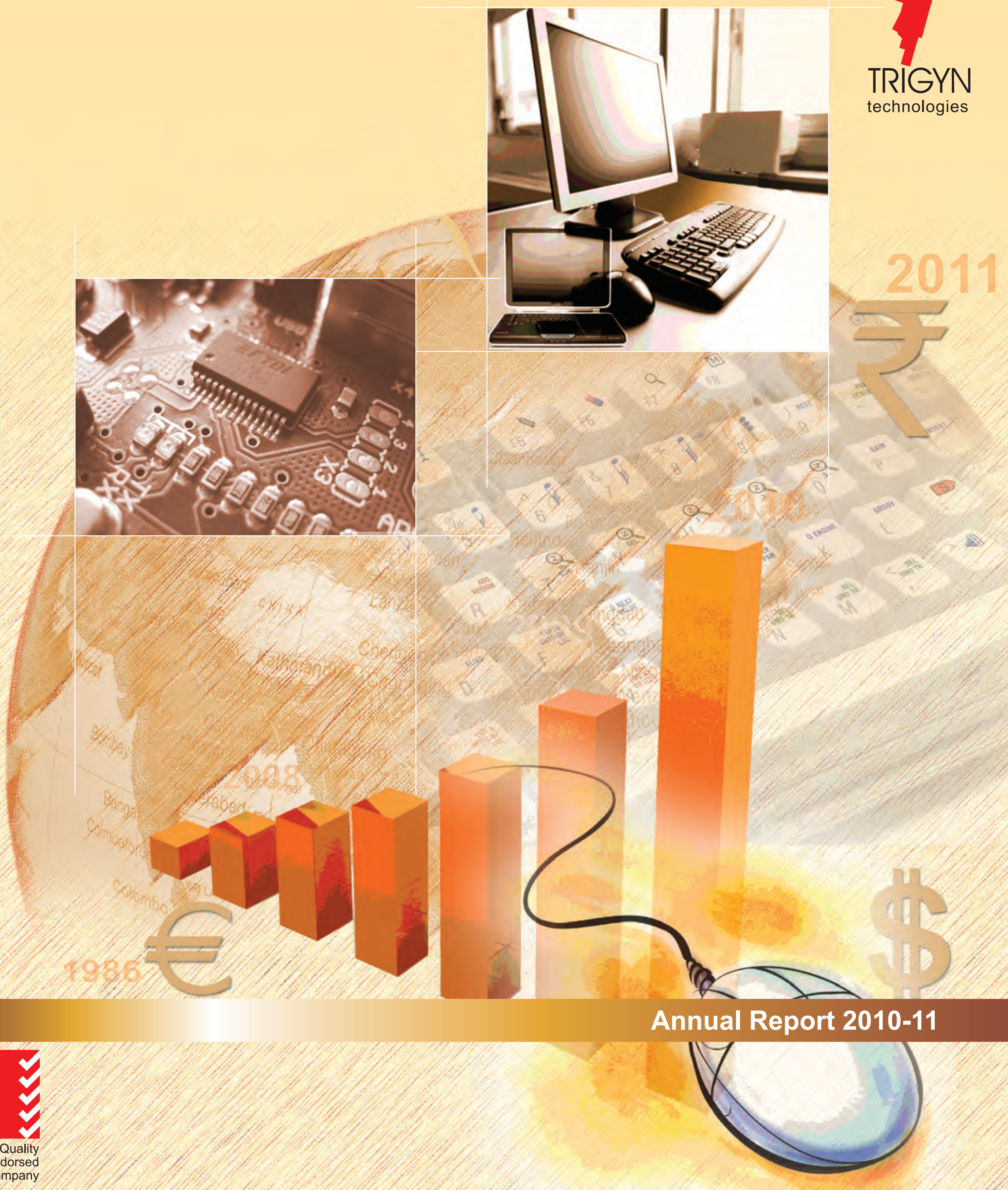
TRIGYN technologies



Annual Report 2010-11

Quality System
Quality Endorsed Company

QUALITY POLICY

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

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

Goals:

⇨ To maintain and continuously improve Quality System based on ISO 9001-2008 standards.

