

**FOURTH GENERATION
INFORMATION SYSTEMS LIMITED**

**17th
ANNUAL REPORT
2014-15**

Fourth Generation Information Systems Limited

CORPORATE INFORMATION

Board of Directors:

- | | | |
|---------------------------------|----|--------------------------------------|
| 1. Mr. C. N. Somasekhar Reddy | -- | Managing Director (DIN: 02441810) |
| 2. Mr. T. SrivenkataRamana | -- | Director & CFO (DIN: 03195303) |
| 3. Mr. K. Sudheer | -- | Independent Director (DIN:01695664) |
| 4. Mr. K. Santosh Reddy | -- | Independent Director (DIN: 02958418) |
| 5. Mr. C. N. Mallikarjuna Reddy | -- | Independent Director (DIN: 03094077) |
| 6. Mr. SuneethaIndukuri | -- | Independent Director (DIN: 03573183) |

Registered Office:

1st Floor, Society Complex,
MLA'S Colony, Road No.12,
Banjara Hills,
Hyderabad-500034
Tel: 040 – 23373949

Auditors:

M. M. Reddy & Co.,
Chartered Accountants,
Rajbhavan Road,
Somajiguda, Hyderabad.

Audit Committee:

- 1) Mr. C. N. Mallikarjuna Reddy
- 2) Mr. T. SrivenkataRamana
- 3) Mr. K. Santosh Reddy

Nomination & Remuneration Committee:

- 1) Mr. C. N. Mallikarjuna Reddy
- 2) Mr. K. Sudheer
- 3) Mr. K. Santosh Reddy

Stakeholders Relationship Committee:

- 1) Mr. C. N. Mallikarjuna Reddy
- 2) Mr. T. SrivenkataRamana
- 3) Mr. K. Santosh Reddy

Independent Directors Committee

- 1) Mr. SuneethaIndukuri
- 2) Mr. C. N. Mallikarjuna Reddy
- 3) Mr. K. Sudheer
- 4) Mr. K. Santosh Reddy

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Risk Management Committee

- 1) Mr. Santosh Reddy
- 2) Mr. K. Sudheer
- 3) Mr. Suneetha Indukuri

Bankers:

Indian Overseas Bank
Main Branch, Abids,
Hyderabad,
Andhra Pradesh

Listing:

- 1) BSE Limited
- 2) Ahmedabad Stock Exchange Limited

Registrar & Share Transfer Agents:

Bigshare Services Pvt Limited
306, Right Wing, 3rd Floor,
Amrutha Ville, Opp. Yashoda Hospital
Somajiguda, Rajbhavan Road,
Hyderabad 500082, Telangana
URL:www.bigshareonline.com
E- mail: info@bigshareonline.com

Corporate Identity Number:

L72200AP1998PLC029999

Demat ISIN Number CDSL & NSDL:

INE739B01039

Website:

www.fgisindia.com

Investor Email-Id:

info@fgisindia.com.

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NOTICE

Notice is hereby given that the 17th Annual General Meeting of the Shareholders of M/s Fourth Generation Information Systems Limited will be held on Wednesday, the 30th day of September, 2015 at 11.00 A.M. at the registered office of the Company situated at 1st Floor, Society Complex, MLA'S Colony, Road No.12, Banjara Hills, Hyderabad - 500034, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Report of Auditors and Directors thereon.
2. To appoint a director in place of Mr. C.N. Somasekhara Reddy (DIN: 02441810) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. M. M. Reddy & Co., Chartered Accountants, Hyderabad as Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting at remuneration as may be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

4. APPOINTMENT OF MRS. SUNEETHA INDUKARI AS AN INDEPENDENT DIRECTOR:

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 Section 149, 152 of the Companies Act, 2013 and the Rules made there under, Mrs. Suneetha Indukuri (DIN 03573183), who was appointed as Additional Director in the Board of the Company on 28.03.2015 pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 read with Articles of Association to the Company, and whose term of office expires at the ensuing Annual General Meeting of the Company, 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 intension to propose Mrs. Suneetha Indukuri as candidate for the office of a director of the company who meets the criteria of Independence as provided under

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Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to 27th March, 2020”.

5. CHANGE IN THE NAME OF THE COMPANY:

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 13 and rules made there under and other applicable provisions of the Companies Act, 2013, if any, the consent of the members of the Company be and is hereby accorded for changing the name of the Company from **“M/s. FOURTH GENERATION INFORMATION SYSTEMS LIMITED”** to **“M/s. SAFEWAY COMPUTECH LIMITED”** or such other name as may be approved by the Registrar of Companies, Andhra Pradesh and Telangana in this behalf.”

“RESOLVED FURTHER THAT consequent to the above, Clause I in the Memorandum of Association be and is hereby altered by substituting the same with the following:

The name of the Company is **“M/s. SAFEWAY COMPUTECH LIMITED.”**

“RESOLVED FURTHER THAT pursuant to the provisions of Section 14 and rules made there under and other applicable provisions of the Companies Act, 2013, if any, the consent of the members of the Company be and is hereby accorded for alteration of articles of association of the Company by changing the name of the Company from **“M/s. FOURTH GENERATION INFORMATION SYSTEMS LIMITED”** to **“M/s. SAFEWAY COMPUTECH LIMITED”** or such other name as may be approved by the Registrar of Companies, Andhra Pradesh and Telangana in this behalf wherever it appears in the Articles.”

“RESOLVED FURTHER THAT the name wherever appearing in the documents, common seal, letter head etc., be substituted by the new name upon receipt of Certificate of change of name.”

“RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorized to do all such acts, deeds and things necessary in this behalf including filing of all the relevant forms with the office of Registrar of Companies and all other statutory authorities”.

6. AMENDMENT OF ARTICLES OF ASSOCIATION OF THE COMPANY:

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Section 5 read with Section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the new draft Articles as contained in the Articles of Association submitted be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution), be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

For and on behalf of the Board of
Fourth Generation Information Systems Limited

Sd/-

C. N. Somasekhara Reddy
Managing Director
DIN: 02441810

Place: Hyderabad
Date: 14.08.2015

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26.09.2015 to 30.09.2015(Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. The Securities and Exchange Board of India (SEBI) has mandated the

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submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Bigshare Services Private Limited).

