,81,206)
(c) MAT credit entitlement		(57,00,000)	-
6 Profit after Tax (4-5)		3,71,38,213	2,14,22,661
7 Earnings Per Share (equity share of Rs.10/-each)	26		
Basic		4.95	2.86
Diluted		4.95	2.86
See accompanying notes forming part of the financial statements			

In terms of our report attached.

For RAMBABU & Co.,
Chartered Accountants
Firm Reg No: 002976S

Sd/-

G V L Prasad

Partner

Membership No:026548

Place: Hyderabad

Date : 30.05.2016

For and on behalf of the Board

Sd/-

Ravi Vishnu

Chairman & Managing Director

Sd/-

A.Bhopal Reddy

Whole Time Director

Sd/-

K. Raghupathi Rao

CFO

Sd/-

A. Aravind

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**(Amount in ₹)**

Particulars		For the year ended 31 March, 2016	For the year ended 31 March, 2015
A	Cash Flows from operating activities :		
	Net Profit Before Tax	3,63,75,391	1,46,41,455
	Add : Depreciation	75,16,574	97,33,030
	Add : Interest	34,79,100	34,21,990
	Less: Interest & other income received	(21,37,072)	(6,94,403)
	Operating Profit before working capital changes	4,52,33,993	2,71,02,072
	Adjustment for:		
	Trade receivables	(5,79,03,444)	(3,15,69,602)
	Inventories	1,55,66,829	(31,07,782)
	Investment	(66,920)	-
	Loans and Advances & other assets	53,96,595	54,17,952
	Trade payables and Other Payables	70,51,009	82,55,984
		(2,99,55,931)	(2,10,03,448)
	Cash Generated From Operations	1,52,78,062	60,98,624
	Net cash from operating activities " A "	1,52,78,062	60,98,624
B	Cash Flows from Investing activities :		
	Purchase of fixed assets	(1,38,09,952)	(59,04,266)
	Interest & other income received	21,37,072	6,94,403
	Margin Money Deposits / (Realisation)	(4,12,408)	(16,97,826)
	Net cash used in investing activities " B "	(1,20,85,288)	(69,07,689)
C	Cash Flows from Financing activities :		
	Proceeds from long term borrowings - (Net of payments)	(1,46,489)	13,47,414
	Proceeds from Short term borrowings - (Net of payments)	(26,47,501)	20,96,593
	Share capital	-	2,49,125
	Share Premium	-	9,02,290
	Interest	(34,79,100)	(34,21,990)
	Net Cash used in financing activities " C "	(62,73,090)	11,73,432
	Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)	(30,80,316)	3,64,367
	Cash and Cash Equivalents at the beginning	32,36,327	28,71,960
	Cash and Cash Equivalents at the end	1,56,011	32,36,327

As per our Report of even date

For RAMBABU & Co.,
Chartered Accountants
Firm Reg No: 002976S

Sd/-**G V L Prasad**

Partner

Membership No:026548

Place: Hyderabad

Date : 30.05.2016

For and on behalf of the Board**Sd/-****Ravi Vishnu**

Chairman & Managing Director

Sd/-**A.Bhopal Reddy**

Whole Time Director

Sd/-**K. Raghupathi Rao**

CFO

Sd/-**A. Aravind**

Company Secretary

Notes forming part of the financial statements**1. Corporate information**

COSYN LIMITED is incorporated in April, 1994 for carrying out the activities of offering a full range of software outsourcing services from end to end development of new software and web solutions, Enterprise Application Services, re-engineering and enhancement of legacy applications, application integration and maintenance, BPO / ITES services for Utilities, E-Governance, BFSI, Retail and DMS. The Company is carrying its activities from its registered office situated at # 6-1-85/10, Opp Telephone Bhavan, Saifabad, Hyderabad – 500 004.

2. Significant Accounting Policies**2.1 Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the applicable accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Cash and Cash Equivalents

Cash comprises cash on hand and fixed deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

2.4 Cash Flow Statement

Cash Flows are reported using the indirect method, where by profit /(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Tangible Fixed Assets and Depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided using Straight Line Method at the rates estimated by the Management which coincides with the rates prescribed under Schedule XIV of the Companies Act, 1956.

2.6 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to see if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

2.7 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.8 Investments

Investments, which are readily realizable and 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 in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

2.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(I) Revenue from Sale of Goods

Sales are recognized net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

(ii) Revenue from Sale of Services

Revenue from software related services are accounted for on the basis of services rendered as per terms of contract.

Revenue from BPO services are based on the performance of specific criteria at contracted rates.

(iii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(iv) Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

2.10 Inventory Valuation

a) Stocks of consumables are valued at cost.

b) Project work in progress is valued with reference to the actual cost incurred for the work performed up to the reporting date bear estimated total project cost of each project.

2.11 Foreign Currency Translation**(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. 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; and 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.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

2.12 Retirement and Other Employee Benefits**(i) Defined Contribution Plans:**

Contributions in respect of Employees Provident Fund and Family Pension Fund are charged to the Profit and Loss account as incurred.

(ii) Defined Benefit Plans:

The Company also provides for other employee benefits in the form of gratuity. The Company's Contributions to Gratuity scheme is provided for based on Valuations, as at the balance sheet date made by independent actuaries. The gratuity fund is managed by the Life Insurance Corporation of India (LIC).

(iii) Long-Term Employee Benefits

The Company has a policy to encash all unavailed leaves over and above 60 days after every calendar year compulsorily. Also, the employee is entitled to encash leaves as and when required by them.

(iv) Short-term Employee Benefits

The undiscounted amount of short-term employee benefits i.e. performance incentive expected to be paid in exchange for the services rendered by employee are recognized during the year when employees render the service.

2.13 Income Tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.14 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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 are adjusted for the effects of all dilutive potential equity shares.

2.15 Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates

Notes Forming Part of the Financial Statements

3. Share Capital

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Rs	Number of shares	Rs
(a) Authorised Equity Shares of Rs 10/- each with voting rights	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
(b) Issued, Subscribed and Fully Paid-up: Equity Shares of Rs 10/- each with voting rights	75,00,000	7,50,00,000	75,00,000	7,50,00,000
TOTAL		7,50,00,000		7,50,00,000

(i) Reconciliation of Shares

Particulars	Opening Balance	Conversion of Share Warrants	Closing Balance
Equity shares with voting rights Year ended 31 March, 2016			
- Number of shares	75,00,000	-	75,00,000
- Amount (Rs.)	7,50,00,000	-	7,50,00,000
Year ended 31 March, 2015			
- Number of shares	74,21,540	78,460	75,00,000
- Amount (Rs.)	7,42,15,400	7,84,600	7,50,00,000

(ii) All Equity Shares issued by the company carry equal voting and participatory rights

(iii) The details of share holders holding more than 5% shares :

Name of the share holder	As at 31.03.2016		As at 31.03.2015	
	Number of shares	% held	Number of shares	% held
Sri. Ravi Vishnu	8,50,539	11.34	8,50,539	11.34
Sri. D. Vikram Reddy	7,40,500	9.87	7,40,500	9.87
Sri. R. Radha Krishna Murthy	5,41,100	7.21	5,41,100	7.21
Sri. A. Bhopal Reddy	4,81,400	6.42	4,81,400	6.42

