



VISION TECHNOLOGY
INDIA LTD

**VISION TECHNOLOGY INDIA
LIMITED
BANGALORE**

17th

**ANNUAL
REPORT**

2009 – 2010

Board of Directors : RANGAVASANTH B.
Chairman & Managing Director

B.S. RANGA
Director

SHAMALA B. R.
Director

ANITHA VASANTH
Whole time Director

Auditors : S.JANARDHAN &
ASSOCIATES,
Chartered Accountants,
Bangalore.

Regd. Office : 44/1 (old No 110) K H Road
Bangalore 560 027.

Bankers : ICICI BANK LIMITED
INDIAN BANK

NOTICE

Notice is hereby given that the 17th Annual General Meeting of VISION TECHNOLOGY INDIA LIMITED, will be held on Thursday the 30th December 2010 at 9.00 am at the AC Hall, KSCA Club House, No. 1 M.G. Road, Bangalore 560 001 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as at 30-06-2010 and the Profit and Loss Account for the year ended on that date, together with the reports of the auditors and the directors thereon.
2. To appoint a new director Mr. B. Vishnu Vasanth in place of Mr.B.S.Ranga.
3. To appoint auditors and fix their remuneration,
4. To pass an enabling resolution to change the Company's name, from Vision Technology India Ltd. to Vision Cinemas Ltd.
5. To pass an enabling resolution authorizing the Company to acquire cine multiplexes anywhere in India.
6. To pass an enabling resolution to consolidate the face value of the equity shares of the Company from Re. 1/- to Rs.10/- each.
7. Any other subject with the permission of the Chair.

Bangalore
Date:30.11.2010

By Order of the Board
sd/-
Rangavasnth. B
Chairman & Managing Director

NOTES:

1. A member entitled to attend and vote in the above meeting is entitled to appoint a Proxy to attend and vote instead of himself. A Proxy need not be a member of the Company.
2. Proxies, to be effective, must be lodged at the Regd. Office of the Company at least 48 hours before the time fixed for the commencement of the meeting.
3. Please bring the Admission Slip with you duly filled in and hand over the same at the entrance to the Meeting Hall.
4. Members, who hold shares in dematerialized form, are requested to bring their depository account number (Client ID No.) for easier identification and recording of attendance at the meeting.
5. Please bring your copy of the Annual Report to the meeting, as it is not possible to supply extra copies at the venue.

DIRECTOR'S REPORT

Your Directors are pleased to present their Sixteenth Annual Report for the year ended 30-06-2010.

FINANCIAL RESULTS :

	2009 - 10 (Rs.in Lacs)	2008 - 09 (Rs. in Lacs)
Turnover	256.91	308.98
Other Income	20.66	20.93
Increase / Decrease in Stock	----	---
Total Revenues	277.57	329.91
Profit /Loss before Interest and Depreciation	32.47	32.13
Interest	---	--
Profit/Loss before Depreciation	32.47	32.13
Depreciation	20.98	20.98
Net Profit/Loss before taxation	11.49	11.16
Provision for taxation	2.08	1.37
Profit/Loss after tax	9.41	9.79

OPERATIONS AND FUTURE PROSPECTS:

The operations of the company are expected to improve in the coming years.

AUDITORS :

M/s S. Janardhan & Associates, Chartered Accountants, Bangalore, the auditors of the company, retire at this Annual General Meeting and are eligible for re appointment.

MANAGEMENT CLARIFICATIONS TO AUDITORS REPORT :

Dues from M/s.Vasanth Color Laboratories: The Company has transacted with Vasanth Color Laboratories Ltd during the year to the tune of Rs. 478.47 lacs, which is repaid during the current financial year.

With regard to the qualifications made by the Auditors in para (ix) of their Annexure Report, your directors wish to mention as follows.

- i) The liability to the principals are under dispute. If the liability is determined in their favour, the TDS amounts will be remitted.
- ii) Dues to Service Tax in under appeal

Board of Directors : Mr.B.S.Ranga, Director, has expressed his desire to retire from the Directorship of the Company due to his advanced age. The Board while accepting his resignation with regret, wishes to place on record its appreciation & gratitude to Sri. B.S. Ranga for his advice & guidance since the inception of the Company.