9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/s. Big share Services Private Limited, Share Transfer Agents of the Company for their doing the needful.
11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
12. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
14. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-2015 is being sent in the permitted mode.
15. Members may also note that the Notice of the 17th Annual General Meeting and the Annual Report for 2014-15 will also be available on the

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Company's website **www.fgisindia.com** for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@fgisindia.com

16. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 17th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for e-voting are as under:

(A) In case of members receiving e-mail:

- (i) The voting period begins on 27.09.2015 at 9.00 A.M. and ends on 29.09.2015 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 (record date) of 25.09.2015, 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.

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(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 as mentioned in instruction (iv).

(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 FOURTH GENERATION INFORMATION SYSTEMS LIMITED on which you choose to vote.

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- (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.
- (II) In case of members receiving the Physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:
- (A) Please follow all steps from sl. no. (ii) to sl. no. (xvii) above, to cast vote.

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.

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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.
- (B) The voting period begins on 27.09.2015 at 9.00 A.M. and ends on 29.09.2015 at 5.00.P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 25.09.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (A) 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.
- (xvi). Mr. S. Sarveswar Reddy, Practicing Company Secretary, bearing C.P. Number 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process.
- (xvii). The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) 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.
- (xviii). The Results 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.fgisindia.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and Ahmedabad Stock Exchange Limited.

For and on behalf of the Board of
Fourth Generation Information Systems Limited

Sd/-

C. N. Somasekhara Reddy
Managing Director
DIN: 02441810

Place: Hyderabad
Date: 14.08.2015

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EXPLANATORY STATEMENT

(Pursuant to Section 102(2) of the Companies Act, 2013)

Item No. 4:

Mrs. Suneetha Indukuri (DIN-03573183) was appointed as Additional Director on 28.03.2015, in terms of Section 161 (1) of the Companies Act, 2013, in the category of 'Non-Executive Independent' and is continuing as 'Independent Director'. In terms of the aforesaid section of the Companies Act, 2013, an Additional Director shall hold office upto the date of the next Annual General Meeting and be eligible for appointment to the office of a director at any General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under section 160 of the Companies Act 2013, along with requisite deposit proposing the candidature of Mrs. Suneetha Indukuri for the office of director under the category of Independent Director.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made thereunder and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mrs. Suneetha Indukuri as 'Independent Director' for a term up to 27.03.2020, and pass the resolution set out at Item No. 4. The appointment of Mrs. Suneetha Indukuri is required to be in compliance with the provisions of Section 160 of the Companies Act, 2013.

Mrs. Suneetha Indukuri has confirmed compliance with the criteria of Independence as provided under Section 149 (6) of the Act. The Board is of the opinion that his continued association with the Company would be of benefit to the Company. Further, in the opinion of the Board Mrs. Suneetha Indukuri fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder, and she is independent of the Management.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Director, Mrs. Suneetha Indukuri is concerned or interested, financially or otherwise, in this Resolution. The Board recommends the Ordinary Resolution as set out at item no. 4 for approval of the Members.

Item No: 5

The Board of directors of the company decided to change of name of the company and accordingly decided to amend the Memorandum and Articles of Association subject to the approval of the Registrar of Companies and members of the company.

Pursuant to the provisions of Section 13 & Section 14 and rules made there under and other applicable provisions of the Companies Act, 2013, change of name of the company requires approval of members. Hence, approval of the members is,

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therefore, sought in terms of the said sections for change of name from **M/s. FOURTH GENERATION INFORMATION SYSTEMS LIMITED**” to “**M/s. SAFEWAY COMPUTECH LIMITED** or such other name as may be given by the office of Registrar of Companies.

Your Directors recommend the above Special Resolution for your approval.

None of the Directors, key managerial personnel of the company or their relatives are anyway concerned or interested in this Resolution set out at item no. 5.

Item No: 6

The Articles of Association of the Company (“Articles”) as currently in force was adopted pursuant to the provisions under the Companies Act, 1956. The Companies Act, 1956 has been superseded by the Companies Act, 2013. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association is hence to be amended to align the extant Articles with the provisions of the Companies Act, 2013 and rules thereunder.

Salient aspects of the proposed amended Articles:

Under the proposed amended Articles, salient aspects of sections of Table-F of Schedule I to the Companies Act, 2013 which sets out the model articles of association for a Company limited by shares have been adopted. As mentioned in the previous para, changes that are required to be carried out pursuant to the Companies Act, 2013 and rules thereunder coming into force have been duly carried out. A copy of the amended proposed Articles is enclosed to this Notice for consideration / approval of the Members.

The resolution as set out in item no. 6 has been recommended by the Board of Directors for approval of the Members by special resolution.

The proposed new draft of Articles of Association is also available for inspection by the Members at the Registered Office of the Company on any working day excluding public holidays and Sunday from the date here up to September 14th, 2015.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way are concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 6 of the Notice.

For and on behalf of the Board of
Fourth Generation Information Systems Limited

Sd/-

C. N. Somasekhara Reddy
Managing Director
DIN: 02441810

Place: Hyderabad
Date: 14.08.2015

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DIRECTOR'S REPORT

To,
The Members of Fourth Generation Information Systems Limited,

We have pleasure in presenting the Seventeenth Annual report together with Audited accounts for the year ended 31st March, 2015.

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

(Rs. In Lakhs)

Particulars	2014-15	2013-14
Gross Income	9.52	43.51
Profit Before Interest and Depreciation	133.36	68.19
Finance Charges	0	0
Gross Profit	(123.84)	(22.68)
Provision for Depreciation	2.66	2.48
Net Profit Before Tax	(121.18)	(22.21)
Provision for Tax	0	0
Net Profit After Tax	(121.18)	(22.21)
Balance of Profit brought forward	-	(181.55)
Balance available for appropriation	-	-
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	-	(203.77)

PERFORMANCE REVIEW:

The Company has recorded a turnover of Rs. 9.52 Lakhs and a Loss of Rs. (121.18) Lakhs in the current year against the turnover of Rs. 43.51 Lakhs and a Loss of Rs. (22.21) Lakhs in the previous financial year ending 31.03.2014.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report.

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CHANGE IN THE NATURE OF BUSINESS:

During the year the Company has not changed its business activities.