⇨ Achieve CMMI Level 5.

⇨ Introduce / Inculcate TQM culture & Business Excellence to achieve:

- Customer Delight
- Empowered Employees
- Higher Revenues
- Lower Costs

⇨ Improve Stakeholder Value

⇨ Increase Customer Base

⇨ Spread Geographical Base

TRIGYN
technologies

BOARD OF DIRECTORS

R. GANAPATHI	-	Chairman and Executive Director
Dr. P. RAJA MOHAN RAO	-	Non - Executive Director
C.V. RAO	-	Non - Executive Director
Dr. C. RAO KASARABADA	-	Non - Executive Director
Ms. P. BHAVANA RAO	-	Non - Executive Director
VIVEK KULKARNI	-	Independent Director
MAULIK SHAH	-	Independent Director
CH. V.V.PRASAD	-	Independent Director
VIVEK KHARE	-	Independent Director
Dr. B. R. PATIL	-	Independent Director

CHIEF FINANCIAL OFFICER
MILIND TELAWANE

COMPANY SECRETARY
RAJESH SHIRAMBEKAR

AUDITORS
PRICE WATERHOUSE
CHARTERED ACCOUNTANTS

BANKERS
PUNJAB NATIONAL BANK
ING VYSYA BANK
HDFC BANK

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

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

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

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NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of **Trigyn Technologies Limited** will be held on Wednesday, September 28, 2011 at 3.30 p.m. at All India Plastics Manufacturers' Association Auditorium, AIPMA House, A-52, Street No.1, M.I.D.C., Andheri (E), Mumbai - 400 093 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R. Ganapathi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr. P. Raja Mohan Rao, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Ch. V. V. Prasad, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s Price Waterhouse, Chartered Accountants, the retiring auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting on such remuneration as may be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

6. To appoint a director in place of Dr. B. R. Patil, who was appointed as an Additional Director of the Company by the Board of Directors on October 1, 2010, pursuant to Article 131 of the Articles of Association of the Company and under Section 260 of the Companies Act, 1956 and in respect of whom notice in writing have been received by the Company from a member proposing his candidature for the office of a director and to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution, the following:-

   "RESOLVED THAT Dr. B. R. Patil be and is hereby appointed as the Director of the Company."

7. To appoint a director in place of Ms. P. Bhavana Rao, who was appointed as an Additional Director of the Company by the Board of Directors at their Meeting held on February 9, 2011, pursuant to Article 131 of the Articles of Association of the Company and under Section 260 of the Companies Act, 1956 and in respect of whom notice in writing have been received by the Company from a member proposing her candidature for the office of a director and to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution, the following:-

   "RESOLVED THAT Ms. P. Bhavana Rao be and is hereby appointed as the Director of the Company."

By Order of the Board of Directors
For Trigyn Technologies Limited

Rajesh Shirambekar
Company Secretary & Head - Legal

Regd. Office :
27, SDF I, SEEPZ, M.I.D.C.,
Andheri (East),
Mumbai - 400 096
Place : Mumbai
Date : August 24, 2011

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Explanatory Statement as required under Section 173 (2) of the Companies Act, 1956 in respect of Items nos.6 and 7 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 19, 2011 to September 28, 2011 (both days inclusive).
4. The instrument appointing a Proxy should be deposited at the Registered Office of the Company not less than fortyeight hours before the time fixed for the meeting.
5. Members / Proxies should bring the Attendance Slip duly filled in and hand over the same at the entrance of the place of the meeting.
6. Members desiring any information on the business to be transacted at the meeting are requested to write to the Company at least ten days in advance to enable the Management to keep the information ready at the meeting, to the extent possible.
7. Members are requested to inform any change in their address immediately to the Company's Registrar & Transfer Agents in case physical shareholding or their respective Depository Participants so far as electronic shareholding is concerned.
8. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No.6 & 7

Dr. B. R. Patil and Ms. P. Bhavana Rao were appointed as Additional Directors on the Board of the Company with effect from October 1, 2010 and February 9, 2011, respectively, under Article 131 of the Articles of the Association of the Company and under Section 260 of the Companies Act, 1956.