Upon the resignation of Sri. B.S. Ranga from the Board of Directors of the Company, the Company has proposed to elect Mr. B. Vishnu Vasanth as a Director of this Company at this Annual General Meeting.

Pursuant to clause 49 of the listing agreement with the Stock Exchanges, the following information is furnished about Mr. B. Vishnu Vasanth.

Mr. B. Vishnu Vasanth is an Engineer from the R.V. College of Engineering, Bangalore. After working for a stint at National Instruments, USA, he completed his MBA from the International School of Business (ISB) Hyderabad. He then worked with Premji Invests, the investment arm of Sri. Azim Premji, thereafter set out to open his own Company in the Waste to Power sector. He is the Managing Director of Renewgen Enviro Ventures Pvt, Ltd.

Fixed Deposits : The Company has not accepted any fixed deposits from the public during the year.

Directors responsibility statement pursuant to Sec.217 (2AA) of the Companies Act, 1956.

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
2. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2009 - 10 and of the loss of the company for the same period.

3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.

Particulars of Employees under Section 217 (2A) :

During the year, there were no employees who were in receipt of remuneration in excess of the limits prescribed under the above section.

Information under Sec.217 (1)(e) of the Companies Act, 1956

Conservation of Energy	:	} These are not applicable to
Technology Absorption	:	
Foreign Exchange Earnings	:	- Nil -
Foreign Exchange out go	:	- Nil -

MANAGEMENT DISCUSSION AND ANALYSIS.

A report on the Management discussion and analysis as required under clause 51 of the Listing Agreement is attached herewith (Annexure I)

Corporate Governance

A report on the corporate governance is attached herewith as required by the amended clause 49 of the listing agreement (Annexure – II).

Shareholder Information

The required shareholder information is furnished in Annexure – III to this report.

Acknowledgement :

The Directors wish to place on record their appreciation for the continued support received from their customers, bankers and employees of the Company.

By order of the Board

sd/-
Rangavasanth.B
Chairman and Managing
Director

sd/-
Anitha Vasanth
Whole Time Director

Place : Bangalore
Dated : 30th November 2010

MANAGEMENT DISCUSSION AND ANALYSIS

There has been no major change in operation of the last 12 months ended 30.06.2010.

Your company has been concentrating on consolidation of its assets and liabilities.

Your Company has planned New projects in the media space are being planned for the current year.

ANNEXURE - II

Corporate Governance Report

1) Company's philosophy on Corporate Governance

The Board is committed to adopting best practices for corporate governance in line with SEBI code, in addition to proper compliance of any obligation under any law for the time being in force.

2) Board of Directors:

1.1 Constitution of the Board

The composition of the Board with regard to the number of Executive and Non-Executive Directors meets with the requirements laid down as follows:

Out of the four Directors presently on the Board of the Company, there are two Executive Directors, viz, Mr.Rangavasanth B. Chairman and Managing Director and Mrs.Anita Vasanth, Wholetime Director. There are two Non-Executive Directors, viz. Mr.B.S. Ranga, and Mrs.B.R.Shamala.

However, there are no independent Directors. The Company is on the look out for suitable persons to be considered for independent, non-executive, non-promoter Directors.

Thus, while the company has complied with the requirement that at least half of the Board members should be non-executive Directors, the condition that half of the Board should be independent Directors is to be complied with.

2.2. Meetings:

Meetings of the Board are held as and when the occasion demands and there are important matters to be considered, but at least not later than three months once.

During the year under review, 11 meetings were held by the Board of Directors on 14-07-2009,20-07-2009,14-08-2009,14-09-2009,16-10-2009,30-11-2009,01-01-2010,18-01-2010,09-03-2010,19-04-2010,18-06-2010.

All the Four Directors have attended all the Board meetings as above.

Mr. Rangavasanth. B and Mrs. Anitha Vasanth attended the last AGM held on 29-12-2009.

2.3 Remuneration to Executive Directors:

Particulars	Mr.Rangavasanth B Chairman and Managing Director	Mrs.Anita Vasanth Wholetime Director
1. Salary	--	--
2. Allowances and perquisites	--	--
3. Contribution to P.F., Gratuity and Superannuation Funds	--	--
4. Stock Options	--	--
Total	--	--

In both the above cases, the appointments are for a period of five years from the date of appointment. In view of the loss, both the whole time directors have waived their remuneration for the current year.