DIVIDEND:

Your Directors have not recommend any dividend for the year as the company has incurred losses.

BOARD MEETINGS:

The Board of Directors met 5 times during the year on 30.05.2014, 12.08.2014, 14.11.2014, 14.02.2015 & 28.03.2015 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose and the maximum gap between any two meetings was less than four months, as stipulated under Clause 49.

DIRECTORS AND KEY MANANGERIAL PERSONNEL:

During the year, Mrs. Suneetha Indukuri was appointed as Additional Director. Now the Board proposes to appoint her as Independent Director.

In accordance with the Companies Act, 2013 read with Articles of Association of the company the Director namely Mr. C. N. Somasekhara Reddy retires by rotation and being eligible, offers himself for re-appointment at this ensuing Annual General Meeting. Your Directors recommend his re-appointment.

Details of re-appointment /appointment of the director:

Particulars	Mr. C. N. Somasekhara Reddy	Mrs. SuneethaIndukuri
Date of Birth	08/05/1963	23/05/1985
Date of Appointment	31/07/2010	28/03/2015
Qualifications	M.Tech	MBA
No. of Shares held in the Company	450038	0
Directorships held in other companies (excluding private limited and foreign companies)	I Q Technologies Limited, Northward Projects Private Limited, Bhargavi Milk Dairy Private Limited, Dot Com Global Limited, Safeway Corporation Limited	Dot Com Global Limited,Safeway Realtors and Developers Private Limited,Aashrith Resorts Private Ltd.
Positions held in mandatory committees of other companies	NIL	NIL

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 **“Director”** means a director appointed to the Board of a Company.

2.2 **“Nomination and Remuneration Committee** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Equity Listing Agreement.

2.3 **“Independent Director”** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the Nomination and Remuneration Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

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3.1.3 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 **criteria of independence**

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in companies Act, 2013.

3.2.3 The independent Director shall abide by the “code for independent Directors “as specified in Schedule IV to the companies Act, 2013.

3.3 other directorships/committee memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The Nomination and Remuneration Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

- 3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.
- 3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.
- 3.3.4 A Director shall not be a member in more than 10 committees or act chairman of more than 5 committees across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

- 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

- 2.1 **“Director”** means a director appointed to the Board of the company.
- 2.2 **“key managerial personnel”** means
- (i) The Chief Executive Officer or the managing director or the manager;
 - (ii) The company secretary;
 - (iii) The whole-time director;
 - (iv) The chief financial officer; and
 - (v) Such other office as may be prescribed under the companies Act, 2013

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2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act,2013 and clause 49 of the Equity Listing Agreement.

3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the Nomination and Remuneration committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of Companies Act, 2013.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees

- 3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received necessary declaration from Mr. C. N. Mallikarjuna Reddy, Mr. K. Santosh Reddy, K. Sudheer and Mrs. SuneethaIndukuri, Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 that they as Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6). **(Annexure II)**

AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 177 of the Companies Act, 2013.

- II) The terms of reference of the Audit Committee include a review of the following:
- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
 - Reviewing with management the annual financial statements before submission to the Board, focusing on:

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1. Any changes in accounting policies and practices;
 2. Qualification in draft audit report;
 3. Significant adjustments arising out of audit;
 4. The going concern concept;
 5. Compliance with accounting standards;
 6. Compliance with stock exchange and legal requirements concerning financial statements and
 7. Any related party transactions
 - Reviewing the company's financial and risk management's policies.
 - Disclosure of contingent liabilities.
 - Reviewing with management, external and internal auditors, the adequacy of internal control systems.
 - Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow-up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - Reviewing compliances as regards the Company's Whistle Blower Policy.
- III) The previous Annual General Meeting of the Company was held on 30.09.2013 and Chairman of the Audit Committee, attended previous AGM.
- IV) The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Clause 49 (II) (A) of the Listing Agreement relating to the composition of the Audit Committee. During the financial year 2014-2015, (4) four meetings of the Audit Committee were held on the **30.05.2014, 12.08.2014, 14.11.2014 and 14.02.2015.**

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The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of meetings held during their tenure	No. of meetings attended
Mr. C. N. Mallikarjuna Reddy	Chairman	NED (I)	4	4
Mr. T. SrivenkataRamana	Member	ED (P)	4	4
Mr. K. Santosh Reddy	Member	NED (I)	4	4

NED (I): Non Executive Independent Director

ED (P): Executive Director Promoter

NOMINATION & REMUNERATION COMMITTEE:

The details of composition of the Committee are given below:

Name	Designation	Category	No. of meetings held during their tenure	No. of meetings attended
Mr. C. N. Mallikarjuna Reddy	Chairman	NED (I)	4	4
Mr. K. Sudheer	Member	NED(I)	4	4
Mr. K. Santosh Reddy	Member	NED(I)	4	4

NED (I): Non Executive Independent Director

Terms of reference:

The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Whole Time Director of the Company and while approving:

- To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

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Remuneration Policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

No remuneration has been paid to the Executive Directors during the year.

STAKEHOLDER RELATIONSHIP COMMITTEE (SHAREHOLDERS/INVESTOR GRIEVANCE AND SHARE TRANSFER COMMITTEE):

Composition, meetings and the attendance during the year:

The Shareholders/Investors Grievance Committee was constituted to look into the redressing of Shareholders and Investors complaints concerning transfer of shares, non receipt of Annual Reports, and non receipt of Dividend and other allied complaints.

A. The details of composition of the Committee are given below:

Name	Designation	Category	No. of meetings held during their tenure	No. of meetings attended
Mr. C. N. Mallikarjuna Reddy	Chairman	NED (I)	4	4
Mr. T. SrivenkataRamana	Member	ED (P)	4	4
Mr. K. Santosh Reddy	Member	NED(I)	4	4

NED (I): Non Executive Independent Director

ED (P): Executive Director Promoter

B. Powers:

The Committee has been delegated with the following powers:

- to redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints.
- to approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Consolidate and sub-division of share certificates etc.

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- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgment in the case of shares held in physical form.

RISK MANAGEMENT COMMITTEE

A.) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. K. Sudheer	Chairman	NED (I)
Mr. Santosh Reddy	Member	NED (I)
Mrs. SuneethaIndukuri	Member	NED (I)

NED (I) : Non Executive Independent Director

Role and Responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimization.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company.

