30th
ANNUAL REPORT
2014-2015

Capricorn Systems Global Solutions Limited

BOARD OF DIRECTORS

1.	Mr. S. Man Mohan Rao	Managing Director
2.	Mr. Anand Deshmukh	Director
3.	Mr. K.V. Srinivasa Rao	Director
4.	Mr. G. Ramesh Babu	Director
5.	Mrs. Lakshmi Gurram	Director w.e.f 31-3-2015

Registered Office & Development Centre:

8-2-293/82A/408A,
Plot No: 408A, Road No: 22A,
Jubilee Hills,
Hyderabad – 500 033.
Email id: complianceofficer@capricornsys-global.com

Auditors:

M/s. Satyanarayana & Co.,
Chartered Accountants,
Amar Mansion,
Rani Gunj,
Secunderabad – 500 003.

Physical & Demat Registrars :

Venture Capital and Corporate Investments Pvt. Limited
12-10-167
Bharat Nagar Colony
Hyderabad – 500018
Tel: 040-23818475 / 76
Fax: 91-40-23868024 email: info@vccilindia.com

Bankers:

ICICI Bank Limited,
S.R. Nagar Branch,
Hyderabad – 500 038.

NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of the members of CAPRICORN SYSTEMS GLOBAL SOLUTIONS LIMITED will be held on Wednesday the 30th September, 2015 at the registered office of the Company situated at # 8-2-293/82A/408A, Plot No: 408A, Road No: 22A, Jubilee Hills, Hyderabad – 500 033. at 11.00 A. M., to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statements:

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2015, including the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date, the cash flow statement for the year ended and the reports of the Board of Directors ('the Board') and Auditors thereon.

Item No. 2 – Re – Appointment of Director retiring by rotation:

2. To appoint a Director in place of Sri S. Man Mohan Rao (DIN: 00109433) who retires by rotation at this Annual General Meeting and being eligible has offered herself for reappointment.

Item No. 3 – Ratification of Appointment of Auditors

3. To ratify the appointment of Auditors and to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the rules made there under and pursuant to the resolution passed by the members at the 29th AGM held on 30th September, 2014 the appointment of M/s. Satyanarayana & Co., Chartered Accountants (Registration No. 003680S) as the Auditors to hold office to till the conclusion of the 32nd AGM be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March, 2016 as may be determined by the Board of Directors and that such remuneration as may be agreed upon between the auditors and the Board of Directors.

SPECIAL BUSINESS:

Item No. 4 – Appointment of Mrs. Lakshmi Gurram as an Independent Director of the Company not liable to retire by rotation.

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

   Resolved that, pursuant to Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made there under, Mrs. Lakshmi Gurram (DIN: 07145515), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 31, 2015 and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Lakshmi Gurram (DIN: 07145515) as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company for a period up to 30th March, 2020, not liable to retire by rotation.

Place: Hyderabad
Date: 31-8-2015
Registered Office: # 8-2-293/82A/408A,
Plot No: 408A, Road No: 22A, Jubilee Hills,
Hyderabad – 500 033. Phone: 9032008866
Fax: 040-23547889
Email id: complianceofficer@capricornsys-global.com
Website: www.capricornsys-global.com
CIN: L52510TG1985PLC043347

By order of the Board
For Capricorn Systems Global Solutions Limited
S. Man Mohan Rao
Managing Director
DIN : 00109433

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Pursuant to Clause 16 read with Section 91 of the Companies Act, 2013 the Register of Members and Register of Share Transfer Books of the Company will remain closed from 24th September, 2015 to 30th September, 2015 (both days inclusive).

3. Members holding shares in physical form are requested to intimate the change, if any, in their Registered Address to the Company quoting their Registered Folio.

   If the shares are held in Demat form, intimation regarding the change of address, if any, has to be notified to the concerned Depository Participant where the Shareholder is maintaining the Demat Account.

4. Statement as required under the provisions of Section 102 (1) of the Companies Act, 2013 is enclosed to this notice.

5. Members / Proxies should bring the Attendance slips duly filled in for identification for attending the meeting.

6. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Meeting.

7. In accordance with Section 101 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, the Annual Report (Audited Financial Statements, Directors Report, Auditors Report etc.) is being sent to the shareholders in electronic form to the email address registered with their Depository Participant (in case of electronic shareholding) the Company's Registrar and Share Transfer Agents (in case of physical shareholding).