No remuneration or sitting fees were paid to the non-executive Directors during the year.

Committees of Directors:

The Board has constituted committees of Directors as follows to deal with matters which need timely decisions.

Share Transfer Committee:

The Board of Directors of the company have constituted a committee of Directors consisting of Mr.Rangavasanth B. Chairman and Managing Director and Mrs. Anita Vasanth, Wholetime Director to approve share transfers from time to time. The committee had met four times during the year.

Investor Grievance Committee:

The Board had constituted an Investor Grievances Committee, to consider the grievances of shareholders / investors regarding share transfers, etc. This committee consists of Mr.Rangavasanth B. Chairman and Managing Director and Mrs.Anitha Vasanth, Director. The Committee met once during the year on 30.06.2010 and disposed of all pending investors complaints. Managing Director is acting as the Compliance Officer at present.

All the complaints received by the company have been redressed as on 30.06.2009 and no complaints are outstanding with the company as on the date of the report.

Audit Committee :

An audit committee was constituted on 18-04-2001 with the following directors as members.

Mr.B.S.Ranga	-	Director
Mr.B.R.Shamala	-	Director
Mr.Rangavasanth B	-	Chairman and Managing Director

During the year, the committee held six meetings. The terms of reference are in accordance with the requirement of clause 49 of the listing agreement and include:

- a) Revision of the Company's financial reporting process and financial statement.
- b) Review of accounting and financial policies and practices.
- c) Review of internal control and internal audit systems.
- d) Discussion with the internal and external auditors
- e) Reviewing company's financial and risk management policies.

Remuneration Committee:

The company has constituted a Remuneration Committee with the following Directors:

1. Mrs. B.R. Shamala - Chairman
2. Mrs. Anitha Vasanth

The brief terms of reference include:

- a) to determine on behalf of the Board the company's policy on specific remuneration package to executive directors.
- b) To avoid conflict of interest and to review and suggest to the Board and to the members the remuneration payable to the executive directors.

During the year, there were no meetings of the Remuneration Committee as there was no remuneration to the directors during the year.

General Body Meetings:

Location and time for the last four Annual General Meetings:

<u>Year</u>	<u>Location</u>	<u>Date of meeting</u>	<u>Time</u>
2005-2006 (15 months)	Ae Hall, KSCA Club House, No. M.G.Road, Bangalore 560 001.	29.12.2006	09.00 a.m.
2006-2007 (15 months)	Ae Hall, KSCA Club House, No. M.G.Road, Bangalore 560 001.	27.12.2007	09.00 a.m.
2007-2008 (15 months)	Ae Hall, KSCA Club House, No. M.G.Road, Bangalore 560 001.	27.01.2009	09.00 a.m.
2008-2009 (15 months)	Ae Hall, KSCA Club House, No. M.G.Road, Bangalore 560 001.	29.12.2009	09.00 a.m.

Disclosures :

Income:

Lease rental received – Rs 20,66,400 (previous year – Rs.20,22,300/-)

Expenses:

Project operation cost Rs.2,56,90,820 (Previous year Rs. 3,08,98,228/-)

(ii) Remuneration Paid to Key Management Personnel:

(a) Mr. Ranga Vasanth (Managing Director) : Remuneration has been waived off since the company is incurring losses.

(b) Mrs. Anitha Vasanth (Whole-time Director) : Remuneration has been waived off since the company is incurring losses

Disclosures regarding certain non-compliance.

There were no instances of non-compliance or penalty, stricture imposed on the company by the Stock Exchange or SEBI or any other statutory authorities on any matters related to Capital markets, during the last three years.

Means of communication:

The quarterly results of the company were furnished to the Stock Exchanges as required and were also published in the newspaper.

SHAREHOLDERS INFORMATION

Registered Office	:	44/1 old No 110, K H Road Bangalore – 560 027
Compliance Officer	:	Mr.B.Rangavasanth. Chairman& Managing Director
Annual General Meeting:	Date & Time	: Thursday, 30 th December 2010 at 09.00 a.m.
	Venue	: AC Hall, KSCA Club House, No.1, MG Road, Bangalore – 560 001
Book Closure Dates	:	-NIL-
Stock Exchange Listing:		The company's shares are listed on the Bombay Stock Exchange Ltd, Mumbai and the Bangalore Stock Exchange Ltd.
Stock code	:	526441 – BSE

Stock Market data : There was no trading in our shares on the Bangalore Stock Exchange. Trading in the equity shares of the Company that was suspended on the BSE, resumed trading from March 2010.

