

Silicon Valley Infotech Limited

**29th
Annual Report
2011 - 2012**

Silicon Valley Infotech Limited

29th Annual Report, 2012

BOARD OF DIRECTORS

SHRI SANTOSH KUMAR JAIN, *Managing Director*

SHRI TAPOSH KUMAR MULLICK

SHRI RAMEN CHATTERJEE

AUDITORS

P. K. AJITSARIA & CO.

Chartered Accountants

BANKERS

CANARA BANK

CITI BANK

HDFC BANK

REGISTERED OFFICE

10, PRINCEP STREET

2ND FLOOR

KOLKATA - 700 072

Phone : (033) 4002-2880

Fax : (033) 2237-9053

E-mail : info@siliconvalleyinfo.net

REGISTRAR & SHARE TRANSFER AGENTS

MAHESHWARI DATAMATICS PRIVATE LIMITED

6, MANGOE LANE, 2ND FLOOR,

KOLKATA - 700 001

Phone : (033) 2243-5029 / 5809

Fax : (033) 2248-4787

NOTICE

NOTICE is hereby given that the 29th Annual general Meeting of the company will be held on Monday, 24th day of September, 2012 at 10.30 a.m. at the "Somani Conference Hall", Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 to transact the business as mentioned in the notice being sent to the members individually.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Statement of Profit & Loss for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Taposh Kumar Mullick, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s P. K. Ajitsaria & Co., Chartered Accountants, the retiring Auditors of the Company, as Auditors who shall hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Registered Office :

10, Princep Street,
2nd Floor,
Kolkata - 700 072

Dated : 25th May, 2012

By the order of the Board
For Silicon Valley Infotech Limited

Santosh Kumar Jain
Managing Director

NOTES :

1. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company at 10, Princep Street, 2nd Floor, Kolkata - 700 072, not less than forty-eight hours before the commencement of the Annual General Meeting.
2. Members/proxies should bring duly filled Attendance Slips along with copy of the Annual Report & Accounts to the Annual General Meeting.
3. Corporate members are requested to send to the Company's head Office a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the AGM.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 17th September, 2012 to Monday, 24th September, 2012 (both days inclusive).
5. Brief Profile of the Director seeking re-appointment at the ensuing AGM is annexed hereto in compliance of Clause 49 of the Listing Agreement with Stock Exchange.
6. Members are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited of 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001.
7. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
8. Members are requested to quote the Folio No. or Client Id and DP Id numbers in all communications with the Company.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Ninth Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2012.

1. FINANCIAL HIGHLIGHTS

The working results of the Company for the year under review are given below :-

	Year ended 31.03.2012 (Rs.)	Year ended 31.03.2011 (Rs.)
Profit/(Loss) Before Tax and Exceptional Items	(43,12,000)	(1,00,59,000)
Less : Exceptional Items	—	—
Less : Provision for Tax - Current	—	—
- Deferred	—	—
Profit/(Loss) After Tax	(43,12,000)	(1,00,59,000)
Less : Income-tax for earlier years	—	14,000
Profit/(Loss) Available for Appropriation	(43,12,000)	(1,00,73,000)

2. DIVIDEND

To conserve the resources of the Company for future expansion, the Board have decided not to recommend any dividend for the year under review.

3. PERFORMANCE REVIEW

The performance of the Company during the current year has seen a quantum leap but not up to the expectation due high volatility in the market.. Your Directors are making all efforts to improve the performance of the Company further in future.

4. LISTING OF EQUITY SHARES

The Equity Shares of your Company are presently listed on three Indian Stock Exchanges viz. National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Calcutta Stock Exchange (CSE).

Listing fees for the financial year 2012-13 have been paid to NSE, BSE and CSE.

5. FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

6. DIRECTORS

Re-appointment :

As per the provisions of the Article of Association of the Company, Shri Taposh Kumar Mullick , retires by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment for consideration of the shareholders.

7. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed :

- a. That in the preparation of the accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2012 on a going concern basis.

8. AUDITORS' REPORT

There are no items on which Auditors have commented which need further explanation from the Board of Directors.

9. AUDITORS

M/s. P.K. Ajitsaria & Co., Chartered Accountants, Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and have consented to continue in office, if appointed. They have confirmed that their appointment, if made, will be in accordance with the limits specified in Section 224(1B) of the Companies Act, 1956.

10. EMPLOYEES

None of the employees were in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read along with Companies (Particulars of Employees) Rules, 1975.

11. STATUTORY INFORMATION

The Company being basically in the financial sector, requirement regarding the disclosure of particulars

of conservation of energy and technology absorption prescribed by the rules is not applicable.

12. FOREIGN EXCHANGE

The Company had no foreign exchange inflow or outflow during the year under review.

13. CORPORATE GOVERNANCE

As per the Listing Agreement with the Stock Exchanges, the Company has implemented the Code on Corporate Governance. The Corporate Governance compliance certificate obtained from the Auditors of the Company is attached to this report.

The Management Discussion and Analysis Report and the Report on Corporate Governance are given in the annexure attached to this report. The Board members and Senior management personnel have confirmed compliance with the Code of Conduct.

14. EMPLOYER EMPLOYEE RELATIONSHIP

The Company has maintained a cordial relationship with its employees, which resulted in smooth flow of business operations during the year under review.

15. ACKNOWLEDGEMENTS

Your Directors acknowledge the support and owe a debt of gratitude to the Shareholders, Investors & Bankers. Your Directors are also thankful to its clients for their continued faith and support reposed in them. Last but not the least, your Directors' place on record their sense of appreciation for the valuable contribution made by the employees of the Company.

Registered Office :

10, Princep Street
2nd Floor
Kolkata - 700 072

Dated : 25th May, 2012

On behalf of the Board of Directors
For Silicon Valley Infotech Limited

Santosh Kumar Jain
Managing Director

Ramen Chatterjee
Director

REPORT ON CORPORATE GOVERNANCE

The Company's shares are listed in National Stock Exchange, Bombay Stock Exchange and Calcutta Stock Exchange. Accordingly, the Corporate Governance Report for the year 2011-2012, has been prepared as per the guidelines issued by SEBI and incorporated in Clause 49 of the Equity Listing Agreement :-

Para 1. CORPORATE GOVERNANCE PHILOSOPHY

Effective Corporate Governance is how an organisation is managed, which includes its culture, structure, policies and manner in which it deals with its stakeholders and not just mere compliance. It also relates to processes and systems that direct the resources of the organization and strategies of the management for maximizing the wealth of the stakeholders. Your Company firmly believes that such practices are founded upon the core values of transparency, accountability, independence, responsibility and fairness.

Your Company makes best endeavor to implement these core values in all facets of its operations. The Company continues to follow procedures and practices in conformity with the Code of Corporate Governance enshrined in the Listing Agreement.

Para 2. BOARD OF DIRECTORS

(i) Composition of the Board :

The Composition of the Board of Directors of the Company consists of qualified executive and non-executive Directors. The Board comprises of persons who have excelled in their respective areas and have good standing.