   We, therefore request and encourage you to register your email ID in the records of your Depository Participant (in case of electronic holding) the Company's Registrar and Share Transfer Agents (in case of physical shareholding) mentioning your folio no./demat account details.

   However, in case you wish to receive the above shareholder communication in paper form, you may write to the Company's Registrar and Share Transfer Agents M/s Venture Capital and Corporate Investments Pvt Ltd. Unit: Capricorn System Global Solutions Limited or send an email at mentioning your folio no. / demat account details.

   The soft copy of the Annual Report 2014 – 2015 can also be downloaded from the company's website i.e., www.capricornsys-global.com

8. Requests for transfer of physical shares received during the period of book closure shall be considered only after the reopening of Books.

9. Shareholders may avail the nomination facility under Section 72 of the Companies Act, 2013. The relevant nomination form is appended to this notice

10. SEBI has made it mandatory for every participant in the securities / capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details off PAN along with a Photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Company.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Sunday, the 27th September, 2015 from 9.00 A.M. (09.00 Hrs) and will ends on Tuesday the 29th September, 2015 at 5.00 P.M. (17.00 Hrs). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (24-09-2015), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(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*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - 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#	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.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. - 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 directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to

keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> 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 same 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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for 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.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) 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.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.

(B) The voting period begins on 27th September, 2015 at 9.00 a. m., and ends on 29th September, 2015 at 5.00 p. m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

I. The company has appointed Mr. N. Satyanarayana, a practicing Chartered Accountant, as the Scrutinizer who will collate the electronic voting process in a fair and transparent manner.

II. The Scrutinizer shall with in a period not exceeding three working days from the conculsion of the e-voting period shall unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or

against , if any forthwith to the Chairman of the Company.

III. The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's report shall be placed on the Company's Website and the website of CDSL.

By Order of the Board of Directors
S. MANMOHAN RAO
Managing Director
DIN : 00109433

Place: Hyderabad
Date: 31.08.2015

Registered Office: # 8-2-293/82A/408A,
Plot No: 408A, Road No: 22A, Jubilee Hills,
Hyderabad – 500 033.
Phone: 9032008866 Fax: 040-23547889
Email id: complaintsofficer@capricornsys-global.com
Website: www.capricornsys-global.com
CIN: L52510TG1985PLC043347

PROFILE OF DIRECTORS RETIRING BY ROTARION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

PROFILE OF Sri S. Man Mohan Rao (DIN: 00109433):
Sri S. Man Mohan Rao is the Managing Director have joined the Board 01-04-1998. He is a Engineering Graduate and has over 40 years of Managerial Experience in setting of and Operating Small & Medium Manufacturing Companies. His industry exposure includes Textiles, Paper and Software Services.

PROFILE OF Mrs. Lakshmi Gurram (DIN 07145515):
Smt. Lakshmi Gurram has joined as Additional Director of the Board on 31-03-2015. She is qualified Company Secretary from Institute of Company Secretaries of India. She has more than 10 years of experience in the areas of complainces and accountancy. Her industry exposure includes Hospitality, Real Estate and Construction.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING.
(Persuant to Clause 49 of the Listing Agreement)

Particulars	Mr S Man Mohan Rao	Mrs Lakshmi Gurram
Date of Birth	15-04-1948	10-08-1976
Date of Appointment	01-04-1998	31-03-2015
Qualification	Engineering Graduate	Company Secretary
Expertise in specific functional area	Management	Services
Chairmanship / Directorship of other companies including Foreign companies and section 25 Companies	1	NIL
Chairmanship / Membership of other Public Companies	NIL	NIL
No of shares held in the Company	3,00,000	NIL

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4:

The Board of Directors, at its meeting held on March 31, 2015, appointed Mrs. Lakshmi Gurram (DIN: 07145515) as an Additional Director of the Company with effect from March 31, 2015, pursuant to Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Lakshmi Gurram (DIN: 07145515) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs.1,00,000/- proposing the candidature of Mrs. Lakshmi Gurram (DIN: 07145515) for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mrs. Lakshmi Gurram (DIN: 07145515) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mrs. Lakshmi Gurram (DIN: 07145515) as an Independent Director of the Company for a period up to March 27, 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. She will not be liable to retire by rotation.