4. Reserves and Surplus

Particulars	As at 31.03.2016		As at 31.03.2015	
	Rs.		Rs.	
(a) Share Premium				
Opening balance	7,34,64,090		7,25,61,800	
Add: Additions during the year	-		9,02,290	
Closing balance		7,34,64,090		7,34,64,090
(b) Capital Reserve		19,25,000		19,25,000
(c) Surplus / (Deficit) in Statement of Profit and Loss				
Balance at the beginning of the year	(3,10,50,782)		(3,64,56,705)	
Adjustment of Depreciation (Ref No. 4.1)	-		(1,60,16,739)	
Add: Profit for the year	3,71,38,213		2,14,22,662	
Closing balance		60,87,431		(3,10,50,782)
TOTAL		8,14,76,521		4,43,38,308

Notes forming part of the financial statements

5. Long Term Borrowings

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
From banks - Secured		
Term Loan - State Bank of India (Ref Note 5.1)	45,331	20,15,658
Term Loan - Bajaj finance Ltd (Ref Note 5.2)	18,23,838	-
TOTAL	18,69,169	20,15,658

5.1 The Term Loan of State Bank of India, Balanagar is repayable in 20 monthly equal installment of Rs 1,87,790/-. The said loan is secured by hyphothecation of Plant & Machinery. The said loans are further secured by equitable mortgage of land belonging to the Company and others situated at Krithika Layout, Madhapur, Hyderabad. The said loans are further secured by Personal guarantees of Ravi Vishnu and A. Bhopal Reddy, Directors of the Company.

5.2 During the financial year 2015-16 Bajaj Finance Limited has sanctioned Unsecured Loan for Rs. 35,70,000/-. The said loan is repayable in 36 monthly equal installment of Rs. 1,29,064/-. The said loans are secured by way of post dated cheques issued by the Company.

5.3 Current maturities of long term borrowings have been disclosed under the head other current liabilities.

6. Deferred Tax Liability

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Opening Balance	51,35,293	1,19,16,499
Add: On account of Deferred Revenue Expenditure	(10,95,339)	(10,95,338)
Add: On account of Difference of Depreciation	18,58,161	(56,85,868)
Net Deferred Tax Liability	43,72,471	51,35,293

7. Short Term Borrowings

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Secured: From Banks		
Cash Credit - State Bank of India (Refer Note 7.1)	1,89,55,769	1,97,53,270
Un Secured: From Others		
From Related Parties	-	18,50,000
Total	1,89,55,769	2,16,03,270

7.1 During the financial year 2014-15 SBI Balanagar sanctioned Cash Credit facilities for an amount of Rs. 2,00,00,000/-. Out of the sanctioned amount company utilised an amount of Rs. 1,89,55,769/- as at 31st March, 2016. The said facilities are secured by way of hypothecation of stocks and Book Debts of the Company. The said facilities are further secured by equitable mortgage of Land belonging to the Company and Others situated at Krithika Layout at Madhapur, Hyderabad.

The said loans are further secured by Personal guarantee of Ravi Vishnu and A.Bhopal Reddy, Directors of the company.

8. Trade Payables

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Creditors for Services	4,46,53,187	4,27,49,198
Creditors for Consumables	23,58,631	26,96,589
Creditors for Expenses	1,76,969	2,17,376
TOTAL	4,71,88,787	4,56,63,163

9. Other Current Liabilities

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
(a) Current maturities of long-term debt - Secured		
i) Term Loan - State Bank of India (Note 5.1)	19,68,125	18,77,900
ii) Term Loan - Bajaj Finance Ltd (Note 5.2)	11,09,364	-
(b) Other payables		
(i) Statutory remittances		
Service tax Payable	2,50,38,783	1,90,03,215
Tds Payable	27,50,710	30,07,981
Sales Tax Payable	1,62,457	1,98,957
ESI Payable	50,57,718	40,42,489
PF Payable	78,17,514	68,84,640
Professional Tax Payable	3,840	8,400
(ii) Payables on purchase of fixed assets	4,38,895	5,64,674
(iii) Advance from Customers	42,37,529	75,39,169
(iv) Other Liabilities	17,71,169	18,29,073
Total	5,03,56,104	4,49,56,498

10. FIXED ASSETS										
		GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK		
PARTICULARS	Balance As At 01.04.2015	Additions	Disposals	Balance As At 31.03.2016	Balance As At 01.04.2015	Disposals	For the Year	Balance As At 31.03.2016	Balance As At 31.03.2016	Balance As At 31.03.2015
(i) TANGIBLE ASSETS										
Land	13,31,295	-	-	13,31,295	-	-	-	-	13,31,295	13,31,295
Computer / Hardware	9,98,43,296	8,42,528	-	10,06,85,824	9,07,59,573	-	35,36,087	9,42,95,660	63,90,164	90,83,723
Furniture and Fixtures	1,56,88,513	11,34,061	-	1,68,22,574	1,29,41,788	-	5,84,810	1,35,26,598	32,95,976	27,46,725
Electrical Fittings	1,88,40,518	5,49,804	-	1,93,90,322	1,13,82,412	-	19,17,862	1,33,00,274	60,90,048	74,58,106
Vehicles	29,78,350	-	-	29,78,350	23,61,249	-	1,99,499	25,60,748	4,17,602	6,17,101
Office Equipment	92,16,956	11,72,080	-	1,03,89,036	75,67,346	-	5,37,674	81,05,020	22,84,016	16,49,610
Library Books	8,65,901	-	-	8,65,901	8,65,901	-	-	8,65,901	-	-
Total	14,87,64,829	36,98,473	-	15,24,63,302	12,58,78,269	-	67,75,932	13,26,54,201	1,98,09,101	2,28,86,560
Previous Year	14,61,98,863	25,65,965	-	14,87,64,828	11,66,88,277	-	91,89,992	12,58,78,269	2,28,86,559	-
(ii) INTANGIBLE ASSETS										
Computer Software	6,92,33,370	99,85,700	-	7,92,19,070	6,43,07,746	-	7,40,642	6,50,48,388	1,41,70,682	49,25,624
Total	6,92,33,370	99,85,700	-	7,92,19,070	6,43,07,746	-	740,642	6,50,48,388	1,41,70,682	49,25,624
Previous Year	6,71,37,104	20,96,266	-	6,92,33,370	6,37,64,708	-	5,43,038	6,43,07,746	49,25,624	-
Total	21,79,98,199	1,36,84,173	-	23,16,82,372	19,01,86,015	-	75,16,574	19,77,02,589	3,39,79,783	2,78,12,184
Previous Year Total	21,33,35,967	46,82,231	-	21,79,98,198	18,04,52,985	-	97,33,030	19,01,86,015	2,78,12,183	-

The Company is developing Cloud based software products to be offered for the markets under pay and use model. The amount invested on these products is being capitalised under Intangible Asset.