The composition of the Board of Directors as on 31st March, 2012 is given below :

Sr. No.	Name of the Director	Executive/ Non-Executive	No. of other		
			Directorships(+)	Committee(++)	
				Chairman	Member
1	Shri Santosh Kumar Jain - Managing Director	Promoter - Executive	5	2	6
2	Shri Ramen Chatterjee	Non-Executive & Independent	3	—	—
3	Shri Taposh Kumar Mullik	Non-Executive & Independent	—	—	—

(+) Excluding directorship held in private limited/foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.

(++) Represents Chairmanship / Membership of the Audit Committee and Shareholder's/ Investors' Grievance Committee of other companies, in which they are Director.

(ii) The attendance of the Directors at the Board meetings and the last AGM held are given below :

Name of the Director	No. of Meetings		Attendance at last AGM - Held on 23rd September, 2011
	Held	Attended	
Shri Santosh Kumar Jain - Managing Director	5	5	Yes
Shri Ramen Chatterjee	5	5	Yes
Shri Taposh Kumar Mullik	5	5	Yes

Particulars of the Directors to be appointed/re-appointed at the ensuing Annual General Meeting pursuant to revised Clause 49 of the Listing Agreement :

Name of the Director	Shri Taposh Kumar Mullick
Date of Birth	9th May, 1953
Date of Appointment	26th June, 2007
Qualification	B.Sc., MSW, LLB
Expertise in specific functional area	Senior Advocate having vast experience in Corporate Laws
Directorship of other Companies (*)	Nil
Chairman/Membership in the Committees	Nil
Shareholding in Equity Shares of the Company and % of holding	Nil

(*) Excludes directorships in private limited companies and organizations other than public limited companies.

(iii) Directors' membership in board/committees of other companies :

As per the Listing Agreement, no director can be a Member in more than 10 (ten) committees or act as chairman of more than 5 (five) committees across all companies in which he is a Director.

In terms of the Listing Agreement, none of the directors of your Company were Members in more than 10 (ten) committees nor acted as chairman of more than 5 (five) committees across all companies in which they were Directors. Details of other directorships/committee membership/chairmanship held by them are given in Para 2(i) above.

(iv) Number of Board meetings held, dates on which held :

As per the Listing Agreement, the Board of Directors must meet at least four times a year, with a maximum gap of four months between any two meetings.

During the financial year 2010-11, Board met 5 (Five) times on 27/04/2011, 27/05/2011, 09/08/2011, 09/11/2011 and 13/02/2012. The gap between any two Board Meetings did not exceed four months.

Para 3. AUDIT COMMITTEE

(i) Brief description of the terms of reference :

The terms of reference of the Audit Committee cover the matters specified under revised Clause 49 of the Listing Agreement with Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Audit Committee reviews, acts and reports to the Board of Directors with respect to :

- a) the appointment of Statutory Auditors of the Company,
- b) provide Board with additional assurance as to reliability of financial information and statutory financial statements and as to the adequacy of internal accounting and control systems,
- c) it acts as a link between the management, statutory auditors and the Board of Directors,
- d) Company's compliance with the legal and statutory requirements.

(ii) Composition and Name of members :

The Audit Committee, presently, consists of 3 (three) Independent Members. The following directors are the present members of the Committee :

Name of the Members	Designation	Nature of Membership
Shri Taposh Kumar Mullick	Chairman	Independent & Non Executive
Shri Santosh Kumar Jain	Member	Executive
Shri Ramen Chatterjee	Member	Independent & Non Executive

All the Members of the Audit Committee are financially literate and Shri Taposh Kumar Mullick, Chairman possesses financial /accounting expertise.

(iii) Meetings held and attendance during the year :

During the financial year 2011-12, the Audit Committee met 5 (Five) times on 27.04.2011, 25.05.2011, 08.08.2011, 08.11.2011 and 10.02.2012.

Sr. No.	Members of Audit Committee	No. of meetings held	No. of meetings attended
1.	Shri Santosh Kumar Jain	5	5
2.	Shri Ramen Chatterjee	5	5
3.	Shri Taposh Kumar Mullick	5	2

Para 4. REMUNERATION COMMITTEE**Details of sitting fees, remuneration etc. paid to Directors :**

No remuneration has been paid to any Director during the year.

The Company has Shri Santosh Kumar Jain on the Board as Managing Director. Rs 12.00 Lakh has been paid to Shri Santosh Kumar Jain whose appointment and remuneration has been fixed by the Board and in terms of resolution passed by the shareholders of the Company.

In view of this, no Remuneration Committee has been constituted.

Para 5. SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE**Brief description of the terms of reference :**

The Share Transfer & Investors' Grievance Committee administers the following :

- Transfer of shares
- Transmission of shares
- Issuance of duplicate share certificates as and when required
- Shareholders' queries / complaints and its redressal as and when received
- Dematerialisation / Rematerialisation of shares
- Split / consolidation of shares
- Such other matters resulting from statutory amendments / modifications from time to time.

(i) Composition and name of the Chairman :

The Committee comprises of the following persons :

Name of the Members	Designation	Nature of Membership
Shri Santosh Kumar Jain	Chairman	Executive
Shri Ramen Chatterjee	Member	Independent & Non Executive
Shri Taposh Kumar Mullick	Member	Independent & NonExecutive

During the financial year 2011-12, the Share Transfer and Investors Grievance Committee met 2 (Two) time on 31/05/2011 and 13/10/2011.

Members of Share Transfer and Investors' Grievance Committee	No. of meetings held	No. of meetings attended
Shri Santosh Kumar Jain	2	2
Shri Ramen Chatterjee	2	2
Shri Taposh Kumar Mullik	2	2

(ii) Name and designation of compliance officer :

As per the requirements of the Listing Agreement, Smt. Krishna Banerjee, acts as the Compliance Officer.

(iii) to (iv) Details of the shareholders' complaints received and resolved during the year 2011-12 :

No. of complaints received	No. of complaints resolved	Pending
Nil	Nil	Nil

There have been no material grievances raised and all items referred have been dealt with. All the complaints were resolved to the satisfaction of shareholders.

As on 31st March, 2012, there were no pending complaints and no pending share transfers.

Para 6. GENERAL BODY MEETINGS

(i) Location and Time of last three Annual General Meeting (AGM) :

The location and time of the last three AGMs are as follows :

Year	Date	Venue	Time
2010-11	23.09.2011	"Somani Conference Hall" Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001	11.00 a.m.
2009-10	20.09.2010	"Somani Conference Hall" Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001	11.00 a.m.
2008-09	17.09.2009	"Somani Conference Hall" Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001	11.00 a.m.

(ii-a) Details of special resolutions passed in the previous three AGMs :

No special resolution has been passed in the previous three AGMs.

(ii-b) Details of special resolutions passed in the previous three EGMs :

No special resolution has been passed in the previous three EGMs.

(iii) to (iv) Special resolution passed during the financial year 2011-12 through the Postal ballot :

No special resolution was passed through postal ballot during the financial year 2011-12.

(v) to (vi) Postal ballot during the current year :

For the financial year 2011-12, if resolutions are to be conducted through the Postal Ballot procedure, those will be taken up at the appropriate time.

Para 7. DISCLOSURES

(i) Disclosure of materially significant related party transactions :

During the financial year 2011-12, the Company had not entered into any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large. The transactions with related parties, in normal course of business, have been disclosed separately in the Notes on Accounts.