In the opinion of the Board, Mrs. Lakshmi Gurram (DIN: 07145515) the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made there under and she is independent of the Management. A copy of the draft letter for the appointment of Mrs. Lakshmi Gurram (DIN: 07145515) as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

No director, key managerial personnel or their relatives, except Mrs. Lakshmi Gurram (DIN: 07145515) to whom the resolution relates, are interested or concerned in the resolution.
The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

Place: Hyderabad
Date: 31-8-2015
Registered Office: # 8-2-293/82A/408A,
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Phone: 9032008866
Fax: 040-23547889
Email id: complianceofficer@capricornsys-global.com
Website: www.capricornsys.com
CIN: L52510TG1985PLC043347

By order of the Board
For Capricorn Systems Global Solutions Limited

S. Man Mohan Rao
Managing Director
DIN : 00109433

DIRECTORS' REPORT

To,
The Members,
CAPRICORN SYSTEMS GLOBAL SOLUTIONS LIMITED
Your Directors have pleasure in presenting the Thirtieth Annual Report of your Company together with the Audited Accounts for the financial year ended 31st March, 2015 and the report of the Auditors thereon.

(Rs. Lakhs)

Particulars	2014-15	2013-14
Total Income	394.36	416.38
Expenditure	368.57	394.20
Profit before Tax, Interest and Depreciation	25.79	22.18
Less : Depreciation	9.40	9.20
Less : Interest	0.02	0.51
Profit before Tax	16.37	12.48
Provision for Income Tax	6.85	5.55
Provision for Deferred Tax Liability	(0.87)	(0.39)
Net Profit after Tax	10.39	7.32
Profit brought forward	72.28	64.96
Balance available for appropriation	82.67	72.28
Profit carried to Balance Sheet	82.67	72.28

STATE OF COMPANY'S AFFAIRS:
OPERATIONS & FUTURE PROPSECTS:
The performance of the company during the year has been consistent as compared to the earlier periods. The company has been successful in obtaining the repeat works from the customers . With a committed and stable order books the company expects to maintain the level of operations with marginal increase in the ensuring periods. With the general upward trend being witnessed in the IT and ITES industry the company expects to leverage its core strengths of highly skilled manpower optimally by entering into new and strategic alliances.

INDUSTRY STRUCTURE AND DEVELOPMENT:
The company is engaged in the business of software development, providing Business Process Out sourcing, consultancy services in the fields of software and allied services.

LISTING OF EQUIT SHARES:
The Company's Equity shares are presently listed on BSE Limited and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the financial year 2014 – 2015.

TRANSFER TO RESERVES:
Profit earned by the comapny after taxes Amounting Rs.10.39 Lakhs is being transfered to Reserves.

CHANGE IN NAUTURE OF BUSINESS, IF ANY:
During the year under review, there has been no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:
There are no material changes and commitments in the business operations of the Company from the financial year ended 31st March, 2015 to the date of signing of the Directors Report.

PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANY:

The Company does not have any subsidiaries or associate companies. Hence the required information under this head is not being attached to the report.

CORPORATE GOVERNANCE:

The Corporate Governance Report and a certificate by the Statutory Auditors regarding compliance of the conditions of corporate governance by your Company as stipulated in clause 49 of the Listing Agreement with Stock Exchanges, are annexed to this Report.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

All the Independent Directors have given declarations of Independence, as required pursuant to Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

MEETING OF INDEPENDENT DIRECTORS:

The performance of the Individual Directors on the Board and the Committees thereof is done by the Board and the Independent Directors in their exclusive meeting done as per the policy formulated by the Board in this regard.

VIGIL MECHANISM:

In terms of the provisions of Section 177 of the Companies Act, 2013 your Company has formulated a Whistle Blower Policy as a Vigil Mechanism. This mechanism aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All permanent employees of the Company are covered under the policy.

This mechanism is for the employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the performance evaluation of the Board, the Committees of the Board and Individual Directors is done on annual basis.

The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

CHANGES IN DIRECTORS:

INDUCTIONS:

On the recommendations of the nomination and remuneration committee, the Board appointed Mrs. Lakshmi Gurram (DIN: 07154551) as an Independent Director on the Board with effect from 31st March, 2015. We seek your support in confirming the appointment of Mrs. Lakshmi Gurram (DIN: 07154551) in the ensuing Annual General Meeting.

RE – APPOINTMENTS:

As per the provisions of the Companies Act 2013, Sri S. Man Mohan Rao (DIN: 00109433) retires at the ensuing Annual General Meeting and being eligible, seek his re-appointment. The Board recommends his re-appointment.

None of the independent directors will retire at the ensuing Annual General Meeting.