11. Investments

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Investment in Subsidiary Company (at cost)		
Investment in Cosyn LLC, Texas (Ref. Note 11.1)	66,920	-
TOTAL	66,920	-

11.1 During the year, Company made investment in 1000 equity shares of Cosyn LLC, Texas, USA. With the above investment Cosyn LLC, Texas became wholly owned subsidiary w.e.f. 24th August, 2015.

12. Long Term Loans And Advances

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
(Unsecured, considered good, recoverable in cash or in kind for value to be received)		
(a) Capital Advances		
Advance for Capital Goods	34,776	-
(b) Deposits		
Deposits - APCPDCL	42,426	42,426
Deposits - Electricity	4,89,455	4,89,455
Retension Money	77,24,716	36,09,714
Deposits - Others	2,50,432	6,50,432
Deposits - Performance Guarantee	1,07,26,695	1,17,26,695
Deposits - Rent	11,06,697	11,06,697
(c) Advance to subsidiary	18,79,882	-
(d) Prepaid Taxes	1,98,83,840	2,97,93,184
Total	4,21,38,919	4,74,18,603

12.1 The Company has given advance to Wholly Owned Subsidiary M/s Cosyn LLC, Texas, USA.

13. Other Non-Current Assets

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Deferred Revenue Expenditure (Ref. Note 13.1)	64,45,066	96,67,602
Less: Written off during the year	32,22,536	32,22,536
Total	32,22,530	64,45,066

13.1 During the Financial Year 2013-14 Company incurred an amount of Rs.1,28,90,136/- for development of a software in order to facilitate and execute online billing to the consumers of Punjab State Power Corporation Limited(PSPCL).

The said project with PSPCL is spread over a period of 4 years and the software developed can be used for a period of 4 years. The expenditure of Rs.1,28,90,136/- incurred for development of software is deferred and will be written off over a period of 4 years from the Financial year 2013-14.

Accordingly this being the Third year, Company written off an amount of Rs.32,22,534/- being 1/4th of the total deferred revenue expenditure incurred.

14. Inventories

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
(As valued and certified by management)		
(a) Consumables	1,32,845	2,27,413
(b) Work-in-progress	5,29,29,089	6,84,01,350
Total	5,30,61,934	6,86,28,763

15. Trade Receivables

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	1,14,58,699	73,65,048
Doubtful	-	43,209
	1,14,58,699	74,08,257
Less: Bad debts written off	-	43,209
	1,14,58,699	73,65,048
Other Trade Receivables		
Unsecured, considered good	11,80,13,025	6,42,03,234
TOTAL	12,94,71,724	7,15,68,282

16. Cash and Bank Balances

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
(a) Cash and Cash Equivalents		
(i) Cash on hand	35,825	6,924
(ii) Balances with banks		
(a) Current accounts	1,20,186	32,29,403
Total	1,56,011	32,36,327
(b) Other Bank Balances		
(I) Margin Money on Bank Guarantees	59,06,928	54,94,520
Total	59,06,928	54,94,520
TOTAL	60,62,939	87,30,847

16.1 (a) Out of the above Cash and Bank balances, Cash and cash equivalents that meet the definition of cash flow statement is Rs 1,56,011/- (Previous year Rs 32,36,327/-).

17. Short-Term Loans and Advances**(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
(Unsecured, Considered Good)		
(a) Loans and Advances	14,46,737	9,11,781
(b) Prepaid Expenses	4,87,823	8,85,387
(c) Advance for Services and Other Expenses	92,79,512	63,11,278
TOTAL	1,12,14,072	81,08,446

18 Revenue from Operations**(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
Sale of Services		
- Domestic	27,70,51,971	22,07,79,337
	27,70,51,971	22,07,79,337
Less: Service Tax	3,34,82,176	2,37,28,084
Sales Tax	38,333	1,60,000
	24,35,31,462	19,68,91,253
TOTAL	24,35,31,462	19,68,91,253

19. Other Income**(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
(a) Interest Income	4,28,677	6,59,412
(b) Interest Income - Income Tax dept.	17,08,395	-
(c) Foreign Exchange Fluctuation gain	-	34,991
TOTAL	21,37,072	6,94,403

20. Cost of Materials Consumed**(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
Opening Stock	2,27,413	1,09,744
Add: Purchases	85,33,952	77,84,211
Total	87,61,365	78,93,955
Less: Closing Stock	1,32,845	2,27,413
TOTAL	86,28,520	76,66,542

21. Operating Expenses**(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
Sub Contracting Expenses	4,34,12,441	4,61,63,903
Repairs to Plant & Machinery	13,24,756	9,03,615
Power & Fuel	6,86,068	8,11,682
Frieght	3,86,103	3,04,366
TOTAL	4,58,09,368	4,81,83,566

22. Changes In Inventories Of Work-In-Progress

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Inventories at the end of the year: Work-in-progress	5,29,29,089	6,84,01,350
	5,29,29,089	6,84,01,350
Inventories at the beginning of the year: Work-in-progress	6,84,01,350	6,54,11,237
	6,84,01,350	6,54,11,237
Net (increase) / decrease	1,54,72,261	(29,90,113)

23. Employee Benefits Expense

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Salaries and Wages	9,94,41,085	8,93,08,101
Contributions to Provident Fund and other Funds	1,16,86,974	86,09,889
Staff Welfare Expenses	5,39,625	7,39,472
TOTAL	11,16,67,684	9,86,57,462

24. Finance Cost

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Interest expense on:		
Interest on TDS	2,09,553	-
Interest on bajaj finance	4,00,658	-
Interest on Working Capital Loans	28,68,889	34,21,990
TOTAL	34,79,100	34,21,990

25. Other Expenses

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Rent	30,97,062	34,82,500
Repairs and maintenance	15,30,874	8,96,164
Insurance	3,04,118	2,05,309
Rates and taxes	1,09,673	7,50,635
Communication	15,72,522	15,77,029
Travelling and conveyance	10,24,953	22,26,498
Business promotion	3,19,737	3,83,712
Legal and professional	32,14,124	35,15,314
Payment to Auditors (Refer Note: 25.1)	4,00,000	4,00,000
Bad Debts written off	-	43,209
Deferred revenue expenditure written off (Refer Note.13.1)	32,22,536	32,22,536
Miscellaneous expenses	7,44,468	7,71,132
Bank Charges	10,24,447	7,97,687
Prior period items	1,55,121	-
TOTAL	1,67,19,636	1,82,71,725

25.1. Payment to Auditors Comprises of

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Statutory Audit fee	2,50,000	2,50,000
Taxation Audit Fee	1,50,000	1,50,000
TOTAL	4,00,000	4,00,000

26. Earnings Per Share

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Basic		
Total Operations		
Net profit for the year attributable to the equity shareholders	3,71,38,213	2,14,22,662
Weighted Average Number of Equity Shares	75,00,000	74,81,728
Par Value per Share	10.00	10.00
Earnings per Share - Basic	4.95	2.86
Diluted		
The diluted earnings per share has been computed by dividing the Net Profit after Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible Bonds for the respective periods. Since, the effect of the conversion of Preference Shares was anti-dilutive, it has been ignored.		
Total Operations		
Net profit for the year attributable to the equity shareholders	3,71,38,213	2,14,22,662
Weighted average number of equity shares for Basic EPS	75,00,000	74,81,728
Weighted average number of equity shares, For diluted EPS	75,00,000	75,00,000
Par value per share	10.00	10.00
Earnings per share - Diluted	4.95	2.86