(ii) Details of non-compliance by the Company :

The Company has complied with all the requirements of the Listing Agreement with Stock Exchange as well as the Regulations and Guidelines prescribed by Securities and Exchange Board of India (SEBI).

(iii) Whistle Blower Policy :

The Company has not established whistle blower policy.

(iv) Details of compliance with the mandatory requirements :

Your Company has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreement. The details of these compliances have been given in the relevant sections of this Report.

Para 8. MEANS OF COMMUNICATION

(i) Quarterly results :

The Quarterly and Annual Results of the Company are displayed on the web-site of the Company at www.siliconvalleyinfo.net

(ii) Newspapers wherein results are normally published :

The Financial Results of the Company are published in "Business Standard" and in "Dainik Lipi".

(iii) to (v) Any website, where displayed :

The Results are displayed on the Company's web-site at www.siliconvalleyinfo.net.

Full Annual Reports for the financial year 2011-12, Financial results, Shareholding pattern and other relevant information are also available on the website of the company in a user-friendly and downloadable form.

Para 9. GENERAL SHAREHOLDER INFORMATION

(i) AGM : Date, time and venue :

The forthcoming Annual General Meeting of the Company will be held as given below :

Date & Time	24th September, 2012 at 11.00 a.m.
Venue	"Somani Conference Hall" Merchants Chamber of Commerce 15B, Hemanta Basu Sarani Kolkata - 700 001

(ii) Financial year :

Financial Year is 1st April, 2012 to 31st March, 2013 and the quarterly results will be declared as per the following schedule :

Tentative schedule	
Financial Results for the quarter ending June 30, 2012	End of July 2012
Financial Results for the quarter ending September 30, 2012	End of October 2012
Financial Results for the quarter ending December 31, 2012	End of January 2013
Financial Results for the year ending March 31, 2013	End of June 2013
AGM for the year ending March 31, 2013	Mid of September 2013

(iii) Date of Book closure :

The Company's Register of Members and Share Transfer Books will remain closed from Monday, 17th September, 2012 to Monday, 24th September, 2012 (both days inclusive).

(iv) Dividend Payment Date :

No dividend has been recommended by the Board for the year under review.

(v) Listing on Stock Exchanges :

Your Company's shares are listed on the following stock exchanges as on 31st March, 2012 :-

1. Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai-400 001.
2. The Calcutta Stock Exchange Association Limited
7, Lyons Range,
Kolkata 700 001.
3. National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No.C/1, 'G' Block,
Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051.

Listing fees upto the financial year 2012-13 have been paid to NSE, BSE and CSE.

(vi) Stock Code :

Name of the Exchange	Code
Bombay Stock Exchange Limited	531738
National Stock Exchange of India Limited	PRASGLOFIN
The Calcutta Stock Exchange Limited	26161
International Securities Identification Number (ISIN)	INE913A01024
Depositories Connectivity	NSDL and CDSL

(vii) to (viii) Market Price Data : High, Low during each month in the last financial year :

Month (2010-11)	Bombay Stock Exchange (in Rs.)	
	High	Low
April	0.41	0.32
May	0.40	0.31
June	0.39	0.30
July	0.35	0.30
August	0.35	0.27
September	0.39	0.27
October	0.36	0.26
November	0.34	0.21
December	0.28	0.21
January	0.35	0.24
February	0.35	0.28
March	0.32	0.21

(ix) Registrar and Transfer Agents :

The Board has delegated the work of processing of share transfers to Maheshwari Datamatics Private Limited, Registrar and Share Transfer Agents. Their complete address is as follows :

Maheshwari Datamatics Private Limited
6, Mangoe Lane, 2nd Floor,
Kolkata - 700 001.
Tel No. : (033) 2243-5029 / 5809
Fax No. : (033) 2248-4787

(x) Share Transfer System :

The transfer of shares in physical form is processed and completed by Maheshwari Datamatics Private Limited within the statutory time period. In case where shares are held in electronic form, the transfers are processed by NSDL/CDSL through the Depository Participants and Registrars.

(xl) Distribution of Shareholding :

The distribution of shareholding as on 31st March, 2012, pursuant to Clause 35 of the Listing Agreement is as under :

A. Shareholding Pattern of Equity Shares as on 31st March, 2012 :

	Categories	No. of Shares held	% of Shareholding
A	PROMOTERS' HOLDING		
1.	Promoters :		
	a) Indian Promoters	6021839	4.64
	b) Foreign Promoters	0	0.00
2.	Persons Acting in concert	0	0.00
	Sub-total	6021839	4.64
B	NON PROMOTERS' HOLDING		
3.	Institutional Investors :		
	a) Mutual Funds and UTI	0	0.00
	b) Banks, FIs, Insurance Companies	0	0.00
	c) Foreign Institutional Investors	0	0.00
	Sub-total	0	0.00
4.	Others		
	a) Private Corporate Bodies	64797729	49.97
	b) Indian Public	58285833	44.95
	c) NRIs / OCBs	409199	0.32
	d) Any Other	165400	0.12
	Sub-total	123658161	95.36
	Grand Total	129680000	100.00

Note : Total Foreign Shareholding is 409199 (0.32%)

B. Distribution of Equity Shareholding as on 31st March, 2012 :

No. of Equity Shares held	No. of shareholders holding shares in			No. of shares held			% age of equity capital held in		
	Physical	NSDL	CDSL	Physical	NSDL	CDSL	Physical	NSDL	CDSL
1 To 500	22	1605	1076	2418	521328	323973	.0019	.4020	.2498
501 To 1000	8	1508	1024	8000	1450148	993527	.0062	1.1183	.7661
1001 To 2000	24	957	584	46510	1743671	1054379	.0359	1.3446	.8131
2001 To 3000	1	390	270	3000	1074014	749562	.0023	.8282	.5780
3001 To 4000	24	185	122	96000	697601	460896	.0740	.5379	.3554
4001 To 5000	21	428	270	105000	2113798	1337987	.0810	1.6300	1.0318
5001 To 10000	23	465	278	211100	3897365	2262705	.1628	3.0054	3.0054
10001 To 9999999999	67	603	227	25717000	56352465	28457553	19.8311	43.4550	21.9444
Total :	190	6141	3851	26189028	67850390	35640582	20.1978	52.3214	27.4834

(xii) Dematerialisation of shares and liquidity :

As on 31st March, 2012, 79.80% of the total equity capital was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited.

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments :

As of 31st March, 2012, there are no outstanding GDRs/ADRs/Warrants or convertible instruments which are likely to have an impact on the Equity Shares.

(xiv) Plant Locations :

The Company does not have any plant.

(xv) Address for correspondence :

Investors' correspondence may be addressed to :-

1. The Compliance Officer
Silicon Valley Infotech Limited
10, Princep Street, 2nd Floor,
Kolkata 700 072.
Phone : (033) 4002-2880
Fax : (033) 2237-9053
E-mail : info@siliconvalleyinfo.net
2. Maheshwari Datamatics Private Limited
6, Mangoe Lane, 2nd Floor,
Kolkata - 700 001
Phone : (033) 2243-5024 / 5809
Fax : (033) 2248-4787

(xvi) E-mail ID of the grievance redressal division / compliance officer exclusively for the purpose of registering complaints by investors : info@siliconvalleyinfo.net

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :

The Management's Discussion and Analysis Report is attached hereto and forms part of the Director's Report.