Dr. Patil and Ms. Rao holds their respective offices as Additional Director up to the date of the ensuing Annual General Meeting of the Company.

Notice in writing have been received from a members of the Company under Section 257 of the Companies Act, 1956 signifying his intention to propose the aforesaid Directors as the candidate to the office of the Director of the Company.

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

It would be in the interest of the Company to avail of the valuable experience and guidance of Dr. Patil and Ms. Rao. The Board recommends the appointment of Mr. Patil and Ms. Rao as Directors of the Company.

Dr. Patil is concerned or interested in resolution no.6 in respect of his own appointment.

Dr. P. Raja Mohan Rao is concerned or interested in resolution no.7 in respect of appointment of his relative.

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

By Order of the Board of Directors
For Trigyn Technologies Limited

Rajesh Shirambekar
Company Secretary & Head - Legal

Regd. Office :
27, SDF I, SEEPZ, M.I.D.C.,
Andheri (East),
Mumbai - 400 096
Place : Mumbai
Date : August 24, 2011

Information pursuant to Clause 49 of the Listing Agreement on the re-appointment of Directors

R. Ganapathi

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

Dr. P. Raja Mohan Rao

Dr Raja Mohan Rao is a doctorate in Economics and was associated with National Council of Applied Economic Research as a research fellow. He is the Managing Director of United Telecom Ltd. After education, he was involved with setting up of various companies in the telecommunications sector. He was instrumental in setting up J T Mobile, a cellular mobile telephone company in AP and Karnataka, which is now a part of AIRTEL. He also served as the President of Telecom Equipment Manufacturers Association of India during 1993-94. He is also an avid social worker actively involved in many philanthropic activities.

Mr. Ch. V. V. Prasad

Mr. Ch. V. V. Prasad holds Diploma in Mechanical engineering from Bangalore University. He is involved in manufacturing, research and development, electronic design, fabrication in telecommunication/PCB/Computer industries.

Dr. B. R. Patil

Dr. Patil has done his doctorate from University of Illinois, U.S.A. with specialization in theories of communication, transfers of technologies and development; and in the application of survey research, sampling, statistical, econometric and computerized techniques and qualitative and participatory methods. Dr. Patil has also done Masters and Bachelors from University of Pune, with specialization in development administration, community development, local self-government, institution and leadership building, and socioeconomic change.

Dr. Patil has to his credit rich experience of 35 years in research, training and consulting experience at progressively higher levels in leading national and international organizations like World Bank (WB), Asian Development Bank (ADB), various divisions of United Nations, Canadian International Development Agency (CIDA), Swedish International Development Agency (SIDA), Center for Development Research (CDR) Sweden, South Asia Partnership (SAP) Canada, Aga Khan Foundation (AKF), Lutheran World Service (LWS), Johns Hopkins University (JHU), University of Lovain (UOL) Belgium, Leicester University (LU) UK and for many other universities, government, private, voluntary and cooperative agencies in India and South Asia.

Ms. P. Bhavana Rao

Ms. P. Bhavana Rao has done her graduation in B Tech (IT) and post graduation in MBA (Human Resource). She has rich work experience in the field of Information Technology, e-Governance, Education Training and Telecom. She won award in Citation for Excellence from PES Institute of Technology, in recognition of involvement in research activities, and achieving accolades in various competitions and Special Mention Award at the CSI Regional (South) Competition for Young IT Professionals (2004) for paper titled ‘A Versatile Web-Enabled E-learning Engine at a mouse click’.

By Order of the Board of Directors
For Trigyn Technologies Limited

Rajesh Shirambekar
Company Secretary & Head - Legal

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

Place : Mumbai
Date : August 24, 2011

DIRECTORS' REPORT

Your Directors present the Twenty Fifth Annual Report and audited statement of accounts of Trigyn Technologies Limited for the year ended March 31, 2011.