NOTES TO THE FINANCIAL STATEMENTS

27. Contingent Liabilities not acknowledged as Debt:

	2015-16	2014-15
	Rs	Rs
a) Bank Guarantees	2,85,93,404	2,46,55,404

28. Related Party Transactions :

A. Related Parties and their Relationship

(As identified and certified by the Management)

- I. Associate Company : RRK ENTERPRISE PRIVATE LIMITED
- II. Subsidiary Company : COSYN LLC, TEXAS, USA
- III. Key Managerial Personnel (KMP) :
Ravi Vishnu : Chairman & Managing Director

Summary of the Transactions with the above Related Parties are as follows:

(Amount in ₹)

Nature of Transactions	Subsidiary / Associate Companies		KMP and Relatives of KMP	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Remuneration & Perquisites	-	-	29,52,329	29,85,574
Loans and Advance given	18,79,882/-	-	-	-
Loans and Advances taken /(repaid)	(18,50,000/-)	18,50,000/-	-	-
Balance outstanding	-	-	-	-
Receivable/(Payable) as on Balance Sheet date	-	(18,50,000/-)	-	-
Investment in Subsidiary	66,920/-	-	-	-

29. Segment Details

The Company is engaged in providing Information Technology Services which in the context of Accounting Standard – 17 issued by ICAI are considered to constitute one single segment

30. Dues to Micro, Small and Medium Enterprises:

The Company is seeking confirmation from its suppliers whether they fall under the category of micro, small and medium enterprises as mentioned under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Based on confirmations received till date, the company believes that it does not have any outstanding dues towards Micro Small and Medium Enterprises. Further the company has not paid/accrued any interest under this MSMED Act.

31. Confirmations are not received in respect of the amounts relating to trade receivable, trade payables, loan & advances.

32. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Figures rounded off to the nearest rupee.

Note 1 to 32 form part of the Balance Sheet and have been authenticated.

For and on behalf of the Board

Sd/-
Ravi Vishnu
Chairman & Managing Director

Sd/-
A.Bhopal Reddy
Whole Time Director

Sd/-
K. Raghupathi Rao
CFO

Sd/-
A. Aravind
Company Secretary

Place: Hyderabad
Date : 30.05.2016

Independent Auditor's Report

To
The Members of
COSYN LIMITED

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of COSYN LIMITED ("the Company") (formerly known as CSS Technergy Limited) and its associate company COSYN LLC, which is Audited by other Statutory Auditors (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (here in referred as "the consolidated financial statements")

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order under Section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its consolidated Profit and its consolidated Cash Flow for the year ended on that date.

Report on other Legal and Regulatory Requirements**1. As required by section 143 (3) of the Act, we report that:**

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors of the Company and its associates as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its associate company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March 2016 on its consolidated financial position in its financial statements as referred to in note 26 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

There are no amounts which are required to be transferred to the Investor Education and Protection Fund for the year ending 31st March, 2016.

FOR RAMBABU & Co.,
Chartered Accountants
FRN: 002976S.

Sd/-
GVL Prasad
Partner
M.No.026548

Place : Hyderabad
Date : 30-05-2016

“Annexure A” to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of COSYN LIMITED (“the Holding Company”) in respect of standalone Financial Statements as at March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR RAMBABU & Co.,
Chartered Accountants
FRN: 002976S.

Sd/-
GVL Prasad
Partner
M.No.026548

Place: Hyderabad
Date : 30-05-2016

Consolidated Balance Sheet as at 31st March, 2016

(Amount in ₹)

Particulars	Note No.	As at 31 March, 2016	As at 31 March, 2015
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	7,50,00,000	7,50,00,000
(b) Reserves and surplus	4	7,99,32,304	4,43,38,308
		15,49,32,304	11,93,38,308
2 Non-current liabilities			
(a) Long-term borrowings	5	18,69,169	20,15,658
(b) Deferred tax liabilities (net)	6	43,72,471	51,35,293
		62,41,640	71,50,951
3 Current liabilities			
(a) Short Term Borrowings	7	1,89,55,769	2,16,03,270
(b) Trade payables	8	4,71,88,787	4,56,63,163
(c) Other current liabilities	9	5,03,56,104	4,49,56,498
		11,65,00,660	11,22,22,931
TOTAL		27,76,74,604	23,87,12,190
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	1,99,01,507	2,28,86,559
(ii) Intangible assets		1,41,70,682	49,25,624
		3,40,72,189	2,78,12,183
(b) Long-term loans and advances	11	4,03,19,221	3,56,91,908
(c) Other Non-current assets	12	32,22,530	64,45,066
2 Current assets			
(a) Inventories	13	5,30,61,934	6,86,28,763
(b) Trade receivables	14	12,94,71,724	7,15,68,282
(c) Cash and Bank Balances	15	63,12,934	87,30,847
(d) Short-term loans and advances	16	1,12,14,072	1,98,35,141
		20,00,60,664	16,87,63,033
TOTAL		27,76,74,604	23,87,12,190

See accompanying notes forming part of the financial statements

In terms of our report attached.

For RAMBABU & Co.,
Chartered Accountants
Firm Reg No: 002976S

Sd/-

G V L Prasad

Partner

Membership No:026548

Place: Hyderabad

Date : 30.05.2016

For and on behalf of the Board

Sd/-
Ravi Vishnu
Chairman & Managing Director

Sd/-
K. Raghupathi Rao
CFO

Sd/-
A.Bhopal Reddy
Whole Time Director

Sd/-
A. Aravind
Company Secretary

COSYN LIMITED**Statement of Consolidated Profit and Loss for the year ended 31st March, 2016****(Amount in ₹)**

Particulars		Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
CONTINUING OPERATIONS				
1 Revenue from operations		17	24,35,31,462	19,68,91,253
2 Other income		18	21,37,072	6,94,403
Total revenue			24,56,68,534	19,75,85,656
3 Expenses				
(a) Cost of materials consumed		19	86,28,520	76,66,542
(b) Operating Expenses		20	4,58,19,209	4,81,83,566
(c) Changes in inventories of work-in-progress		21	1,54,72,261	(29,90,113)
(d) Employee benefits expense		22	11,27,37,986	9,86,57,462
(e) Finance costs		23	34,79,100	34,21,990
(f) Depreciation and amortisation expense		10	75,16,574	97,33,030
(g) Other expenses		24	1,71,83,710	1,82,71,724
Total expenses			21,08,37,360	18,29,44,201
4 Profit before Tax			3,48,31,174	1,46,41,456
5 Tax expense:				
(a) Current tax expense for current year			57,00,000	-
(b) Deferred tax (Asset) / Liability			(7,62,822)	(67,81,206)
(c) MAT credit entitlement			(57,00,000)	-
6 Profit after Tax before Minority Interest (4 - 5)			3,55,93,996	2,14,22,661
7 Minority Interest			-	-
8 Profit after Tax(6- 7)			3,55,93,996	2,14,22,661
7 Earnings Per Share (equity share of Rs.10/-each)		25		
Basic			4.75	2.86
Diluted			4.75	2.86