CODE OF CONDUCT :

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel .The Directors and Senior Management Personnel have affirmed the compliance with the same for the financial year 2011-12. A declaration to this effect is given elsewhere in this Annual Report.

RISK MANAGEMENT POLICY :

The Company has formulated a comprehensive Risk Management Policy to reduce the inherent risk associated with the business activities of the Company.

**ANNUAL DECLARATION BY DIRECTOR ON CODE OF CONDUCT PURSUANT TO
CLAUSE 49(I)(D) OF THE LISTING AGREEMENT**

I, Santosh Kumar Jain, Managing Director of SILICON VALLEY INFOTECH LIMITED having its registered office at 10, Princep Street, 2nd Floor, Kolkata - 700 072 hereby declare that the Company has formulated a Code of Conduct for its Directors and Senior Management Personnel and that all Board Members and Senior Management Personnel have affirmed the compliance of the Code for the financial year 2011-12.

Place : Kolkata

Dated : 25th May, 2012

Sd/-

Santosh Kumar Jain
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Silicon Valley Infotech Limited

We have examined the compliance of conditions of Corporate Governance by Silicon Valley Infotech Limited ('the Company') for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P. K. AJITSARIA & CO.
Chartered Accountants

Pawan Kumar Ajitsaria
Proprietor

Membership No. 53109

Place : Kolkata

Dated : 25th May, 2012

**CERTIFICATION BY
MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER**

We hereby certify that for the financial year, ending 31st March, 2012, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :-

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2012 which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated, based on our most recent evaluation, wherever applicable, to the auditor and audit committee.
 - i. There has not been any significant changes in internal control over financial reporting during the year under reference.
 - ii. There has not been significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. We are not aware of any instance during the year of significant fraud with involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Santosh Kumar Jain
Managing Director

Goutam Saha
Chief Financial Officer

Place : Kolkata

Dated : 25th May, 2012

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Overview :

Indian's economy is diverse, encompassing agriculture, handicrafts, textile, manufacturing and a multitude of services. The advent of the digital age has gradually transformed India as an important "back office" destination for global outsourcing of customer service and technical support. The BSE Sensex barely moved despite the Prime Minister's economic advisory council forecasting a GDP growth of 6.7% in 2012-13, marginally better than the 6.5% pace at which India grew in 2011-12.

Industry Structure and Development - Overview :

NBFC's play a vital role in the context of Indian economy. Private financing plays a predominant role in the Indian financial system because they supplement the activities of banks in terms of deposit mobilization and lending. They supplement the role of the banking sector in meeting the increasing financial needs of the corporate sector, delivering the credit to the unorganized sector and to the small local borrowers. NBFC's has flexible structure than banks. Their flexible structure helps in broadening the market by providing the saver and investor a bundle of services on competitive basis.

With virtually all finance company business lines coming under greater competitive pressure, defining strategic initiatives and backing each with the necessary resources has become imperative for success. On the consumer side of the business, the ability to compete in various product offerings often is dictated by operational efficiencies and economies of scale. In this respect NBFC's face problems of high cost of funds because they lack the nation wide branch network and have a comparatively lower Tier-I and Tier- II capital base.

We witness that NBFC sector, in India are facing stiff competition from different banks and financial institutions. The cost of funds of banks is lower as compared to NBFC's. Not only this, they have a very wide network and huge capital base which makes them more attractive than NBFC'. However as the market is volatile in nature, the long term growth of capital market calls for a matter of concern.

Opportunities, threats, risks and concerns :

Your Company has operations in finance and equity investments. The independent finance industry issues debt and lends the proceeds to individuals (consumer finance companies) and corporations (commercial finance companies) on both a secured and unsecured basis. Unlike the commercial banks, whose deposit taking ability adds significantly to funding availability, finance companies rely almost exclusively on institutional borrowings and access to the public debt markets for funding. Consequently, the ability to access the short, medium and long-term markets at competitive rates is critical to their ongoing viability. Your company faces tough competition from Nationalized, Foreign and Private Sector Banks due to company's inability to grant loan at a considerably low rate of interest.

Your Company is exposed to external and internal risks associated with the business. It is exposed to strong competitive pressures and financial risks from changes in interest rate, economic cycles etc.

There is a major threat coming from Banks. Banks have reduced the rate of interest, this has reduced the spread, thereby reducing the margin. The volatile nature of market also poses another threat. Your Company also faces stiff competition from Nationalized, Foreign and Private Sector Banks as they provide loans at a very low rate of interest.

Risk Management :

The nature of your company business exposes it to a wide variety of risks and if not managed properly it can affect the workings of the company.

Economy risk is there because any slow down or recession in the economy has direct impact on the turnover and performance.

To manage Interest Rate Risk of the Company is very well within the overall unit of Debt Equity Ratio and cost of borrowing is also very low. Company is also not using short term borrowings to fund long term assets.

To manage default risk, most of the customers are repeat customers or referred by existing customers with a good track record who stands as a guarantor mitigating the default risk.

Given the sensitive nature of the sector, funding is closely linked to the overall image of the sector as well as the regulatory environment. Any change in these factors could affect the overall liquidity risk for the Company. Moreover existing banks are moving into retail sector and regional banks like Assamese banks are coming into play, which poses major concern for your company. The volatility in the market is a matter of concern. However economic parameters being strong will upsurge the economy. Your company has a well defined and prudent business practice and a comprehensive Risk Management Policy to manage this risk.

Your Company sees opportunities in the market with existing and new customers. Your Company has dedicated accounts team to focus on each customer. Rising input costs and volatility in material, energy are some of the key challenges that your company is addressing by specific initiatives for each.

Future Outlook :

Your Company intends to invest in businesses related to infrastructure, telecommunication, soft ware etc. in the coming years since it sees good prospect in these areas. It would definitely try to establish itself and remain as a strong player in the finance industry. With the Capital market expected to be in a better mode than the previous few years and with our efforts we can look forward to a prosperous year for the company.

Again, the need for micro credit by a significant part of the society continues to remain underserved by the banks. The scope for Micro Finance companies to supplement the banking channel remains high.

However this segment also remains a sensitive segment given the profile of the clients, typically from the low-income groups. Hence it is of utmost importance that the NBFC sector deals with clients in a very fair and transparent manner. The recent RBI Regulations in this regard would go a long way in ensuring fair play by NBFCs.

Internal Control Systems and their adequacy :

The Processes and internal control system plays a critical role in the health of the Company. The Company has well defined documented policy guidelines and has an adequate internal control system commensurate with its size and nature of business and suitable internal control procedures that ensures efficiency of operations and safe guards of its assets.

These procedures are designed to ensure :

- ★ That all assets and resources are used efficiently and are adequately protected;
- ★ That all internal policies and statutory guidelines are complied within letter & spirit;
- ★ The accuracy and timing of financial reports and management information.