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DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Sec. 134(5) of the Companies Act, 2013 the Board of Directors of your Company hereby certifies and confirms that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgment 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 and loss of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the Annual accounts on a going concern basis.
- e. The Directors of the Company had laid down internal financial controls and such internal financial controls are adequate and were operating effectively.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

SUBSIDIARY COMPANY:

Your Company does not have any subsidiary.

EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report (FORMAT IN ANNEXURE I)

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AUDITORS:

M/s. M M REDDY & CO., Statutory Auditors of the company retire at the ensuing annual general meeting and are eligible for reappointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has received a written consent from the auditors to their re-appointment and a certificate to the effect that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the rules framed there under and that they have satisfied the criteria provided in Section 141 of the Companies Act, 2013.

The Board recommends the re-appointment of M/s. M M REDDY & CO., as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting.

INTERNAL AUDITORS:

The company has not appointed Internal Auditors for the year 2014-15.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 134(3)(f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practising Company Secretaries is annexed to this Report as annexure.

AUDIT REPORTS:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2015 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges associated with the business.

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013, and noted that there was no company secretary appointed during the year in the company but the company is taking necessary measures to appoint the same at the earliest.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:

The required information as per Sec.134 (3) (m) of the Companies Act,2013 is provided hereunder:

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A. Conservation of Energy

Adequate measures have been taken to reduce energy consumption, wherever possible. Total energy consumption and energy consumption per unit of production is not applicable as company is not included in the industries specified in the schedule.

B. Technology Absorption

Research and Development (R&D) : Nil

Technology absorption, adoption and innovation : Nil

C. Foreign Exchange Earnings and Out Go

Foreign Exchange Earnings : Nil

Foreign Exchange Outgo : Nil

PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec.73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

INSURANCE:

The properties and assets of your Company are adequately insured.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans, Guarantees or made any investments during the year.

CREDIT & GUARANTEE FACILITIES:

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company, from Indian Overseas Bank.

RISK MANAGEMENT POLICY:

The risk Management Committee constitutes for the purpose will ensure all required measures shall be in place for better compliance.

CORPORATE SOCIAL RESPONSIBILITY POLICY:

Since your Company does not has the net worth of Rs. 500 crores or more, or turnover of Rs. 1000 crores or more, or a net profit of Rs. 5 crores or more during the financial year, so section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company and hence the Company need not adopt any Corporate Social Responsibility Policy

RELATED PARTY TRANSACTIONS:

There are no related party transactions during the year.

FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made there under, the independent directors of the company had a meeting on 30.03.2015 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting reviewed and evaluated the performance of non-independent directors.

The meeting also reviewed and evaluated the performance the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings

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- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to your Company.

RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies(Appointment & Remuneration) Rules, 2014, During the year, no remuneration was paid to either executive or non executive directors.

LISTING WITH STOCK EXCHANGES:

The Company is listed with Ahmedabad Stock Exchange Ltd. and BSE Ltd. and the Company confirms that it has paid the Annual Listing Fees where the Company's Shares are listed.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Since the paid up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance is Not Applicable.

INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

SECRETARIAL STANDARDS

EVENT BASED DISCLOSURES

- | | |
|---|----|
| 1. Issue of sweat equity share: | NA |
| 2. Issue of shares with differential rights: | NA |
| 3. Issue of shares under employee's stock option scheme: | NA |
| 4. Disclosure on purchase by company or giving of loans by it for purchase of its shares: | NA |
| 5. Buy back shares: | NA |
| 6. Disclosure about revision: | NA |

EMPLOYEE RELATIONS:

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the Company.

None of the employees is drawing Rs. 5,00,000/- and above per month or Rs.60,00,000/- and above in aggregate per annum, the limits prescribed under Section 134 of the Companies Act, 2013.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

No. of complaints received	:	Nil
No. of complaints disposed off	:	Nil

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ACKNOWLEDGEMENTS:

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company like SEBI, BSE, ASE, NSDL, CDSL, IOB etc. for their continued support for the growth of the Company.

For and on behalf of the Board of
Fourth Generation Information Systems Limited

Place: Hyderabad
Date: 14.08.2015

Sd/-
C. N. Somasekhara Reddy
Managing Director
DIN: 02441810

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DECLARATION BY DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT:

The shareholders

I, C. N. Somasekhara Reddy , Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board of
Fourth Generation Information Systems Limited

Place: Hyderabad
Date: 14.08.2015

Sd/-
C. N. Somasekhara Reddy
Managing Director
DIN: 02441810

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MGT 9

Extract of Annual Return

as on the Financial Year 31.03.2015

[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:-	L72200AP1998PLC029999								
ii.	Registration Date	21.08.1998								
iii.	Name of the Company	Fourth Generation Information Systems Limited								
iv.	Category / Sub-Category of the Company	Company limited by shares/Non government company								
v.	Address of the Registered office and contact details	1 st Floor, Society Complex, MLA's Colony, Road No.12, Banjara Hills Hyderabad- 500034, Telangana								
vi.	Whether listed company Yes / No	Yes								
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. 306, 3rd Floor, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Rajbhavan Road , Somajiguda, Hyderabad - 500082, Telangana								
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:										
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-										
Sl. No.	Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company							
1.	Computer system development services other than programming services including embedded systems development services	99831411								
2.	Other IT design and development services for applications n.e.c.	99831419								
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not Applicable										
S.NO	Name and Address of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section					
	Nil	Nil	Nil	Nil	Nil					
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)										
j) 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. Promoters										
(1) Indian	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Demat	
Individual/ HUF	1296038	0	1296038	36.51	1296038	0	1296038	36.51	0	
Central Govt	0	0	0	0	0	0	0	0	0	
State Govt (s)	0	0	0	0	0	0	0	0	0	

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Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1) :-	1296038	0	1296038	36.51	1296038	0	1296038	36.51	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1296038	0	1296038	36.51	1296038	0	1296038	36.51	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp.	61240	0	61240	1.73	57549	0	57549	1.62	0.11
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	897967	19907	917874	25.86	897606	19907	917513	25.85	0.01
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	351785	912660	1264445	35.62	351785	912660	1264445	35.62	0
c) Others (specify)									
Clearing Member	5091	0	5091	0.14	9143	0	9143	0.26	0.1
NRI's	5312	0	5312	0.14	5312	0	5312	0.15	0.01
Sub-total (B)(2):-	1321395	932567	2253962	63.49	1321395	9325	2253962	63.49	0