Registrars and Transfer Agents:

The Company's Registrars and Transfer Agents for both demat and physical, are M/s Integrated enterprises (India) Ltd (formerly known as M/s.Alpha system Private Limited), # 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560 003.

Share Transfer system:

Share transfer requests received in physical form are approved and returned within 15 days from the date of receipt. Demat requests are also normally confirmed within 15 days from the date of receipt.

Shareholding pattern as on 30-06-2010

<u>Particulars</u>	<u>No. of shares held</u>	<u>% to total</u>
NRI / OBCs	--	--
Mutual funds	--	--
Banks	105000	0.30
Other companies	3627864	10.27
Directors & relatives	7333044	20.73
Public	24305292	68.70
Total -	35371200	100.00

Distribution of shareholding as on 30-06-2010

Shares or Debentures holding		Share/Debenture holders			Share/Debenture holders	
		No. Members	No. of Shares	% to Total	In Rs.	% to Total
Up to	5000	5550	6534310	18.47%	6534310	18.47%
5001	to10000	450	3252246	9.19%	3252246	9.19%
10001	to20000	268	3841662	10.86%	3841662	10.86%
20001	to30000	89	2158963	6.10%	2158963	6.10%
30001	to40000	19	656724	1.86%	656724	1.86%
40001	to50000	31	1384363	3.91%	1384363	3.91%
50001	to100000	42	2706883	7.66%	2706883	7.66%
100001	& above	46	14836049	41.95%	14836049	41.95%
TOTAL		6495	35371200	100.00%	35371200	100.00%

Dematerialization of shares as on 30-06-2010

Out of the total number of shares, 30774684 shares have been dematerialized as on 30-06-2010. This accounts for 87.02% of the equity share capital of the company.

Plant location : 44/1 old No.110, K.H.Road
Bangalore – 560 027

Investor correspondence : All correspondences by investors may be addressed to :
VISION TECHNOLOGY INDIA LTD
Share Department
No.110, K.H.Road
Bangalore – 560 027
Tel : 080 - 22221074/22228227
Fax : 080 - 22221074
Email : visiontechindia@yahoo.com

Nomination

Individual shareholders can avail of the nomination facilities, as provided in Sec.109A of the Companies Act. For your information, a copy of the prescribed nomination form in Form No.2B is enclosed.

Shareholders may please note that transfer of shares in favour of the nominee on production of the death certificate of the deceased shareholders will be a valid discharge by the company.

The nomination made by a shareholder can be changed or cancelled by giving due notice to the company. The nomination shall also stand rescinded upon transfer of shares by the shareholder.

ANNEXURE TO DIRECTORS' REPORT - COMPLIANCE CERTIFICATE OF
CORPORATE GOVERNANCE

Auditors certificate on compliance with Mandatory recommendations of
Kumar Mangalam Birla Committee Report on Corporate Governance.

We have examined the relevant records of Vision Technology India Ltd (the company) for the year ended 30th June of 2010 relating to compliance with the requirements of corporate governance as contained in the Kumar Mangalam Birla committee Report and state that in our opinion and to the best of our knowledge and according to the information and explanations given to us, the company has complied with the mandatory requirements contained in the aforesaid report and as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange subject to the following observations:

Board of Directors

The company has four directors inclusive of an Executive Chairman. The company has no independent Director, while the listing agreement specifies that at least half of the board should comprise of independent Directors.

Audit committee

The Audit Committee does not contain independent Directors. An Executive Director is a part of the audit Committee. The audit committee has met six times during the reporting year. The role of the audit committee needs to be strengthened considering the size and nature of operations of the company.

For S.Janardhan & Associates

Chartered Accountants,
Registration No. 0053105

Sd/-

VIJAY BHATIA

Partner

Membership No.201862

Place: Bangalore

Date: 25/11/2010

AUDITOR'S REPORT

To
The Members of
Vision Technology India Limited

We have audited the attached Balance Sheet of Vision Technology India Limited as at 30th June 2010 and the Profit and Loss Account for the year ended on that date and also the cash flow statement of the of the Company 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 our opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those 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.