Material Development in Human Resources/Industrial relations front number of people employed :

The Company believes that people are the primary asset and key to the success and growth. Looking after people makes good business sense because, if people are motivated, service excellence will follow. The relation remains cordial throughout the year between employees and the management. Here people work in synergy to contribute towards the achievement of the business objectives. The importance of providing training and development opportunities to our employees is recognized by our company to enhance their skills and experience, which in turn enables the Company to achieve its business objectives.

Financial and Operational Performance :

The performance of the company during the current year has not improved in comparison to previous year.

Cautionary Statement :

Statement in the Management's Discussion and Analysis describing the Company's projections estimates, expectations or predictions may be forward looking predictions within the meaning of applicable securities laws and regulations. These forward-looking statements are based on certain assumptions and expectations of future events over which the Company exercises no control. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. Actual results may differ materially from such estimates, projections, etc. whether expressed or implied.

AUDITORS' REPORT

To,
The Members,
SILICON VALLEY INFOTECH LIMITED

We have audited the attached Balance Sheet of M/s. SILICON VALLEY INFOTECH LIMITED, as at 31st March, 2012 and also the Statement of Profit and Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Further, we report that :

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit ;
2. In our opinion, proper books of accounts as required by law, have been kept by the Company so far as appears from our examination of those books ;
3. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account ;
4. In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable ;
5. On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 ;
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
 - b) In the case of the Profit & Loss Account, of the Profit for the year ended on that date.
 - c) In the case of Cash Flow Statement of the cash flows for the year ended on that date.
7. As required by the Companies (Auditor's Report) Order, 2003, and as amended by the Companies (Auditor's Report), (Amendment) Order, 2004 issued by the Central Government of India in terms of

sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.

For P. K. AJITSARIA & CO.

Chartered Accountants

FRN 317046E

Pawan Kumar Ajitsaria

Partner

Membership No. 53109

Place : Kolkata

Dated : The 25th day of May, 2012

**(Referred to in Paragraph 7 of our Report of even date on the Accounts of
Silicon Valley Infotech Limited as on 31.03.2012)**

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) Fixed Assets have been physically verified by the management of the Company during the year, which in our opinion is reasonable having regard to the Company and the nature of its fixed assets.
(c) There is no disposal of fixed assets during the year.
2. (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management 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, and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
3. The Company has neither given nor taken any loan, secured and unsecured loans, to/from any Company, firms or other parties covered in the register maintained under section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and nature of its business with regard to the purchase of inventory and fixed assets, and with regard to the sale of goods & services. During the course of our audit, no major weakness has been noticed in the internal controls.
5. There were no transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of the Section 58A and 58AA of the Companies Act, 1956 and rules there under are not applicable to the Company.
7. In absence of any Internal Audit Report, we are not in a position to state whether internal audit system commensurate with the size and the nature of its business.
8. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.

9. (a) According to the records of the Company and information and explanations given to us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax & Cess and other statutory dues with the appropriate authorities during the year.
(b) There were no disputed amount payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, CustomDuty, Excise Duty, Service Tax, cess and other material statutory dues in arrears as at 31st March, 2012 for a period of more than six months from the date it become payable.
10. The Company does not have accumulated losses as at the end of the year and the Company has not incurred cash losses during current and the immediately preceding financial year.
11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
14. Based on the records examined by us and according to the information and explanations given to us, we are of the opinion that the Company is maintaining proper record of the transactions and contracts of dealing in shares and securities and that timely entries have been made in these records.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank and financial institutions.
16. To the best of our knowledge and belief and according to the information and explanations given to us, the Company were, prima facie, applied by the Company during the year for the purpose for which loans were obtained.
17. According to the information and explanations given to us and overall examination, we report that no fund raised on short-term basis have used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures.
20. The Company has not raised any money through a public issue during the year.
21. Based on information and explanation furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the year.

For P. K. AJITSARIA & CO.

Chartered Accountants

FRN 317046E

Pawan Kumar Ajitsaria

Partner

Membership No. 53109

Place : Kolkata

Dated : The 25th day of May, 2012

STATEMENT
OF
ACCOUNTS

BALANCE SHEET As At 31st March, 2012

	<u>Note</u>	<u>As at 31st March, 2012</u>	<u>(Rs. in '000) As at 31st March, 2011</u>
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	2	129,680	129,680
(b) Reserves and Surplus	3	94,219	98,531
2. Non Current Liabilities			
(a) Long-term Borrowing	4	17,059	27,059
(b) Deferrred tax liabilities (Net)		5,871	5,871
3. Current Liabilities			
(a) Other current liabilities	5	511	11,730
TOTAL		<u>247,340</u>	<u>272,871</u>
II. ASSETS			
Non-current assets			
1. (a) Fixed assets			
(i) Tangible assets	6	6,835	9,389
2. Current assets			
(a) Inventories	7	231,317	238,064
(b) Trade receivables	8	—	731
(c) Cash and cash equivalents	9	272	209
(d) Short-term loans and advances	10	8,810	24,478
(e) Other current assets	11	106	—
TOTAL		<u>247,340</u>	<u>272,871</u>
Significant Accounting Policies	1		
The notes form an integral part of these financial statements			

As per our Report of even date
For **P. K. AJITSARIA & CO.**
Chartered Accountants
FRN 317046E

Pawan Kumar Ajitsaria
Partner
Membership No. 53109

Santosh Kumar Jain
Managing Director
Ramen Chatterjee
Director

Place : Kolkata

Dated : 25th day of May, 2012

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

<u>Particulars</u>	<u>Note</u>	<u>(Rs. In '000)</u>	
		<u>2011-12</u>	<u>2010-11</u>
I. Revenue from operations (Gross)	12	17,428	6,975
II. Other Income	13	48	5,617
III. Total Revenue (I+II)		17,476	12,592
IV. Expenses :			
Purchases of Stock-in-Trade		8,666	8,617
Changes in inventories of finished goods, work-in progress and stock in trade	14	6,751	(12,246)
Employess benefits expense	15	1,463	1,159
Depreciation		2,554	2,586
Other expenses	16	2,354	22,535
Total expenses		21,788	22,651
V. Profit before exceptional and extraordinary items and tax (III-IV)		(4,312)	(10,059)
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		(4,312)	(10,059)
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII-VIII)		(4,312)	(10,059)
X. Tax expense :			
(1) Current Tax		-	-
Less : MAT Credit		-	-
(2) Deferred Tax		-	-
(3) Tax in respect of earlier years		-	14
XI. Profit/(Loss) for the period (IX-X)		(4,312)	(10,073)
X. Earnings per equity shares of Rs.10 each			
Basic & Diluted	17	(0)	(0)