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Total Public Shareholding (B)=(B)(1)+(B)(2)						67			
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2617433	932567	3550000	100	2617433	932567	3550000	100	0

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	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	
1.	T SrivenkataRamana	2,11,001	Nil	2,11,001	5.94	2,11,001	Nil	2,11,001	5.94	Nil
2.	Sunitha	4,77,999	Nil	4,77,999	13.46	4,77,999	Nil	4,77,999	13.46	Nil
3.	ChennammaRachuma	22,000	Nil	22,000	0.62	22,000	Nil	22,000	0.62	Nil
4.	C N Somasekhar Reddy	4,50,038	Nil	4,50,038	12.68	4,50,038	Nil	4,50,038	12.68	Nil
5.	R Anup Kumar Reddy	10,000	Nil	10,000	0.28	10,000	Nil	10,000	0.28	Nil
6.	T VijayaKathyayani	1,13,000	Nil	1,13,000	3.18	1,13,000	Nil	1,13,000	3.18	Nil
7.	U Satish Kumar	12,000	Nil	12,000	0.34	12,000	Nil	12,000	0.34	Nil

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
	No. of	Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	At the beginning of the year	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): N.A.			
	At the End of the year	-	-	-	-

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

Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Share holding at the end of the year	
	No. of	Shares	% of total shares of The company	No. of Shares	% of total shares of the company
	At the beginning of the year				
1.	Jhansi Sanivarapu	150000	4.22	150000	4.22
2.	M Raghava Reddy	100000	2.82	100000	2.82
3.	G Srinivasa Raju	100000	2.82	100000	2.82
4.	M.G.SrinivasPerabathula	100000	2.82	100000	2.82
5.	R SambasivaRao	75000	2.11	75000	2.11
6.	DanduBangarRaju	75000	2.11	75000	2.11

Fourth Generation Information Systems Limited

7.	VivekSurana	75000	2.11	75000	2.11
8.	P.S.V. Subramanyam	62500	1.76	62500	1.76
9.	LakshmiThuraga	50000	1.41	50000	1.41
10.	K.Venkata Ganga Rambabu	50000	1.41	50000	1.41

Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):Nil

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	C. N. SomasekharaReddy				
	At the beginning of the year	4,50,038	12.68		
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Nil					
	At the End of the year	4,50,038	12.68		

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	T. SrivenkataRamana				
	At the beginning of the year	2,11,001	5.94		
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Nil					
	At the End of the year	2,11,001	5.94		

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	K. Sudheer				
	At the beginning of the year	200	0.01		
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Nil					
	At the End of the year	200	0.01		

V. INDEBTEDNESS

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

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition				
Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount ii) Interest due but not paid iii) Interest accrued but				

Fourth Generation Information Systems Limited

not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		MD	WTD	Manager	
1.	Gross salary (a) Salary as per provisions contained in section 17(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	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total (A)	-	-	-	-
7.	Ceiling as per the Act	-	-	-	-

B. Remuneration to other directors: Not Applicable

Sl. no.	Particulars of Remuneration	Name of Director			Total Amount
	3. Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
	4. Other Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax	-	-	-	-

Fourth Generation Information Systems Limited

	Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify2	-	-	-	-
6.	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Fourth Generation Information Systems Limited

ANNEXURE II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
M/s. Fourth Generation Information Systems Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
 - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date: 31.03.2015
Place: Hyderabad

K. Sudheer
(Independent director)

Fourth Generation Information Systems Limited

ANNEXURE II **DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors
M/s. Fourth Generation Information Systems Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
 - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date: 31.03.2015
Place: Hyderabad

K. Santosh Reddy
(Independent director)

Fourth Generation Information Systems Limited

ANNEXURE II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
M/s. Fourth Generation Information Systems Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
 - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date: 31.03.2015
Place: Hyderabad

C. N. Mallikarjuna Reddy
(Independent director)

ANNEXURE II
DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
M/s. Fourth Generation Information Systems Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
 - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date: 31.03.2015
Place: Hyderabad

SuneethaIndukuri
(Independent director)

**FORM MR-3
SECRETARIAL AUDIT REPORT**

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To
The Members of
M/s. Fourth Generation Information Systems Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Fourth Generation Information Systems 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 our 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, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2014 and ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Fourth Generation Information Systems Limited ("The Company") for the financial year ended on 31st March, 2015, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12th September, 2013 and sections and Rules notified and came in to effect from 1st April, 2014;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

Fourth Generation Information Systems Limited

- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
 - v. The Securities and Exchange Board of India Act, 1992 ('SEBI Act')
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year under report:
- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - v. 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;
 - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - vii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
3. We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by the Institute of Company secretaries of India under the provisions of Companies Act, 1956 and
 - ii. The Listing Agreements entered into by the Company with BSE Limited;
4. During the financial year under report, the Company has complied with

Fourth Generation Information Systems Limited

the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations;

OBSERVATIONS:

- (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
- (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
 - (ii) External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - (iii) Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
 - (iv) Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
 - (v) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
- (b) We further report that the company has not appointed company secretary and internal auditor for the financial year 2014-15
- (c) I further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and the records in pursuance thereof on test check basis, the Company has complied with the Information Technology Act and rules made there under as applicable specifically to the Company.

For S.S. Reddy & Associates

Sd/-

S.Sarveswara Reddy
Practicing Company Secretaries
C.P.No: 7478

Place: Hyderabad
Date: 14.08.2015

Annexure A

To
The Members of
M/s. Fourth Generation Information Systems Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S.S. Reddy & Associates

Place: Hyderabad
Date: 14.08.2015

Sd/-
S.Sarveswara Reddy
Practicing Company Secretaries
C.P.No: 7478

Fourth Generation Information Systems Limited

Independent Auditors' Report

To the Members of FOURTH GENERATION INFORMATION SYSTEMS LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **FOURTH GENERATION INFORMATION SYSTEMS LIMITED** ('the Company'), which comprise the balance sheet as at 31 March 2015, 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 and presentation of these standalone 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 standalone 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 thereunder. 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.