FINANCIAL RESULTS:

(Rs. In Lakhs)

Item	Year ended March 31, 2011	Year ended March 31, 2010
Income from operations	2746.92	2528.13
Other Income	184.11	177.89
Depreciation	89.73	79.86
Other Expenditure including Personnel costs	1946.61	
Profit before Tax	544.00	679.55
Fringe benefit tax	-	0.80
Profit after tax	544.00	678.75
Add : Exceptional Items	-	409.65
Net Profit	544.00	1088.40
Add: Balance Brought Forward	(59937.52)	(61025.91)
Balance To Be Carried Forward	(59393.51)	(59937.52)

OPERATIONS :

During the year under review, the Company achieved a net turnover of Rs.2746.92 lakhs as against Rs. 2528.13 lakhs in the previous year. Deducting there from the expenditure incurred and Rs.89.73 lakhs for Depreciation, the operations of your Company resulted in to a net profit of Rs.544 lakhs.

United Telecoms Limited (UTL), the Promoters, have further strengthened it's commitment and confidence in the Company by subscribing in full towards equity shares of Rs. 10/- each at a premium of Rs.8.81 per share on conversion 41,40,000 warrants allotted on December 4, 2009, in terms of the SEBI (ICDR) Regulations, on preferential basis.

Your Directors are confident that in view of the aforesaid financial commitment by the Promoters, your Company will continue to be a **debt free** Company with an improved performance in the current fiscal and foresee a better future outlook.

INCREASE IN SHARE CAPITAL:

The Company has issued and allotted 13,80,000 and 14,45,000 equity shares to United Telecoms Limited (UTL) on March 30, 2011 and June 2, 2011, respectively, on conversion of warrants.

Consequent to allotment of the equity shares, as stated above, the paid up share capital of your Company has increased to Rs.29,34,87,360/-. The amount mobilized by preferential issue of shares was utilized for meeting working capital needs.

DIVIDEND:

In view of carried forward losses, your Board of Directors do not recommend any dividend.

SUBSIDIARIES:

The consolidated financial statements presented by the Company include financial information of its subsidiaries prepared in compliance with applicable accounting standards. The Ministry of Corporate Affairs, Government of India, vide its circular no.5\12\2007-CL-III dated February 8, 2011 has granted general exemption under Section 212 (8) of the Companies Act, 1956 from attaching the balance sheet, profit and loss account and other documents of the subsidiary companies, to the balance sheet of the Company, provided certain conditions are fulfilled. Accordingly, annual accounts of the subsidiary companies and the related detailed information will be made available to the holding and subsidiary companies shareholders seeking such information. The annual accounts of the subsidiaries will also be kept for inspection by any shareholder at Registered Office.

Particulars of loans /advances and investment in its own shares by listed companies, their subsidiaries, associates etc. required to be disclosed in the annual report of the Company pursuant to clause 32 of the Listing Agreement and loans and advances in the nature of loans to subsidiaries are given in the statement of accounts forming part of the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS:

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

FIXED DEPOSITS:

The Company has not accepted any fixed deposits and as such, no principal or interest amount is outstanding as on the Balance Sheet date.

CERTIFICATIONS:

Your Company has been accredited with CMMI VER 1.2 Level 3 certification, implying strong management practices and processes in place aiding in planning and execution of projects.

Your Company also has an accreditation from Microsoft Corporation as the “Microsoft Gold Certified Partner” in the area of Custom Development Solution and Data Management Solution, recognizing the highest level of technological excellence, market place impact and satisfaction of customers through Microsoft products and services.

Your Company has also entered into a Channel Partner Agreement with EMC Corporation, USA to provide services related to Content Management EMC Software. This Partnership will enable your Company to provide product implementation, customization, transition and building solution around the products for various verticals.

During the year your Company has successfully renewed and certified with ISO 9001:2008.

DIRECTORS:

Dr. B. R. Patil and Ms. P. Bhavana Rao were appointed as Additional Directors of the Company w.e.f. October 1, 2010 and February 9, 2011, respectively, subject to the approval of the members at the ensuing Annual General meeting.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. R. Ganapathi, Dr. P. Raja Mohan Rao and Mr. Ch. V. V. Prasad retires by rotation and being eligible offers themselves for the re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to section 217(2AA) of the Companies Act 1956, the Directors confirm that :

i) The annual accounts have been prepared as per the applicable accounting standards, along with proper explanations relating to material departures.

ii) Appropriate accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the profit & loss account for the year ended March 31, 2011.