The notes form an integral part of these financial statements

As per our Report of even date

For **P. K. AJITSARIA & CO.**

Chartered Accountants

FRN 317046E

Pawan Kumar Ajitsaria

Partner

Membership No. 53109

Santosh Kumar Jain

Managing Director

Ramen Chatterjee

Director

Place : Kolkata

Dated : 25th day of May, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	2012	(Rs. In '000) 2011
A. Cash Flow from operating activities :		
Net Profit before tax and extra ordinary items	(4,312)	(10,058)
Adjustment for :		
Depreciation	2,554	2,586
Income Tax paid	-	(14)
Operating Profit before working capital changes	(1758)	(7,486)
Adjustment for :		
Long Term Borrowing	(10,000)	-
Trade and other receivables	731	9,227
Other current assets	(106)	935
Loans & Advances	15,669	4,876
Inventories	6,748	(12,247)
Other current liabilities	(11,219)	-
Trade payables	-	4,877
Cash generated from operations	65	182
Direct tax paid	-	-
Cash flow before extra ordinary items	65	182
Extra ordinary items	-	-
A. Net Cash from operating activities	65	182
B. Cash Flow from investing activities :		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Purchase of Investments	-	-
Sale of Investments	-	-
Net cash used in investing activities	-	-
C. Cash Flow from financing activities :		
Proceeds from issue of Share Capital	-	-
Net cash used in financing activities	-	-
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	65	182
Cash and Cash Equivalents (Opening Balance)	207	25
Cash and Cash Equivalents (Closing Balance)	272	207

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

As per our Report of even date

For P. K. AJITSARIA & CO.

Chartered Accountants

FRN 317046E

Pawan Kumar Ajitsaria

Partner

Membership No. 53109

Santosh Kumar Jain

Managing Director,

Ramen Chatterjee

Director

Place : Kolkata

Dated : 25th day of May, 2012

NOTES TO THE FINANCIAL STATEMENT**SIGNIFICANT ACCOUNTING POLICIES****Note - 1****A. Basis of Preparation of Financial Statement**

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised.

C. Own Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment, if any. Direct Costs are capitalised until fixed assets are ready for use. Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

D. Depreciation and Amortisation

Depreciation on fixed assets is provided on the written down value method over the useful lives of assets estimated by the Management at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

E. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. Depreciation for assets purchased/sold during a period is proportionately charged.

F. Impairment of Assets

As assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

G. Investments

Current investments are carried at lower of cost and quoted/fair value computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

H. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials trading and other products are determined on weighted average basis. By-products are value at net realisable value.

I. Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service rendered. Post employment and other long term employee benefits are recognised as an expense in the Profit and Loss Account for the year in which the employee has rendered services.

J. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions

NOTES TO THE FINANCIAL STATEMENT

of Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that enacted or substantially enacted as on the balance sheet date. Deferred tax assets is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

K. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

	As at 31st March, 2012	(Rs. in '000) As at 31st March, 2011
Note 2- Share Capital		
Authorised		
205000000 Equity Shares of Rs.1/-each	205,000	205,000
	<u>205,000</u>	<u>205,000</u>
Issued, Subscribed & Paid up		
129680000 Equity Shares of Rs.1/-each	129,680	129,680
Total	<u>129,680</u>	<u>129,680</u>

The Company has only one class of equity shares having a par value of Rs.1 per share. Each share holder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

	2011-12	2010-11
Number of shares outstanding at the beginning of the year	129,680,000	129,680,000
Add : Number of shares allotted for cash	-	-
	<u>129,680,000</u>	<u>129,680,000</u>
Less : Number of shares bought back during the year	-	-
	<u>129,680,000</u>	<u>129,680,000</u>

Shares in the company held by each shareholders more than 5% shares

Name of the Shareholder	2011-12		2010-11	
	No. of Shares	%	No. of Shares	%
Abhijeet Ferrotech Limited	-	0.00%	7,493,080	5.78%
Bahubali Properties Limited	8,970,947	6.92%	8,970,947	6.92%
Hungarford consultant Pvt Ltd	11,803,648	9.10%	-	0.00%

NOTES TO THE FINANCIAL STATEMENT

	<u>As at 31st March, 2012</u>	<u>(Rs. in '000) As at 31st March, 2011</u>
Note 3 - Reserves and Surplus		
a. General Reserves		
Opening Balance	5,519	5,519
Add : Transferred from Surplus	-	-
Closing Balance	<u>5,519</u>	<u>5,519</u>
b. Share Premium	120,897	120,897
c. Capital Reserve	5,815	5,815
d. Surplus		
Opening Balance	(33,700)	(23,627)
Add/(Less) : Net Profit/(Net Loss) for the year	(4,312)	(10,073)
	<u>(38,012)</u>	<u>(33,700)</u>
Less : Transferred to General Reserve	-	-
Closing Balance	<u>(38,012)</u>	<u>(33,700)</u>
Total	<u>94,219</u>	<u>98,531</u>

Note 4 - Long Term Borrowings**Secured****Term Loans**

Rural Electrification Corporation Ltd.	17,059	27,059
Total	<u>17,059</u>	<u>27,059</u>

Note 4.1 - The above loan is secured against movable and immovable properties except book debts both present and future in respect of wind power project and guaranteed by a director and a ex-director.

Note 4.2 - The company has not made any provision for interest for interest amounting to Rs.41.50 lac during the year on the above loan.

Note 4.3 - REC has filed a recover suit against the company for recovery of dues which is pending at the Court of Law. The Company has paid Rs.100 lacs during the year on the directives received from the Court.

Note 5 - Other Current Liabilities

Other payables	511	11,730
	<u>511</u>	<u>11,730</u>

Note 6 - Fixed Assets as per seprate Sheet

Silicon Valley Infotech Limited

Note - 6

Fixed Assets

PARTICULARS	G R O S S B L O C K				DEPRECIATION / AMORTISATION			N E T B L O C K	
	BALANCE AS AT 01.04.2011	ADDITIONS 31.03.2012	DISPOSALS 31.03.2012	BALANCE AS AT 31.03.2012	UPTO 01.04.2011	FOR DISPOSALS THE YEAR	UPTO 31.03.2012	BALANCE AS AT 31.03.2012	BALANCE AS AT 31.03.2011
Tangible Assets :									
Office Equipment	23	-	-	23	17	1	18	5	6
Land	1,368	-	-	1,368	-	-	-	1,368	1,368
Vehicles	1,191	-	-	1,191	340	113	453	738	851
Wind Power Project	46,200	-	-	46,200	39,036	2,440	41,476	4,724	7,164
Total	48,782	-	-	48,782	39,393	2,554	41,947	6,835	9,389
Previous year's Total	49,369	-	-	49,369	37,394	2,586	39,980	9,389	11,974