Fourth Generation Information Systems Limited

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 standalone

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') 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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 purposes of our audit.
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

Fourth Generation Information Systems Limited

- 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 standalone 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 the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For M M REDDY & Co.,
Chartered Accountants
Firm Registration No.010371S

Sd/-
M Madhusudhana Reddy
Partner
Membership No.213077

Place: Hyderabad
Date : 28.05.2015

Annexure to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the Year ended 31 March 2015, we report that:

- 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 programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- ii.
 - a. According to the information and explanations given to us, the management has conducted physical verification of inventories at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventories are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- iv. In our opinion and according to the information and explanations given to us, the Company has an adequate internal control system commensurate with its size and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

Fourth Generation Information Systems Limited

- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, duty of excise income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- d. According to the information and explanations given to us the company does not have any liability to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
- viii. The Company have accumulated losses of Rs. 31896173/- at the end of the financial year and has incurred cash losses of Rs. 11852236/- in the financial year and in the immediately preceding financial year.
- ix. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- x. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The Company did not have any term loans outstanding during the year.
- xii. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For M M REDDY & Co.,
Chartered Accountants
Firm Registration No.010371S

Sd/-
M Madhusudhana Reddy
Partner
Membership No.213077

Place: Hyderabad
Date : 28.05.2015

Fourth Generation Information Systems Limited

Balance Sheet as on 31.03.2015

(All amounts in Indian Rupees except for share data or otherwise stated)

Particulars	Note No's	As at Mar' 31, 2015	As at Mar' 31, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	35,500,000	35,500,000
Reserves and Surplus	3	(31,896,173)	(19,777,597)
Preference Share Warrant		-	-
	A	3,603,827	15,722,403
Non - current liabilities			
Long - term borrowings		-	-
Deferred tax liabilities (Net)	4	454,636	454,636
Long term provisions		-	-
	B	454,636	454,636
Current liabilities			
Short - term borrowings		-	-
Trade Payables	5	6,925,770	7,178,151
Short - term provisions	6	525,001	525,001
	C	7,450,771	7,703,152
Total	(A+B+C)	11,509,234	23,880,191
ASSETS			
Non-current assets			
Fixed assets			
(i) Tangible Assets	7	1,526,389	1,792,729
(ii) Intangible Assets		-	-
(iii) Capital work- in- progress		-	-
Deferred tax assets (Net)			
Long - term loans and advances	8	-	5,712,100
Non-current investments		-	-
Other Non- Current Assets		-	-
	A	1,526,389	7,504,829
Current assets			
Inventories			
Trade receivables	9	3,439,744	6,161,352
Cash and cash equivalents	10	20,480	856,539
Short - term loans and advances	11	6,522,621	9,357,471
Other current assets		-	-
	B	9,982,845	16,375,362
Total	(A+B)	11,509,234	23,880,191

The Notes referred to above and the notes to accounts form an integral part of the Balance Sheet

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

For and on behalf of the Board of Directors of
FOURTH GENERATION
INFORMATION SYSTEMS LTD.

M Madhusudhana Reddy
Partner
Membership No. 213077

Sd/-
C.N. Somasekhar Reddy
Managing Director
DIN : 02441810

Sd/-
T. Venkata Ramana
Director cum CFO
DIN : 03195303

Place : Hyderabad
Date : 28-05-2015

Fourth Generation Information Systems Limited

Profit and Loss Account for the Period ended

(All amounts in Indian Rupees except for share data or otherwise stated)

Particulars	Note No's	Year Ended Mar' 31, 2015	Year Ended Mar' 31, 2014
INCOME			
Turnover (Gross)			
Revenue from operations		952,381	4,351,250
Total Revenue		952,381	4,351,250
EXPENDITURE			
Operating Expenses	12	-	462,525
Personal Cost	13	2,147,171	3,384,721
Administration expenses	14	10,657,446	2,477,453
Depreciation/amortization	7	266,340	248,166
Total		13,070,957	6,572,865
Profit / (Loss) before tax		(12,118,576)	(2,221,615)
Profit before tax			
Provision for taxation			
- Current Year Tax		-	-
- Deferred tax		-	-
Total tax expense		-	-
Profit/(Loss) from continuing operations		(12,118,576)	(2,221,615)
Balance brought forward from previous year		(19,768,781)	(17,547,166)
Balance carried to Balance Sheet		(31,887,357)	(19,768,781)
Earnings per share			
Basic		(3.41)	(0.63)
Weighted Number of Shares		3,550,000	3,550,000
Nominal value		10	10
Notes to accounts	15-22		

The Notes referred to above and the notes to accounts form an integral part of the Profit and Loss Account

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

For and on behalf of the Board of Directors of
FOURTH GENERATION
INFORMATION SYSTEMS LTD.

M Madhusudhana Reddy
Partner
Membership No. 213077

Sd/-
C.N. Somasekhar Reddy
Managing Director
DIN : 02441810

Sd/-
T. Venkata Ramana
Director cum CFO
DIN : 03195303

Place : Hyderabad
Date : 28-05-2015

Fourth Generation Information Systems Limited

Cash Flow Statement for the year ended March 31, 2014

(All amounts in Indian Rupees except for share data or otherwise stated)

Particulars	2014-15	2013-14
	As at Mar' 31, 2015	As at Mar' 31, 2014
A. Cash flow from operating activities		
Net profit / (Loss) before tax	(12,118,576)	(2,221,615)
Adjustments for:		
Preliminary Expences Written Off		
Depreciation	266,340	248,166
Diminution in value of investments	-	-
Advances written off	-	-
Operating profit before working capital changes	(11,852,236)	(1,973,449)
Movements in working capital :		
(Increase)/Decrease in Trade Receivables	2,721,608	(539,376)
(Increase)/Decrease in inventories	-	-
(Increase)/Decrease in Long term loans and advances	5,712,100	-
(Increase)/Decrease in in Short term loans and advances	2,834,850	1,200,000
Increase/ (Decrease) in Trade Paybles	(252,381)	298,682
Cash generated from /(used in) operations	(836,059)	(1,014,143)
Taxes paid	-	-
Net cash used in /(generated from) operating activities	(836,059)	(1,014,143)
B. Cash flows from investing activities		
Purchase of fixed assets	-	-
Sale of fixed assets	-	-
Fixed deposits	-	-
Dividends received	-	-
Net cash used in investing activities	-	-
C. Cash flows from financing activities		
Realisation of calls in arrears	-	-
Other Long term Borrowings	-	(26,000)
Other Short term Unsecured Loans (Net)	-	-
Interest received	-	-
Interest paid	-	-
Net cash generated from /(used in) financing activities	-	(26,000)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(836,059)	(1,040,143)
Cash and cash equivalents at the beginning of the year	856,539	1,896,682
Cash and cash equivalents at the end of the year	20,480	856,539

This is the Cash Flow Statement referred to in our report of even date.