See accompanying notes forming part of the financial statements**In terms of our report attached.****For and on behalf of the Board**

For RAMBABU & Co.,
Chartered Accountants
Firm Reg No: 002976S

Sd/-
Ravi Vishnu
Chairman & Managing Director

Sd/-
A.Bhopal Reddy
Whole Time Director

Sd/-
G V L Prasad
Partner
Membership No:026548

Sd/-
K. Raghupathi Rao
CFO

Sd/-
A. Aravind
Company Secretary

Place: Hyderabad
Date : 30.05.2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in ₹)

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
A Cash Flows from operating activities :		
Net Profit Before Tax	3,48,31,174	1,46,41,456
Add : Depreciation	75,16,574	97,33,030
Add : Interest	34,79,100	34,21,990
Less: Interest & other income received	(21,37,072)	(6,94,403)
Operating Profit before working capital changes	4,36,89,776	2,71,02,072
Adjustment for:		
Trade receivables	(5,79,03,444)	(3,15,69,602)
Inventories	1,55,66,829	(31,07,782)
Loans and Advances & other assets	72,16,293	54,17,952
Trade payables and Other Payables	70,51,009	82,55,984
	(2,80,69,313)	(2,10,03,448)
Cash Generated From Operations	1,56,20,463	60,98,624
Net cash from operating activities " A "	1,56,20,463	60,98,624
B Cash Flows from Investing activities :		
Purchase of fixed assets	(1,39,02,358)	(59,04,266)
Interest & other income received	21,37,072	6,94,403
Margin Money Deposits / (Realisation)	(4,12,408)	(16,97,826)
Net cash used in investing activities " B "	(1,20,85,288)	(6,9,07,689)
C Cash Flows from Financing activities :		
Proceeds from long term borrowings - (Net of payments)	(1,46,489)	13,47,414
Proceeds from Short term borrowings - (Net of payments)	(26,47,501)	20,96,593
Share capital	-	2,49,125
Share Premium	-	9,02,290
Interest	(34,79,100)	(34,21,990)
Net Cash used in financing activities " C "	(62,73,090)	11,73,432
Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)	(28,30,321)	3,64,367
Cash and Cash Equivalents at the beginning	32,36,327	28,71,960
Cash and Cash Equivalents at the end	4,06,006	32,36,327

As per our report of even date :

For and on behalf of the Board

For RAMBABU & Co.,
Chartered Accountants
Firm Reg No: 002976S

Sd/-
Ravi Vishnu
Chairman & Managing Director

Sd/-
A.Bhopal Reddy
Whole Time Director

Sd/-
G V L Prasad
Partner
Membership No:026548

Sd/-
K. Raghupathi Rao
CFO

Sd/-
A. Aravind
Company Secretary

Place: Hyderabad

Date : 30.05.2016

Notes forming part of the financial statements

1. Corporate information

COSYN LIMITED is incorporated in April, 1994 for carrying out the activities of offering a full range of software outsourcing services from end to end development of new software and web solutions, Enterprise Application Services, re-engineering and enhancement of legacy applications, application integration and maintenance, BPO / ITES services for Utilities, E-Governance, BFSI, Retail and DMS. The Company is carrying its activities from its registered office situated at #6-1-85/10, Opp Telephone Bhavan, Saifabad, Hyderabad – 500 004.

2. Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the applicable accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Basis of consolidation.

The consolidated financial statements include the financial statements of Cosyn Limited, the parent company and its subsidiary, in which the Company has more than one-half of the voting power of an enterprise.

Financial Statements of the subsidiary company are consolidated on line-by-line basis by adding together like items of assets, liabilities, income and expenses. Any significant inter group balances and transactions, and any unrealized gains from inter-group transactions, are eliminated in preparing the consolidated financial statements. Exchange differences resulting from the difference due to transactions of foreign currency assets and liabilities in subsidiary company is disclosed as

foreign currency translation adjustment.

Consolidated Financial Statements are prepared by applying accounting policies, as followed by the Company and its subsidiaries; to the extent it is practicable. Significant differences in the accounting policies, if any, are appropriately disclosed by way of Notes to the Consolidated Financial Statements.

2.4 Cash and cash equivalents

Cash comprises cash on hand and fixed deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash Flows are reported using the indirect method, where by profit /(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Tangible fixed assets and depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided using Straight Line Method at the rates estimated by the Management which coincides with the rates prescribed under Schedule XIV of the Companies Act, 1956.

2.7 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to see if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

2.8 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its

intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.9 Investments

Investments, which are readily realizable and 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 in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

2.10 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Revenue from sale of goods

Sales are recognized net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

(ii) Revenue from sale of Services

Revenue from software related services are accounted for on the basis of services rendered as per terms of contract.

Revenue from BPO services are based on the performance of specific criteria at contracted rates.

(iii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(iv) Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

2.11 Inventory Valuation

a) Stocks of consumables are valued at cost.

b) Project work in progress is valued with reference to the actual cost incurred for the work performed up to the reporting date bear estimated total project cost of each project.

2.12 Foreign currency translation**(i) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. 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; and 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.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

2.13 Retirement and other employee benefits**(i) Defined contribution plans:**

Contributions in respect of Employees Provident Fund and Family Pension Fund are charged to the Profit and Loss account as incurred.

(ii) Defined benefit plans:

The Company also provides for other employee benefits in the form of gratuity. The Company's Contributions to Gratuity scheme is provided for based on Valuations, as at the balance sheet date made by independent actuaries. The gratuity fund is managed by the Life Insurance Corporation of India (LIC).

(iii) Long-term employee benefits

The Company has a policy to encash all unavailed leaves over and above 60 days after every calendar year compulsorily. Also, the employee is entitled to encash leaves as and when required by them.

(iv) Short-term employee benefits:

The undiscounted amount of short-term employee benefits i.e. performance incentive expected to be paid in exchange for the services rendered by employee are recognized during the year when employees render the service.

2.14 Income tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.15 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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 are adjusted for the effects of all dilutive potential equity shares.