NOTES TO THE FINANCIAL STATEMENT

	As at 31st March, 2012	(Rs. in '000) As at 31st March, 2011
Note 7 - Inventories		
Equity Shares :		
Quoted, fully paid up :		
46805 (46805) of 21st Century (I) Ltd. of Rs.10/- each	468	468
300 (300) of Acme Resources Ltd. of Rs.10/- each	3	3
7000 (7000) of Alok Industries Ltd. of Rs.10/- each	137	155
1560 (1560) of Ankit Metaliks Ltd. of Rs.10/- each	22	33
47300 (47300) of Arihant Ltd. of Rs.10/- each	473	473
289387 (289387) of ATN International Ltd. of Rs.10/- each	260	411
15000 (15000) of Beekay Niryat Ltd. of Rs.10/- each	227	227
330140 (330140) of Blue Chip India Ltd of Rs.10/- each	314	499
104450 (104450) of Bolton Properties Ltd. of Rs.10/- each	41,075	40,798
500 (500) of C & C Construction Ltd. of Rs.10/- each	43	63
1000 (1000) of Cinemax India Ltd. of Rs.10/- each	34	42
2050000 (2050000) of CMS Infotech Ltd. of Rs.10/- each	4,818	4,818
220000 (220000) of Globe Soya Products Ltd. of Rs.10/- each	2,200	2,200
662 (662) of Gujrat Heavy Chemicals Ltd. of Rs.10/- each	23	26
96640 (96640) of Herald Commerce Ltd. of Rs.10/- each	338	338
10500 (10500) of Hinduja Foundries Ltd. of Rs.10/- each	525	525
4224 (4224) of HFCL of Rs. 10/- each	50	50
46357 (46357) of Jayswal Neco Ltd. of Rs.10/- each	744	1,087
771 (771) of JBF Industries Ltd of Rs.10/- each	84	84
2007000 (2007000) of LCC Infotech Ltd. of Rs.10/- each	903	1,806
22300 (22300) of Lynx India Ltd of Rs.10/- each	388	57
1310 (1310) of Man Industries Ltd. of Rs.10/- each	73	73
1000 (1000) of Manglam India Ltd. of Rs.10/- each	33	33
167750 (167750) of Marson's Ltd. of Rs.10/- each	488	488
981 (981) of Mawana Sugar Ltd. of Rs.10/- each	15	22
225 (225) of Network 18 Media Investment Ltd. of Rs.10/- each	8	23
40 (40) of Network 18 Media Investment Ltd. Warrant of Rs.10/- each	1	4
40 (40) of Network Media & Investment Ltd PREE of Rs.10/- each	4	4
3686 (3686) of NRC Ltd. of Rs.10/- each	14	20
200 (200) of Ocean Infrastructures Ltd. of Rs.10/- each	-	2
1742 (1742) of Omax India Ltd. of Rs.10/- each	64	70
2000 (2000) of Orient Paper Ltd. of Rs.10/- each	89	89
6270 (6270) of Penta Media Graphics Ltd. of Rs.10/- each	7	9
145275 (145275) of Prime Capital Ltd. of Rs.10/- each	41,017	40,662
1700 (1700) of Prime Petro Product Ltd. of Rs.10/- each	5	5
85100 (85100) of Ramkrishna Fincap Ltd. of Rs.10/- each	16,874	16,794
13700 (13700) of Shree Nidhi Trading Co Ltd. of Rs.10/- each	2,192	2,192
4 (4) of Tata Steel Ltd. of Rs.10/- each	2	2

NOTES TO THE FINANCIAL STATEMENT

	As at 31st March, 2012	(Rs. in '000) As at 31st March, 2011
Unquoted Shares :		
2500 (2500) of Alkon Trading Ltd. of Rs.10/- each	250	250
6850 (6850) of Aristro Projects Ltd. of Rs.10/- each	685	685
3500 (3500) of Abhijeet Ferrotech Ltd. of Rs.10/- each	350	350
11250 (11250) of Angelis Vinimay Pvt. Ltd. of Rs.10/- each	900	900
400 (400) of Apex Enterprises India Ltd. of Rs.10/- each	2	2
980 (5000) of Asthal Commercial Pvt. Ltd. of Rs.10/- each	490	2,500
5000 (Nil) of Bharat Elevators & Engg Pvt. Ltd of Rs.10/- each	500	-
129500 (87000) of Bullpower Vyapaar Ltd. of Rs.10/- each	12,950	8,700
5900 (5900) of Casecade Dealcom Pvt. Ltd. of Rs.10/- each	590	590
64700 (64700) of Deepmala Dealers Ltd. of Rs.10/- each	2,200	2,200
8000 (8000) of Ekta Commodities Suppliers (I) Ltd. of Rs.10/- each	1,600	1,600
750000 (750000) of Elegent Commerce Ltd. of Rs.10/- each	7,500	7,500
44000 (44000) of Indo Invest Vision Pvt. Ltd. of Rs.10/- each	4,400	4,400
6000 (6000) of Ind Bharat Power Infra Ltd. of Rs.10/- each	1,500	1,500
22625 (20000) of Intime Infrabuild pvt. Ltd. of Rs.10/- each	1,131	1,000
5000 (5000) of Kaizen Power Ltd. of Rs.10/- each	500	500
5100 (6400) of Marina Suppliers Pvt. Ltd. of Rs.10/- each	2,550	3,200
250 (250) of Maa Sharda Tracom Pvt. Ltd. of Rs.10/- each	25	25
271700 (326700) of Network Power Pvt. Ltd. of Rs.10/- each	27,170	32,670
8380 (8380) of Nextgen Infotel Pvt. Ltd. of Rs.10/- each	838	838
5425 (Nil) of Nilachal Tie Up Pvt. Ltd. of Rs.10/- each	1,085	-
142750 (142750) of Nobel Power Pvt. Ltd. of Rs.10/- each	14,275	14,275
2400 (Nil) of Nouveau Cotspin Pvt. Ltd. of Rs.10/- each	2,400	-
1900 (1900) of Orchid Vintrade Pvt. Ltd. of Rs.10/- each	190	190
40000 (40000) of Orissa Khanti Pvt. Ltd. of Rs.10/- each	4,000	4,000
10500 (10500) of Parichary Power Ltd. of Rs.10/- each	1,050	1,050
600 (Nil) of Ramsetu Tradewings of Rs.10/- each	300	-
10000 (10000) of Rangbarshi Project Ltd. of Rs.10/- each	1,000	1,000
5000 (5000) of Saltlake Vayapaar Ltd. of Rs.10/- each	500	500
5810 (6060) of Sapience Commodities Ltd. of Rs.10/- each	581	606
284850 (284850) of Savera Traders Ltd. of Rs.10/- each	14,052	14,051
25000 (25000) of SEZ Infrastructures Developers Pvt. Ltd. of Rs.10/- each	5,000	5,000
4000 (37000) of Toplight Tradelink Pvt, Ltd. of Rs.10/- each	400	3,700
Nil (22000) of Vulcun Power Ltd. of Rs.10/- each	-	2,200
Nil (11000) of Vertual Vanijya Pvt. Ltd. Of Rs.10/- each	-	1,100
DEBENTURE		
900 (900) of Ahmedabad Electricity Ltd. of Rs.10/- each	54	54
120 (120) of Flex Food Ltd. of Rs.10/- each	1	1
10750 (10750) of Hanil Era Textiles Ltd. of Rs.10/- each	376	376