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

For and on behalf of the Board of Directors of
FOURTH GENERATION
INFORMATION SYSTEMS LTD.

M Madhusudhana Reddy
Partner
Membership No. 213077

Sd/-
C.N. Somasekhar Reddy
Managing Director
DIN : 02441810

Sd/-
T. Venkata Ramana
Director cum CFO
DIN : 03195303

Place : Hyderabad
Date : 28-05-2015

Notes to Financial Statements

1. Significant Accounting Policies

a. Basis of preparation of Financial Statements

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the basis of a going concern basis, while revenue, expenses, assets and Liabilities accounted/recognized on accrual basis. GAAP comprises mandatory accounting as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the required amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

d. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price, freight, duties, taxes and any attributable cost of bringing the asset to its working condition for its intended use.

e. Depreciation

Depreciation on fixed assets has been provided on Written down value method based on useful life of asset specified in Schedule II of the Companies Act, 2013 on pro-rata basis.

f. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition or the construction of a qualifying asset is capitalized for the period until the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time i.e. more than 12 months to get ready for intended use. All other borrowing costs are charged to revenues

g. Income Tax

i. Current 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.

ii. Deferred tax :

Deferred income taxes is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax 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. Where the Company has carry forward of unabsorbed depreciation or tax losses deferred tax assets are recognized only if it is virtually certain backed by convincing evidence that such deferred tax assets can be realized against future taxable profits.

h. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

i. Provisions

A Provision is recognized when the Company has a present obligation as a result of past event i.e it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

j. Cash Flow Statement:

Cash Flow Statement has been prepared under indirect method as per the Accounting Standard-3 "Cash Flow Statement" .

k. Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Fourth Generation Information Systems Limited

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31-3-2015 Rs.	As at 31-3-2014 Rs.
Note 2 : Share Capital		
Authorised:		
12950000 Equity Shares of Rs.10/- each	129,500,000	129,500,000
Issues, Subscribed and Paid up		
3550000 equity shares of Rs.10 each	35,500,000	35,500,000
(In the Previous Year 62367000 equity shares of Rs.2 each)		
TOTAL	<u>35,500,000</u>	<u>35,500,000</u>
1.a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period		
Equity Shares outstanding at the beginning of the year	3,550,000	3,550,000
Add: Additional shares issued during the year	-	-
Less: Shares reduction during the year	-	-
Equity Shares outstanding at the closing of the year	<u>3,550,000</u>	<u>3,550,000</u>
Note 3 : Reserves and Surplus		
General Reserve		
Balance as per last account	600,000	600,000
Capital Reserve		
Forfeiture of shares on Capital Reduction		
Profit & Loss A/c Surplus		
Balance in the statement of profit & loss	(20,377,597)	(18,155,982)
Less: Loss Adjusted on Account of Capital reduction	-	-
Additions during the year	(12,118,576)	(2,221,615)
TOTAL	<u>(31,896,173)</u>	<u>(19,777,597)</u>

Fourth Generation Information Systems Limited

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31-3-2015 Rs.	As at 31-3-2014 Rs.
Note 4 : Deferred tax liabilities (Net)		
Opening Balance	454,636	454,636
Add/Less: Current year Provision	-	-
TOTAL	454,636	454,636
Note 5 : Trade Payables		
Sundry Creditors	6,380,852	6,680,852
Expenses payable	544,918	497,299
TOTAL	6,925,770	7,178,151
Note 6 : Short - term provisions		
Provision for Income tax	-	220,250
Others Provisions	525,001	304,751
TOTAL	525,001	525,001
Note 8 : Long - term loans and advances		
Unsecured Loans & Advances to Others		
Security deposits	-	5,712,100
Others	-	-
TOTAL	-	5,712,100
Note 9 : Trade receivables		
(Unsecured, considered good, unless otherwise stated)		
Debts outstanding for a period exceeding six months		
Considered good	-	3,324,501
Considered doubtful		
Other debts		
Considered good	3,439,744	2,836,851
	3,439,744	6,161,352
Less: Provision for doubtful debts	-	-
TOTAL	3,439,744	6,161,352

Fourth Generation Information Systems Limited

Note 7 : Fixed Assets

Particulars	Gross Block		Depreciation /amortization			Net Block	
	As at April 1, 2014	As at Mar 31, 2015	As at April 1, 2014	For the year	As at Mar 31, 2015	As at Mar 31, 2015	As at March 31, 2014
Building	1129028	-	21,057	54984	76,040.66	1,074,044	1,129,028
Furniture and Fixtures	457632	-	2,743,522	118481	2,862,002.92	339,151	457,632
Office equipment	206069	-	357,816	92875	450,691.30	113,194	206,069
Total	1,792,729	-	3,122,395	266,340	3,388,735	1,526,389	1,792,729
Previous Year	4,915,154	-	2,874,259	248,166	3,122,425	1,792,729	2,040,895

Fourth Generation Information Systems Limited

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31-3-2015 Rs.	As at 31-3-2014 Rs.
Note 10 : Cash and cash equivalents		
Cash on hand	8,767	538,700
Balances with scheduled banks		
On current accounts	11,713	317,839
On deposit accounts	-	-
TOTAL	20,480	856,539
Note 11 : Short - term loans and advances		
Advances to Customers	4,425,000	5,425,000
Other receivables	2,097,621	3,932,471
Advance tax	-	-
TOTAL	6,522,621	9,357,471
Note 12 : Operating Expenses		
Direct Expenditure	-	462,525
TOTAL	-	462,525
Note 13 : Personal Cost		
Salaries and incentives	1,520,000	3,349,403
Directors Remuneration	600,000	-
Staff welfare expenses	27,171	35,318
TOTAL	2,147,171	3,384,721