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors Report) 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 paragraphs 4 and 5 of the said Order.
2. We draw attention to:
 - The amounts recoverable from Vasanth Color Laboratories Limited, which are doubtful. Further the company has not provided for the same, hence the Loss is understated by Rs. 4,78,46,889/- with respect to Loans and Advances.
3. Further to our comments in the Annexure referred to in Para 1 and also Para 2 above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance , Profit and Loss Account and Cash Flow Statement dealt with by this report have been prepared in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors, as on 30th June 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30th June 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

- f) In our opinion, and according to the best of our information and according to the explanations given to us, the said accounts read with the Accounting Policies and Notes thereon in Schedule 28, give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:
- a) In the case of Balance Sheet, of the state of affairs of the company as at 30th June 2010,
 - b) In the case of Profit and Loss Account, of the profit for the period ended on that date, and
 - c) In the case of Cash Flow Statement, of the cash flows for the period ended on that date.

For S.JANARDHAN & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No. 0053105

Place: Bangalore
Date: 25.11.2010

Sd/-
(VIJAY BHATIA)
PARTNER
Membership No.201862

ANNEXURE

Re: M/s. VISION TECHNOLOGY INDIA LIMITED, Bangalore

(Referred to in paragraph 3 of our report of even date)

- i)
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As per the information and explanations given to us, fixed assets have not been physically verified by the management during the year.
 - c) The Company has not disposed off any fixed assets during the year and hence provisions of this clause are not applicable to the Company.
- ii) The company has not held any inventory at any time during the year and hence in our opinion, the provisions of Clause 4 (ii) (a), (b) and (c) of the said order are not applicable to the company.
- iii)
 - a) The company has not granted/taken any loans secured/unsecured from/to the company, firms, other parties covered in the register maintained under the Section 301 of the Companies Act 1956.
- iv) In our opinion and according to the information and explanations given to us, the internal control should be further strengthened in order to be commensurate with the size of the company and the nature of its business with regard to purchase of plant & machinery, equipment and other assets if any. However, on the basis of our examination and information and according to the explanations given to us, we have neither come across, nor have we been informed of any instance of major weaknesses and continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- v)
 - a) According to the information and explanations given to us, we are of the opinion that all the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b) In respect of each of the transactions exceeding the value of five lakhs rupees in respect of any party in the financial year under review made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, they have been made at prices which are reasonable with regard to the prevailing market prices at the relevant time.
- vi) The company has not accepted any deposit from the public and as such the provisions of paragraph 4(vi) of the said Order are not applicable.
- vii) In our opinion the company has an internal audit system commensurate with the nature and size of business.
- viii) The Central Government has not prescribed the maintenance of cost records as required under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.

- ix)
- a) According to the information and explanations given to us and on the basis of our examination of books of accounts, the company has not been regular in depositing with appropriate authorities any undisputed statutory dues including, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Customs duty, Excise Duty, Cess and other material statutory dues applicable to the company. Following are the Statutory Dues which are outstanding for a period of more than Six Months from the date they became payable:
- a) Tax Deducted At Source Rs. 2,20,768/-
 - b) Service Tax Rs. 11,02,845/-
 - c) Profession Tax Rs. 53,405/-
 - d) VAT Rs. 82,229/-
- b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty Wealth Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- x) in our opinion, the Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth and it has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xi) According to information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence provisions of this clause is not applicable.
- xii) According to information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society.
- xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures, and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to information and explanations given to us, in our opinion, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi) In our opinion, the company has not raised any term loans during the year. Accordingly, the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) During the year, the company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) During the year, the company has not issued any debentures.
- xx) The Company has not raised any money by public issues during the year and hence, the provisions of paragraph 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

xxi) During the course of our examination of the books of account carried out in accordance with the generally accepted accounting practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For S.JANARDHAN & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No. 005310S

Place: Bangalore
Date: 25.11.2010

Sd/-
(VIJAY BHATIA)
PARTNER
Membership No.201862

VISION TECHNOLOGY INDIA LIMITED (AND REDUCED)