2.16 Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates

Notes forming part of the Consolidated financial statements

3. Share Capital

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Rs	Number of shares	Rs
(a) Authorised Equity Shares of Rs 10/- each with voting rights	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
(b) Issued, Subscribed and Fully Paid-up: Equity Shares of Rs 10/- each with voting rights	75,00,000	7,50,00,000	75,00,000	7,50,00,000
TOTAL		7,50,00,000		7,50,00,000

(i) Reconciliation of Shares

Particulars	Opening Balance	Conversion of Share Warrants	Closing Balance
Equity shares with voting rights Year ended 31 March, 2016			
- Number of shares	75,00,000	-	75,00,000
- Amount (Rs.)	7,50,00,000	-	7,50,00,000
Year ended 31 March, 2015			
- Number of shares	74,21,540	78,460	75,00,000
- Amount (Rs.)	7,42,15,400	7,84,600	7,50,00,000

(ii) All Equity Shares issued by the company carry equal voting and participatory rights

(iii) The details of share holders holding more than 5% shares :

Name of the share holder	As at 31.03.2016		As at 31.03.2015	
	Number of shares	% held	Number of shares	% held
Sri. Ravi Vishnu	8,50,539	11.34	8,50,539	11.34
Sri. D. Vikram Reddy	7,40,500	9.87	7,40,500	9.87
Sri. R. Radha Krishna Murthy	5,41,100	7.21	5,41,100	7.21
Sri. A. Bhopal Reddy	4,81,400	6.42	4,81,400	6.42

4. Reserves and Surplus

Particulars	As at 31.03.2016 Rs.		As at 31.03.2015 Rs.	
(a) Share Premium				
Opening balance	7,34,64,090		7,25,61,800	
Add: Additions during the year	-		9,02,290	
Closing balance		7,34,64,090		7,34,64,090
(b) Capital Reserve		19,25,000		19,25,000
(c) Surplus / (Deficit) in Statement of Profit and Loss				
Balance at the beginning of the year	(3,10,50,782)		(3,64,56,705)	
Adjustment of Depreciation	-		(1,60,16,739)	
Add: Profit for the year	3,55,93,996		2,14,22,662	
Closing balance		45,43,214		(3,10,50,782)
TOTAL		7,99,32,304		4,43,38,308

Notes forming part of the financial statements

5. Long Term Borrowings

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
From banks - Secured		
Term Loan - State Bank of India (Ref Note 5.1)	45,331	20,15,658
Term Loan - Bajaj finance Ltd (Ref Note 5.2)	18,23,838	-
TOTAL	18,69,169	20,15,658

5.1 The Term Loan of State Bank of India, Balanagar is repayable in 20 monthly equal installment of Rs 1,87,790/-. The said loan is secured by hypothecation of Plant & Machinery. The said loans are further secured by equitable mortgage of land belonging to the Company and others situated at Krithika Layout, Madhapur, Hyderabad. The said loans are further secured by Personal guarantees of Ravi Vishnu and A. Bhopal Reddy, Directors of the Company.

5.2 During the financial year 2015-16 Bajaj Finance Limited has sanctioned Unsecured Loan for Rs. 35,70,000/-. The said loan is repayable in 36 monthly equal installment of Rs. 1,29,064/-. The said loans are secured by way of post dated cheques issued by the Company.

5.3 Current maturities of long term borrowings have been disclosed under the head other current liabilities.

6. Deferred Tax Liability

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Opening Balance	51,35,293	1,19,16,499
Add: On account of Deferred Revenue Expenditure	(10,95,339)	(10,95,338)
Add: On account of Difference of Depreciation	18,58,161	(56,85,868)
Net Deferred Tax Liability	43,72,471	51,35,293

7. Short Term Borrowings

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Secured: From Banks		
Cash Credit - State Bank of India (Refer Note 7.1)	1,89,55,769	1,97,53,270
Un Secured: From Others		
From Related Parties	-	18,50,000
Total	1,89,55,769	2,16,03,270

7.1 During the financial year 2014-15 SBI Balanagar sanctioned Cash Credit facilities for an amount of Rs. 2,00,00,000/-. Out of the sanctioned amount company utilised an amount of Rs. 1,89,55,769/- as at 31st March, 2016. The said facilities are secured by way of hypothecation of stocks and Book Debts of the Company. The said facilities are further secured by equitable mortgage of Land belonging to the Company and Others situated at Krithika Layout at Madhapur, Hyderabad.

The said loans are further secured by Personal guarantee of Ravi Vishnu and A.Bhopal Reddy, Directors of the company.

8. Trade Payables

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Creditors for Services	4,46,53,187	4,27,49,198
Creditors for Consumables	23,58,631	26,96,589
Creditors for Expenses	1,76,969	2,17,376
TOTAL	4,71,88,787	4,56,63,163

9. Other Current Liabilities

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
(a) Current maturities of long-term debt - Secured		
i) Term Loan - State Bank of India (Note 5.1)	19,68,125	18,77,900
ii) Term Loan - Bajaj Finance Ltd (Note 5.2)	11,09,364	-
(b) Other payables		
(i) Statutory remittances		
Service tax Payable	2,50,38,783	1,90,03,215
Tds Payable	27,50,710	30,07,981
Sales Tax Payable	1,62,457	1,98,957
ESI Payable	50,57,718	40,42,489
PF Payable	78,17,514	68,84,640
Professional Tax Payable	3,840	8,400
(ii) Payables on purchase of fixed assets	4,38,895	5,64,674
(iii) Advance from Customers	42,37,529	75,39,169
(iv) Other Liabilities	17,71,169	18,29,073
Total	5,03,56,104	4,49,56,498

10. FIXED ASSETS										
PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	Balance As At 01.04.2015	Additions	Disposals	Balance As At 31.03.2016	Balance As At 01.04.2015	Disposals	For the Year	Balance As At 31.03.2016	Balance As At 31.03.2016	Balance As At 31.03.2015
(i) TANGIBLE ASSETS										
Land	13,31,295	-	-	13,31,295	-	-	-	-	13,31,295	13,31,295
Computer / Hardware	9,98,43,296	8,64,223	-	10,07,07,519	9,07,59,573	-	35,36,087	9,42,95,660	64,11,859	90,83,723
Furniture and Fixtures	1,56,88,513	12,04,772	-	1,68,93,285	1,29,41,788	-	5,84,810	1,35,26,598	33,66,687	27,46,725
Electrical Fittings	1,88,40,518	5,49,804	-	1,93,90,322	1,13,82,412	-	19,17,862	1,33,00,274	60,90,048	74,58,106
Vehicles	29,78,350	-	-	29,78,350	23,61,249	-	1,99,499	25,60,748	4,17,602	6,17,101
Office Equipment	92,16,956	11,72,080	-	1,03,89,036	75,67,346	-	5,37,674	81,05,020	22,84,016	16,49,610
Library Books	8,65,901	-	-	8,65,901	8,65,901	-	-	8,65,901	-	-
Total	14,87,64,829	37,90,879	-	15,25,55,708	12,58,78,269	-	67,75,932	13,26,54,201	1,99,01,507	2,28,86,560
Previous Year	14,61,98,863	25,65,965	-	14,87,64,828	11,66,88,277	-	91,89,992	12,58,78,269	2,28,86,559	-
(ii) INTANGIBLE ASSETS										
Computer Software	6,92,33,370	99,85,700	-	7,92,19,070	6,43,07,746	-	7,40,642	6,50,48,388	1,41,70,682	49,25,624
Total	6,92,33,370	99,85,700	-	7,92,19,070	6,43,07,746	-	740,642	6,50,48,388	1,41,70,682	49,25,624
Previous Year	6,71,37,104	20,96,266	-	6,92,33,370	6,37,64,708	-	5,43,038	6,43,07,746	49,25,624	-
Total	21,79,98,199	1,37,76,579	-	23,17,74,778	19,01,86,015	-	75,16,574	19,77,02,589	3,40,72,189	2,78,12,184
Previous Year Total	21,33,35,967	46,62,231	-	21,79,98,198	18,04,52,985	-	97,33,030	19,01,86,015	2,78,12,183	-

The Company is developing Cloud based software products to be offered for the markets under pay and use model. The amount invested on these products is being capitalised under Intangible Asset.