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and detecting fraud and other irregularities.

iv) The annual accounts have been prepared on a going concern basis.

EMPLOYEE STOCK OPTION PLAN (ESOP):

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

CORPORATE GOVERNANCE:

A Report on Corporate Governance for the year 2010-11 is given separately in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY:

With a noble cause to help the deserving people in the society, during the year, your Company has donated Rs.8,35,800/- to the charitable institutions engaged in the activity of medical centre, upliftment of the down trodden and assisting the old age people.

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

AUDITORS QUALIFICATIONS :

The Auditor's remarks in the Auditor's Report are self explanatory. The management is taking appropriate measures to rectify the same.

AUDITORS:

M/s Price Waterhouse, Chartered Accountants, have confirmed their willingness and eligibility for their re-appointment as Statutory Auditors for the financial year 2011-12 subject to approval of members at the ensuing Annual General Meeting.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

In view of the nature of activities that are being carried on by your Company, rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption, respectively, are not applicable to your company. Your company is, however, making all efforts for reducing energy consumption at office facilities by installing computer systems designed for low power consumption.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The foreign exchange earnings of your Company during the year were Rs 27,23,49,742/- (Previous year Rs.25,28,12,830/-) while the outgoings were Rs. 3,93,60,422/- (Previous year Rs.1,10,82,741/-).

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956:

Information to be provided under section 217(2A) of the Companies Act, read with the Companies (Particulars of Employees) Rules 1975 as amended from time to time forms a part of this report. However as per the provisions of section 219 (1)(b)(iv) of the Act, the report and accounts are being sent to all the members excluding the statement containing the particulars of employees to be provided under section 217(2A) of the Act. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company for a copy.

ACKNOWLEDGEMENTS:

Your Directors gratefully acknowledge the contributions made by the employees towards the success of your Company.

Your Directors are also thankful for the co-operation and assistance received from its shareholders, customers, vendors, bankers, SEEPZ, regulatory and Government authorities in India and abroad.

On behalf of the Board of Directors

R. Ganapathi
Chairman and Executive Director

Mumbai,
Date: August 24, 2011

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

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

I confirm that the Company has in respect of the financial year ended March 31, 2011, received from the Senior Management Officials of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Officials means personnel on the key management positions in the Company as on March 31, 2011.

For Trigyn Technologies Limited

Mumbai
August 24, 2011

R. Ganapathi
Chairman and Executive Director

Annexure I

INFORMATION REGARDING EMPLOYEE STOCK OPTION PLAN

(As on March 31, 2011)

Sr.	Particulars	ESOP – 2000	ESOP – 1998
1	Number of stock options granted	10,78,000	31,000
2	Pricing Formula	Market Price	Rs.265 per option or prevailing market price whichever is higher
3	Number of options vested	4,92,050	1,500
4	Number of options exercised	20,750	Nil
5	Total number of shares arising as a result of exercise of option	20,750	Nil
6	Number of options cancelled / lapsed	10,350	1,000
7	Variation of terms of options	Exercise Period extended up to May 6, 2020	Nil
8	Money realized by exercise of options	2,07,500	Nil
9	Total number of options in force	5,59,950	500
10	employee wise details of options granted to: (i) senior managerial personnel	Mr. R. Ganapathi – 1,00,000 Mr. Homi Panday – 2,40,000 Mr. Thomas Gordon – 1,50,000	Nil
	(ii) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Nil	Nil
	(iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Same as (i) above	Nil
11	diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share	2.00	2.00
12	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between theemployee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Nil	Nil
13	Weighted-average exercise prices and weighted-average fair values ofoptions shall be disclosed separately for options whose exercise priceeither equals or exceeds or is less than the market price of the stock	1,00,000 options were granted during the year	No options were granted during the year
14	A description of the method and significant assumptions used during theyear to estimate the fair values of options, including the following weighted-average information:	Nil	Nil
	(i) risk-free interest rate,	Nil	Nil
	(ii) expected life,	Nil	Nil
	(iii) expected volatility,	Nil	Nil
	(iv) expected dividends,	Nil	Nil
	(v) the price of the underlying share in market at the time of option grant.(in Rs.)	Nil	Nil