BALANCE SHEET AS AT 30TH JUNE, 2010

PARTICULARS		SCH No	CURRENT YEAR 30-06-2010 AMOUNT (₹)	PREVIOUS YEAR 30-06-2009 AMOUNT (₹)
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Capital		1	43,467,450	43,467,450
Reserves & Surplus		2	55,124	55,124
TOTAL	"A"		43,522,574	43,522,574
LOAN FUNDS				
Secured Loans			Nil	Nil
Unsecured Loans		3	178,577	Nil
TOTAL	"B"		178,577	Nil
GRAND TOTAL	"C=A+B"		43,701,151	43,522,574
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block		4	53,394,753	53,394,753
Less : Depreciation			41,969,599	39,871,605
Net Block	"D"		11,425,154	13,523,148
CURRENT ASSETS, LOANS & ADVANCES				
Inventories			Nil	Nil
Sundry Debtors			Nil	Nil
Cash & Bank Balances		5	84,312	82,259
Other Current Assets			Nil	Nil
Loans and Advances		6	48,724,166	23,540,947
TOTAL	"E"		48,808,478	23,623,206
LESS: CURRENT LIABILITIES & PROVISIONS				
Current Liabilities		7	23,381,415	1,622,032
Provisions		8	447,128	239,128
TOTAL	"F"		23,828,543	1,861,160
NET CURRENT ASSETS	"G=E-F"		24,979,935	21,762,046
MISCELLANESOUS EXPENDITURE (To the extent not Written off or adjusted)				
PROFIT AND LOSS ACCOUNT	"H"	9	7,296,061	8,237,380
GRAND TOTAL	"D+G+H"		43,701,151	43,522,574
NOTES ON ACCOUNTS SIGNIFICANT POLICIES		16		

THE SCHEDULES REFERED TO ABOVE FORM AN INTEGRAL PART OF BALANCE SHEET FOR VISION TECHNOLOGY INDIA LIMITED

"SUBJECT TO OUR REPORT ON EVEN DATE"
FOR S.JANARDHAN & ASSOCIATES
CHARTERED ACCOUNTANTS
REGISTRATION No. 0053105

sd/-
(RANGAVASANTH.B)
MANAGING DIRECTOR

sd/-
(ANITHA VASANTH)
DIRECTOR

sd/-
(VIJAY BHATIA)
PARTNER
MEMBERSHIP NO : 201862

PLACE: BANGALORE
DATE: 25.11.2010

PLACE: BANGALORE
DATE: 25.11.2010

VISION TECHNOLOGY INDIA LIMITED (AND REDUCED)
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 30TH JUNE, 2010

PARTICULARS	SCH No	CURRENT YEAR 30-06-2010 AMOUNT (₹)	PREVIOUS YEAR 30-06-2009 AMOUNT (₹)
I. INCOME			
Sales		NIL	NIL
Project Management Revenue	10	25,690,820	30,898,228
Other Income	11	2,066,400	2,092,886
		27,757,220	32,991,114
II. EXPENDITURE			
Material Purchased		NIL	NIL
Project Expenses	12	22,731,417	28,519,753
Production Expenses	13	Nil	11,030
Manpower Costs	14	187,815	141,470
Administration Expenses	15	1,590,676	1,104,817
Depreciation		2,097,994	2,097,993
		26,607,902	31,875,063
PROFIT FOR THE YEAR (I-II)		1,149,318	1,116,051
Profit Before Tax			
Less : Provision for-			
(a) Income Tax			
- Current Year		208,000	132,000
(b) Fringe Benefit Tax			4,870
NET PROFIT FOR THE YEAR		941,318	979,181
Add: Balance brought forward from previous years		8,237,380	9,216,561
BALANCE CARRIED FORWARD TO BALANCE SHEET		7,296,061	8,237,380
Notes forming part of the accounts & significant accounting policies	16		
<i>Weighted Average Number of Equity Shares</i> (Equity Shares par value of Rs.1/- each)		35,371,200	35,371,200
<i>Basic/ Diluted Earnings Per Share</i>		0.03	0.03

THE SCHEDULES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE PROFIT AND LOSS ACCOUNT FOR VISION TECHNOLOGY INDIA LIMITED