11. Long Term Loans And Advances

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
(Unsecured, considered good, recoverable in cash or in kind for value to be received)		
(a) Capital Advances		
Advance for Capital Goods	34,776	-
(b) Deposits		
Deposits - APCPDCL	42,426	42,426
Deposits - Electricity	4,89,455	4,89,455
Retention Money	77,24,716	36,09,714
Deposits - Others	2,50,432	6,50,432
Deposits - Performance Guarantee	1,07,26,695	1,17,26,695
Deposits - Rent	11,66,881	11,06,697
(c) Advance Income Tax	1,98,83,840	2,97,93,184
Total	4,03,19,221	4,74,18,603

12. Other Non-Current Assets

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Deferred Revenue Expenditure (Ref. Note 12.1)	64,45,066	96,67,602
Less: Written off during the year	32,22,536	32,22,536
Total	32,22,530	64,45,066

12.1 During the Financial Year 2013-14 Company incurred an amount of Rs.1,28,90,136/- for development of a software in order to facilitate and execute online billing to the consumers of Punjab State Power Corporation Limited(PSPCL).

The said project with PSPCL is spread over a period of 4 years and the software developed can be used for a period of 4 years. The expenditure of Rs.1,28,90,136/- incurred for development of software is deferred and will be written off over a period of 4 years from the Financial year 2013-14.

Accordingly this being the Third year, Company written off an amount of Rs.32,22,534/- being 1/4th of the total deferred revenue expenditure incurred.

13. Inventories

(Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
(As valued and certified by management)		
(a) Consumables	1,32,845	2,27,413
(b) Work-in-progress	5,29,29,089	6,84,01,350
Total	5,30,61,934	6,86,28,763

14. Trade Receivables**(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	1,14,58,699	73,65,048
Doubtful	-	43,209
	1,14,58,699	74,08,257
Less: Bad debts written off	-	43,209
	1,14,58,699	73,65,048
Other Trade Receivables		
Unsecured, considered good	11,80,13,025	6,42,03,234
TOTAL	12,94,71,724	7,15,68,282

15. Cash and Bank Balances**(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
(a) Cash and Cash Equivalents		
(i) Cash on hand	35,825	6,924
(ii) Balances with banks		
(a) Current accounts	3,70,181	32,29,403
Total	4,06,006	32,36,327
(b) Other Bank Balances		
(i) Margin Money on Bank Guarantees	59,06,928	54,94,520
Total	59,06,928	54,94,520
TOTAL	63,12,934	87,30,847

15.1 (a) Out of the above Cash and Bank balances, Cash and cash equivalents that meet the definition of cash flow statement is Rs 4,06,006/- (Previous year Rs 32,36,327/-).

16. Short-Term Loans and Advances**(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
(Unsecured, Considered Good)		
(a) Loans and Advances	14,46,737	9,11,781
(b) Prepaid Expenses	4,87,823	8,85,387
(c) Advance for Services and Other Expenses	92,79,512	63,11,278
TOTAL	1,12,14,072	81,08,446

COSYN LIMITED

17. Revenue from Operations (Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Sale of Services		
- Domestic	27,70,51,971	22,07,79,337
	27,70,51,971	22,07,79,337
Less: Service Tax	3,34,82,176	2,37,28,084
Sales Tax	38,333	1,60,000
	24,35,31,462	19,68,91,253
TOTAL	24,35,31,462	19,68,91,253

18. Other Income (Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
(a) Interest Income	4,28,677	6,59,412
(b) Interest Income - Income Tax dept.	17,08,395	-
(c) Foreign Exchange Fluctuation gain	-	34,991
TOTAL	21,37,072	6,94,403

19. Cost of Materials Consumed (Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Opening Stock	2,27,413	1,09,744
Add: Purchases	85,33,952	77,84,211
Total	87,61,365	78,93,955
Less: Closing Stock	1,32,845	2,27,413
TOTAL	86,28,520	76,66,542

20. Operating Expenses (Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Sub Contracting Expenses	4,34,12,441	4,61,63,903
Repairs to Plant & Machinery	13,24,756	9,03,615
Power & Fuel	6,86,068	8,11,682
Frieght	3,95,944	3,04,366
TOTAL	4,58,19,209	4,81,83,566

COSYN LIMITED

21. Changes In Inventories Of Work-In-Progress (Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Inventories at the end of the year:		
Work-in-progress	5,29,29,089	6,84,01,350
	5,29,29,089	6,84,01,350
Inventories at the beginning of the year:		
Work-in-progress	6,84,01,350	6,54,11,237
	6,84,01,350	6,54,11,237
Net (increase) / decrease	1,54,72,261	(29,90,113)

22. Employee Benefits Expense (Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Salaries and Wages	10,05,11,025	8,93,08,101
Contributions to Provident Fund and other Funds	1,16,86,974	86,09,889
Staff Welfare Expenses	5,39,987	7,39,472
TOTAL	11,27,37,986	9,86,57,462

23. Finance Cost (Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Interest expense on:		
Interest on TDS	2,09,553	-
Interest on bajaj finance	4,00,658	-
Interest on Working Capital Loans	28,68,889	34,21,990
TOTAL	34,79,100	34,21,990

24. Other Expenses (Amount in ₹)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Rent	32,77,614	34,82,500
Repairs and maintenance	15,30,874	8,96,164
Insurance	3,04,118	2,05,309
Rates and taxes	1,56,729	7,50,635
Communication	16,64,252	15,77,029
Travelling and conveyance	11,48,310	22,26,498
Business promotion	3,19,737	3,83,712
Legal and professional	32,14,124	35,15,314
Payment to Auditors (Refer Note: 24.1)	4,00,000	4,00,000
Bad Debts written off	-	43,209
Deferred revenue expenditure written off (Refer Note.13.1)	32,22,536	32,22,536
Miscellaneous expenses	7,55,148	7,71,132
Bank Charges	10,35,146	7,97,687
Prior period items	1,55,121	-
TOTAL	1,71,83,710	1,82,71,725

COSYN LIMITED**24.1. Payment to Auditors Comprises of****(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
Statutory Audit fee	2,50,000	2,50,000
Taxation Audit Fee	1,50,000	1,50,000
TOTAL	4,00,000	4,00,000

25. Earnings Per Share**(Amount in ₹)**

Particulars	As at 31 March, 2016	As at 31 March, 2015
Basic		
Total Operations		
Net profit for the year attributable to the equity shareholders	3,55,93,996	2,14,22,662
Weighted Average Number of Equity Shares	75,00,000	74,81,728
Par Value per Share	10.00	10.00
Earnings per Share - Basic	4.75	2.86
Diluted		
The diluted earnings per share has been computed by dividing the Net Profit after Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible Bonds for the respective periods. Since, the effect of the conversion of Preference Shares was anti-dilutive, it has been ignored.		
Total Operations		
Net profit for the year attributable to the equity shareholders	3,55,93,996	2,14,22,662
Weighted average number of equity shares for Basic EPS	75,00,000	74,81,728
Weighted average number of equity shares, For diluted EPS	75,00,000	75,00,000
Par value per share	10.00	10.00
Earnings per share - Diluted	4.75	2.86