Fourth Generation Information Systems Limited

NOTES TO THE FINANCIAL STATEMENTS

	As at 31-3-2015 Rs.	As at 31-3-2014 Rs.
Note 14 : Administration expenses		
Power Charges	54,000	47,940
Office Rent	168,000	168,000
Audit Fee	30,000	30,000
Legal & Professional Fee	44,950	77,914
Miscellaneous Expenses	30,980	206,533
Bank Charges	109	260
Office Maintenance	38,000	228,030
Postage & Courier	19,087	26,888
Printing & Stationery	19,650	63,867
Repairs & Maintenance	18,970	42,753
Communication Charges	18,978	23,480
Traveling & Conveyance	54,813	253,004
Listing Fees	141,098	241,699
Computers Rents & Maintenance	221,000	397,000
Directors Sitting Fee	60,000	-
Certification & Accounting Charges	64,164	60,000
Business Promotion	50,940	575,455
Advertisement	36,132	34,630
Provision for Bad Debts	9,586,575	-
TOTAL	<u>10,657,446</u>	<u>2,477,453</u>

Fourth Generation Information Systems Limited

15. Contingent Liabilities and Commitments – NIL-

16. Related Party Transactions

a) List of Related Parties

Subsidiary Companies	NIL
Associates Companies controlled by key management personnel / relatives who are substantially interested	NIL
Key managerial personnel	Srivenkata ramana tammiseti Sudheer kollapudi Srivenkata ramana tammiseti Somasekharareddy nallappareddy Mallikarjuna reddy nallappareddy Santosh reddy kattamidi Suneetha indukuri

b) Transactions with the Related Parties

Details	Associate Companies / Concerns	Key Management Personnel	Associate Companies / Concerns	Key Management Personnel
Details	2014-15 Rs.	2014-15 Rs.	2013-14 Rs.	2013-14 Rs.
Remuneration	--	6,00,000	--	--
Sales	--	--	--	--
Purchases	--	--	--	--
Advance for Supplies	--	--	--	--

Fourth Generation Information Systems Limited

a) Balance as at 31st March, 2015

Details	Associate Companies / Concerns	Key Management Personnel	Associate Companies / Concerns	Key Management Personnel
Details	2014-15 Rs.	2014-15 Rs.	2013-14 Rs.	2013-14 Rs.
Remuneration	--	--	--	--
Sales	--	--	--	--
Advance for	--	--	--	--
Supplies	--	--	--	--

17. Value of Imports and Exports - NIL

18. Auditors' Remuneration

Amount in Rs.

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
Statutory Auditors	30,000	30,000

19. Earnings Per Share

Amount in Rs.

S.No	Particulars	Year ended 31st March 2015	Year ended 31st March 2014
1.	Net Profit available for Equity Shareholders	(1,21,18,576)	(22,21,615)
2.	Weighted Average Number of Equity Shares (Nos)	35,50,000	35,50,000
3.	Earnings Per Share – Basic and Diluted	(3.41)	(0.63)

Fourth Generation Information Systems Limited

15. Balances under Trade Receivable, Trade Payables and loans and advances are subjected to confirmation and reconciliation from respective parties.

16. Segment Reporting

There are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting' issued by the Institute of Chartered Accountants of India.

17. Previous year figures have been regrouped wherever if thought necessary in conformity with the current year groupings. Paise have been rounded off to the nearest rupee. Notes on financial statements, Cash Flow Statement and statement on accounting policies form an integral part of the balance sheet and profit and loss statement.

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

For and on behalf of the Board of Directors of
FOURTH GENERATION
INFORMATION SYSTEMS LTD.

M Madhusudhana Reddy
Partner
Membership No. 213077

Place : Hyderabad
Date : 28-05-2015

Sd/-
C.N. Somasekhar Reddy
Managing Director
DIN : 02441810

Sd/-
T. Venkata Ramana
Director cum CFO
DIN : 03195303

Fourth Generation Information Systems Limited

Form No. MGT-11 Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L72200AP1998PLC029999
Name of the company: Fourth Generation Information Systems Limited
Registered office: 1st Floor, Society Complex, MLA's Colony, Road No.12, Banjara Hills, Hyderabad - 500 034. Telangana.

Name of the member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
Address : _____
E-mail Id : _____
Signature:, or failing him

2. Name :
Address: _____
E-mail Id : _____
Signature:, or failing him

3. Name :
Address: _____
E-mail Id: _____
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17th Annual General Meeting of the Company, to be held on 30th day of September, 2015 at 11.00 A.M. at 1st Floor, Society Complex, MLA's Colony, Road No. 12, Banjara Hills, Hyderabad - 500 034, Telangana. and at any adjournment thereof in respect of such resolutions as are indicated below:

Fourth Generation Information Systems Limited

Resolution No.

1. Approval of financial statements for the year ended 31.03.2015
2. Appointment of Mr. C. N.Somasekhara Reddywho retires by rotation
3. Appointment of statutory auditors and fixation of their remuneration
4. Appointment of Mrs. SuneethaIndukurias an Independent Director
5. Change in the name of the company
6. Adoption of new articles as per Table F of the Companies Act, 2013.

Signed this day of..... 2015

Signature of shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**FOURTH GENERATION INFORMATION SYSTEMS LIMITED
1ST FLOOR, SOCIETY COMPLEX, MLA'S COLONY,ROAD NO.12, BANJARA
HILLS, HYDERABAD, TELANGANA 500034**

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 17th Annual General Meeting of the members of the company to be held on 30th day of September, 2015 at 11.00 A.M. at 1st Floor, Society Complex, MLA's Colony, Road No. 12, Banjara Hills, Hyderabad - 500 034, Telangana and at any adjourned meeting thereof.

Shareholders/Proxy's Signature _____

Shareholders/Proxy's full name _____
(In block letters)

Folio No./ Client ID _____

No. of shares held _____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall

If undelivered please return to :

FOURTH GENERATION INFORMATION SYSTEMS LIMITED

1st Floor, Society Complex, MLA's Colony, Road No.12,
Banjara Hills, Hyderabad, Andhra Pradesh, 500034