"SUBJECT TO OUR REPORT OF EVEN DATE"
FOR S. JANARDHAN & ASSOCIATES
CHARTERED ACCOUNTANTS
REGISTRATION No. 005310S

sd/-
(RANGAVASANTH.B)
MANAGING DIRECTOR

sd/-
(ANITHA VASANTH)
DIRECTOR

PLACE: BANGALORE
DATE: 25.11.2010

sd/-
(VIJAY BHATIA)
PARTNER

PLACE: BANGALORE
DATE: 25.11.2010

Vision Technology India Limited (And Reduced)
SCHEDULE FOR DEPRECIATION ON FIXED ASSETS FORMING PART OF THE BALANCE SHEET

SCHEDULE - 4

Particulars	Depr Rate	GROSS BLOCK		DEPRECIATION			NET BLOCK	
		Opening Balance As at 01.07.09	Closing Balance As at 30.06.2010	Opening Balance As at 01.07.09	Depreciation for the Year	Closing Balance As at 30.06.2010	As at 30.06.2010	As at 30.06.2009
BUILDINGS	3.34%	10,934,127	10,934,127	5,204,225	365,200	5,569,425	5,364,702	5,729,902
PLANT & MACHINERY	7.07%	4,722,651	4,722,651	2,967,019	333,891	3,300,910	1,421,741	1,755,632
PLANT & MACHINERY	4.75%	21,283,056	21,283,056	17,210,071	1,010,945	18,221,016	3,062,040	4,072,985
OFFICE EQUIPMENTS	4.75%	1,252,773	1,252,773	569,330	59,507	628,837	623,936	683,443
COMPUTERS	16.21%	10,898,950	10,898,950	10,898,950	Nil	10,898,950	Nil	Nil
FURNITURE AND FIXTURES	6.33%	2,525,582	2,525,582	1,452,059	159,869	1,611,928	913,654	1,073,523
VEHICLES	9.50%	1,774,552	1,774,552	1,566,888	168,582	1,735,470	39,082	207,664
VEHICLES	7.07%	3,062	3,062	3,062	Nil	3,062	Nil	Nil
TOTAL		53,394,753	53,394,753	39,871,605	2,097,994	41,969,599	11,425,154	13,523,148
PREVIOUS YEARS FIGURES		53,394,753	53,394,753	37,773,612	2,097,993	39,871,605	13,523,148	15,621,141

VISION TECHNOLOGY INDIA LIMITED (AND REDUCED)
SCHEDULES TO BALANCE SHEET AS AT 30TH JUNE, 2010

PARTICULARS	CURRENT YEAR 30-06-2010 AMOUNT (')	PREVIOUS YEAR 30-06-2009 AMOUNT (')
SCHEDULE: 1 SHARE CAPITAL		
AUTHORISED (1,50,00,000 Equity Shares of Rs.10/- each)	150,000,000	150,000,000
ISSUED SUBSCRIBED AND PAID UP		
1,17,90,400 Equity Shares of Rs.10/- each Fully paid up	117,904,000	117,904,000
Less: Reduction in Share Capital As per Court Order	82,532,800	82,532,800
3,53,71,200 Equity Shares of Re.1/- each (Previous Year -1,17,90,400 Eq. Shares of Rs.10/- each)	35,371,200	35,371,200
Add: Forfeiture Share Account	8,096,250	8,096,250
	43,467,450	43,467,450
SCHEDULE: 2 RESERVES AND SURPLUS		
Capital Reserve (arising out of reduction in capital as per court order)	55,124	55,124
	55,124	55,124
SCHEDULE: 3 UNSECURED LOANS		
From Directors	178,577	Nil
	178,577	Nil
SCHEDULE: 5 CASH AND BANK BALANCES		
Cash in hand	72,544	72,544
<i>Balance with Scheduled Banks</i> in Current Accounts	11,768	9,715
	84,312	82,259
SCHEDULE: 6 LOANS AND ADVANCES (Unsecured, Considered Good)		
Advances recoverable in cash or in kind for value to be received	48,724,166	23,540,947
	48,724,166	23,540,947
SCHEDULE: 7 CURRENT LIABILITIES		
Sundry Creditors		
(i) Total Outstanding dues of Small, Micro and Medium Enterprises	Nil	Nil
(ii) Total Outstanding dues of creditors other than Small, Micro and Medium Enterprises (Refer Note no 5 of Notes on Accounts)	23,362,827	1,603,444
(iii) Balance due to Schedule Banks in Current Account	18,588	18,588
	23,381,415	1,622,032
SCHEDULE: 8 PROVISIONS		
For Fringe Benefit Tax	25,728	25,728
For Income Tax	421,400	213,400
	447,128	239,128