NOTES TO THE FINANCIAL STATEMENTS

26. Contingent Liabilities not acknowledged as Debt:

	2015-16 Rs	2014-15 Rs
a) Bank Guarantees	2,85,93,404	2,46,55,404

27. Related Party Transactions :

A. Related Parties and their Relationship (As identified and certified by the Management)

I. Associate Company : RRK ENTERPRISES PRIVATE LIMITED

II. Key Managerial Personnel (KMP) :

Ravi Vishnu : Chairman & Managing Director

Summary of the Transactions with the above Related Parties are as follows: (Amount in ₹)

Nature of Transactions	Associate Companies		KMP and Relatives of KMP	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Remuneration & Perquisites	-	-	29,85,574	29,85,574
Loans and Advance given	-	-	-	-
Loans and Advances taken /(repaid)	(18,50,000/-)	18,50,000/-	-	-
Balance outstanding	-	-	-	-
Receivable/(Payable) as on Balance Sheet date	-	(18,50,000/-)	-	-

28. Segment Details

The Company is engaged in providing Information Technology Services which in the context of Accounting Standard – 17 issued by ICAI are considered to constitute one single segment

29. Dues to Micro, Small and Medium Enterprises:

The Company is seeking confirmation from its suppliers whether they fall under the category of micro, small and medium enterprises as mentioned under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Based on confirmations received till date, the company believes that it does not have any outstanding dues towards Micro Small and Medium Enterprises. Further the company has not paid/accrued any interest under this MSMED Act.

30. Confirmations are not received in respect of the amounts relating to trade receivable, trade payables, loan & advances..

31. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Figures rounded off to the nearest rupee.

Note 1 to 31 form part of the Balance Sheet and have been authenticated.

For and on behalf of the Board

Sd/-
Ravi Vishnu
Chairman & Managing Director

Sd/-
A.Bhopal Reddy
Whole Time Director

Sd/-
K. Raghupathi Rao
CFO

Sd/-
A. Aravind
Company Secretary

Place : Hyderabad
Date : 30.05.2016

COSYN LIMITED

CIN: L72200TG1994PLC017415

Regd. off: #6-1-85/10, Opp. Telephone Bhavan, Saifabad, Hyderabad – 500 004.

Ph: +91-40-23230305, Website: www.cosyn.in, Email: comsec@cosyn.in

(Please present this at the entrance of the meeting venue)

ATTENDANCE SLIP

I hereby state that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on 29-09-2016 at Jubilee Hills International Centre, Jubilee Hills, Hyderabad - 500 033, India, or/any adjournment thereof.

Name of the attending Shareholder: _____

(in block letters)

Name of the Proxy: _____

(To be filled in, if proxy attends)

Signature of Shareholder: _____

Signature of Proxy: _____

Regd. Folio Number: or DP / Client ID No. _____

Number of shares held: _____

Note:

1. Shareholders/proxy holders are requested to bring the Attendance Slips with them duly completed when they come to the meeting and hand them over at the gate, affixing their signature on them.
2. Members are informed that no duplicate attendance slips will be issued.

COSYN LIMITED
CIN: L72200TG1994PLC017415

Regd. off: #6-1-85/10, Opp. Telephone Bhavan, Saifabad, Hyderabad – 500 004.
 Ph: +91-40-23230305, Website: www.cosyn.in, Email: comsec@cosyn.in

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name and Address of the Shareholder(s)

E-mail id : Folio No. / DP & Client id :

I/We being the member(s) of Shares of COSYN Limited, hereby appoint

1. Name : Email id :

Address :

Signature :

Or failing him

2. Name : Email id :

Address :

Signature :

Or failing him

3. Name : Email id :

Address :

Signature :



Ordinary Business:

1. To receive, consider and adopt, the audited statement of profit and loss for the financial year ended on 31 March 2016 and the balance sheet as at that date and the reports of the board of directors and auditors thereon.
2. To appoint Director in place of Mr. D. Vikram Reddy, who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of M/s Rambabu & Co as Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the resolution as Ordinary resolution.
4. To appoint Mr. Rama Rao Karumanchi as a Director.
5. Approval of Cosyn Limited Employee Stock Options Plan 2016 and grant of Employee Stock Options to the employees of the Company.
6. Approval of Cosyn Limited Employee Stock Options to the employees of the Subsidiary Company (ies) of the Company under Cosyn Limited Employee Stock Option Plan 2016

Signed this day of 2016.

Signature of Shareholder Signature of Proxyholder(s)

COSYN LIMITED**CIN: L72200TG1994PLC017415**

Regd. off: #6-1-85/10, Opp. Telephone Bhavan, Saifabad, Hyderabad – 500 004.

Ph: +91-40-23230305, Website: www.cosyn.in, Email: comsec@cosyn.in

BALLOT FORM

(Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1) (C) of the Companies (Management and Administration) Rules, 2014

Serial No. :

1. Name (s) Shareholder(s) including :
Joint Holders, if any (in Block Letters)
2. Registered Address of the Sole / :
First name Shareholder / Beneficial Owner
3. Registered Folio No./DPID No./Client ID No.:
4. Class of Shares :
5. I/We hereby exercise my/our vote in respect of the following Resolutions to be passed 22nd Annual General Meeting of the Company, to be held on Thursday, 29th September 2016 at Jubilee Hills International centre, Jubilee Hills, Hyderabad - 500 033, India for the business stated in the Notice of the Company dated 12-8-2016 by sending my / our assent or dissent to the said Ordinary Resolution by placing tick (✓) (X) mark at the appropriate box below :

Resolution No.	Resolution Item	No of Shares held	I/We assent to the Resolution	I/We dissent to the Resolution
Ordinary Business				
ITEM - 1	Adoption of the audited balance sheet, statement of profit and loss, accounts for FY 2015-16, etc.			
ITEM - 2	Appointment of Mr. D. Vikram Reddy as a Director			
ITEM - 3	Appointment of M/s Rambabu & Co as Statutory Auditors of the Company			
ITEM - 4	Ordinary Resolution : Appointment of Mr. Rama Rao Karumanchi as an Independent Director for a period of five years			
ITEM - 5	Approval of Cosyn Limited Employee Stock Options Plan 2016 and grant of Employee Stock Options to the employees of the Company			
ITEM - 6	Approval of Cosyn Limited Employee Stock Options to the employees of the Subsidiary Company (ies) of the Company under Cosyn Limited Employee Stock Option Plan 2016			

Place :

Date :

Signature of the Shareholder

Note Last date for receipt of Postal Ballot forms by the Scrutinizer: 26th September 2016

**Book Post
Printed Matter**

If undelivered, please return to :

COSYN LIMITED

(Formerly known as CSS Technergy Limited)

CIN : U72200TG1994PLC017415

Regd. Off : # 6-1-85/10, Opp. Telephone Bhavan,
Saifabad, Hyderabad - 500 004.

Ph : +91-40-2323 0305/6, Fax : +91-40-2323 0313

E-mail : comsec@cosyn.in

www.cosyn.in