NOTES TO THE FINANCIAL STATEMENT

	As at 31st March, 2012	(Rs. in '000) As at 31st March, 2011
120 (120) of Hind Powerplus Ltd. of Rs.10/- each	12	12
375 (375) of Khatau Junkers Ltd. of Rs.10/- each	13	13
100 (100) of Mardia Chemicals Ltd. of Rs.10/- each	6	6
300 (300) of Mideast India Ltd. of Rs.10/- each	17	17
350 (350) of Modi Alkalies & chemicals Ltd. of Rs.10/- each	8	8
7 (7) of Raymond Ltd. of Rs.10/- each	-	-
UNITS OF MUTUAL FUNDS :		
35000 (35000) of Caninfrastructure - Dividend Plan of Rs.10/- each	350	350
293399 (293399) of J P Morgan India Equity Fund of Rs.10/- each	3,001	3,000
156139 (156139) of Reliance Media & Entertainment Fund of Rs.10/- each	2,500	2,490
	231,317	238,064
Aggregate Market Value of Quoted Shares	115,263	116,999
Note 8 - Trade Receivables (Unsecured and Considered Good)		
Over six months	-	731
	-	731
Note 9 - Cash & Cash Equivalents		
(i) Cash and Cash Equivalents		
a. Balances with banks	196	84
b. Cash on hand	76	125
	272	209
Note 10 - Short term loans and advances (Unsecured and Considered Good)		
Short term loans	-	198
Other advances	8,810	24,280
	8,810	24,478
Note 11 - Other current assets		
Advance to staff	106	
	106	

NOTES TO THE FINANCIAL STATEMENT

	2011-12	(Rs. in '000) 2010-11
Note 12- Revenue from operations (Gross)		
Financial Services		
Sale of Commodity	2,642	-
Sale of shares	14,786	6975
	<u>17,428</u>	<u>6,975</u>
Note 13 - Other Income		
Dividend	48	500
Credit Balance Written Off	-	5,000
Excess Provision Written Back	-	117
	<u>48</u>	<u>5,617</u>
Note 14 - Changes in Inventories		
Opening Stock	238,067	225,821
Closing Stock	231,316	238,067
	<u>6,751</u>	<u>(12,246)</u>
Note 15 - Employee benefits expense		
Salaries, Bonus, HRA etc.	1,151	860
Contribution to Provident Fund	212	210
Gratuity	100	89
	<u>1,463</u>	<u>1,159</u>
Note 16 - Other expenses		
Advertisement	54	51
Audit fee	20	17
Bad Debt Written off	-	13,488
Bank Charges	2	3
Business Promotion	5	193
Computer Maintainance	3	-
Custodian Charges	91	87
Director Remuneration	1,200	1,200
Electricity Charges	56	26
Filing Fee	2	2
Insurance Charges	13	15
Interest Paid	-	146
Legal & Professional charges	11	19
Listing Fee	146	121
Membership & Subscription	10	-

NOTES TO THE FINANCIAL STATEMENT

	2011-12	(Rs. in '000) 2010-11
Miscellaneous Expenses	-	10
Motor Car Expenses	425	340
Penalty Charges	100	-
Postage & Telegram	-	3
Printing & Stationery	21	13
Professional Tax	-	4
Loss in Share Dealing	-	6,536
Rates & taxes	4	4
Registrar & Depository Fees	6	6
Repair & Maintenance	23	32
Telephone expenses	162	169
Travelling & Conveyance	-	25
Wind Power Expenses	-	25
	2,354	22,535
	2011-12	2010-11

Note 17 - Earning per Share (EPS)

i) Net Profit after tax	(4,312)	(10,073)
ii) Weighted Average number of equity shares used as denominator for calculating ESP	129,680,000	129,680,000
iii) Basic and Diluted Earning per share (Rs.)	(0)	(0)
iv) Face Value per equity share (Rs.)	1.00	1.00

Note 18 - Related Party Disclosurei) **Name of the Related Party :****Key Management Personnel :**

Mr. Santosh Kumar Jain
Mr. Tapas Kumar Mullick
Mr. Ramen Chatterjee

ii) **Transactions during the year with related parties**

Payment to Key Management Personnel 1,200

As per our Report of even date

For P. K. AJITSARIA & CO.Chartered Accountants
FRN 317046E**Pawan Kumar Ajitsaria**
Partner

Membership No. 53109

Santosh Kumar Jain
Managing Director**Ramen Chatterjee**
Director

Place : Kolkata

Dated : 25th day of May, 2012

Annexure - II

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company
 (as required in terms of Paragraph 13 on Non-Banking Financial (Non-Deposit Accepting or Holding)
 Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in Lakhs)

Particulars		
LIABILITIES SIDE :		
1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
(a) Debentures : Secured	NIL	NIL
Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate Loans and Borrowings	88.1	NIL
(e) Commercial Paper	NIL	NIL
(f) Other Loans (specify nature)	NIL	NIL
<i>*Please see Note 1 below</i>		
ASSETS SIDE :		
	Amount Outstanding	
2. Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :		
(a) Secured		NIL
(b) Unsecured		170.59
3. Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial Lease		NIL
(b) Operating Lease		NIL
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire		NIL
(b) Repossessed Assets		NIL
(iii) Other loans counting towards AFC activities :		
(a) Loans where assets have been repossessed		NIL
(b) Loans other than (a) above		NIL

Particulars	Amount Outstanding
4. Break-up of Investments :	
Current Investments :	
1. Quoted :	
(i) Shares : (a) Equity	1140.15
(b) Preference	NIL
(ii) Debentures and Bonds	4.87
(iii) Units of Mutual Funds	58.51
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL
2. Un-Quoted :	
(i) Shares : (a) Equity	1109.64
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL
Long Term Investments :	
1. Quoted :	
(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL
2. Un-Quoted :	
(i) Shares (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

5. Borrower group-wise classification of assets financed as in (2) and (3) above :

Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	88.10	88.10
Total	NIL	88.10	88.10

6. Investor group-wise classification of all investments (Current and Long Term) in shares and securities (both quoted and unquoted) :

Please see Note 3 below

Category	Market Value/Break-up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties**		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties		
Total		

** As per Accounting Standard of ICAI (Please see Note 3).

7. Other Information :

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related Parties	NIL
(b) Other than related parties	NIL
(i) Net Non-Performing Assets	
(a) Related Parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

Notes :

- As defined in paragraph 2(1)(xii) of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

Silicon Valley Infotech Limited

Regd. Office : 10, Princep Street, 2nd Floor, Kolkata - 700 072

PROXY FORM

Shares held
Registered Folio No.

DP ID No.
Client ID No.

I/We of
..... being a member/(s) of
the above Company, hereby appoint
..... of
or failing him/her
of

as my/our Proxy to vote for me/us and on my/our behalf at the TWENTY NINTH ANNUAL GENERAL MEETING of the Company, to be held at "Somani Conference Hall", Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 on Monday, 24th September, 2012 at 10.30 a.m.

Signed this.....day of.....2011.

Signed by the said.....

Affix
Rs. 1/-
Revenue
Stamp

NOTE : The proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

Silicon Valley Infotech Limited

Regd. Office : 10, Princep Street, 2nd Floor, Kolkata - 700 072

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall)

Shares held
Registered Folio No.

DP ID No.
Client ID No.

..... (Please write your name in BLOCK Letters)

I hereby record my presence at the TWENTY NINTH ANNUAL GENERAL MEETING of the Company, to be held at "Somani Conference Hall", Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 on Monday, 24th September, 2012 at 10.30 a.m.

Member's/Proxy's Signature
(To be signed at the time of handing over the slip)

NOTES :

- Members/Proxy holders are requested to bring their copies of the Annual Report with them at the Meeting.
- Please carry with you this Attendance Slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.