VISION TECHNOLOGY INDIA LIMITED (AND REDUCED)
SCHEDULES TO BALANCE SHEET AS AT 30TH JUNE, 2010

PARTICULARS	CURRENT YEAR 30-06-2010 AMOUNT (')	PREVIOUS YEAR 30-06-2009 AMOUNT (')
SCHEDULE: 9 PROFIT AND LOSS ACCOUNT Profit And Loss Account	7,296,061	8,237,380
	7,296,061	8,237,380

ON BEHALF OF BOARD OF DIRECTORS
FOR VISION TECHNOLOGY INDIA LIMITED

sd/-
(RANGAVASANTH.B)
MANAGING DIRECTOR

sd/-
(ANITHA VASANTH)
DIRECTOR

PLACE: BANGALORE
DATE: 25.11.2010

"SUBJECT TO OUR REPORT OF EVEN DATE"
FOR S.JANARDHAN & ASSOCIATES
CHARTERED ACCOUNTANTS
REGISTRATION No. 0053105

sd/-
(VIJAY BHATIA)
PARTNER

PLACE: BANGALORE
DATE: 25.11.2010

Vision Technology India Limited (And Reduced)
Schedules forming part of Profit and Loss Account for the year ended 30th June 2010

Particulars	30.06.2010	30.06.2009
	AMOUNT (₹)	AMOUNT (₹)
Schedule 10		
Project Revenue	24,467,448	28,519,753
Management Fee	1,223,372	2,378,475
	25,690,820	30,898,228
Schedule 11		
Other Income		
Service Tax Deposit Refunded	Nil	70,586
Lease Rentals Earned	2,066,400	2,022,300
	2,066,400	2,092,886
Schedule 12		
Subcontract Charges		
Project Operation Costs	22,731,417	28,519,753
Project Operation Fees	Nil	Nil
	22,731,417	28,519,753
Schedule 13		
Production Expenses		
Processing Charges	Nil	11,030
	Nil	11,030
Schedule 14		
Manpower Costs		
Salaries & Wages	187,815	141,470
	187,815	141,470
Schedule 15		
Administration Expenses		
Audit Fees	44,120	44,120
Communication Expenses	32,086	19,726
Miscellaneous Expenses	154,293	232,825
Interest on Car Loan	Nil	39,581
Professional Charges	141,015	153,321
Travel Expenses	147,363	Nil
Penalties	530,000	Nil
Custodial Fees and Maintainance Charges	71,778	Nil
Rates & Taxes	106,556	241,528
Rent	356,400	356,400
Repairs & Maintenance	7,065	17,316
	1,590,676	1,104,817

ON BEHALF OF BOARD OF DIRECTORS
FOR VISION TECHNOLOGY INDIA LIMITED

sd/-
(RANGAVASANTH.B)
MANAGING DIRECTOR

sd/-
(ANITHA VASANTH)
DIRECTOR

PLACE: BANGALORE
DATE: 25.11.2010

"SUBJECT TO OUR REPORT OF EVEN DATE"
FOR S.JANARDHAN & ASSOCIATES
CHARTERED ACCOUNTANTS
REGISTRATION No. 0053105

sd/-
(VIJAY BHATIA)
PARTNER

PLACE: BANGALORE
DATE: 25.11.2010

SCHEDULE - 18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

Significant Accounting Policies:

The financial statements are prepared on the accrual basis of accounting and in accordance with the applicable mandatory Accounting Standards and the relevant provisions of the Companies Act 1956.

(a) Fixed assets and depreciation:

- I. Fixed assets are stated at cost less accumulated depreciation.
- II. The Company capitalizes all costs relating to the acquisition and installation of fixed assets:
- III. Depreciation on fixed assets is calculated based on straight-line method, prorata to the period of use of assets in the manner specified in Schedule XIV to the Companies Act, 1956, at the rates prescribed there in.

(b) Retirement Benefits:

Provident Fund & Employee State Insurance - The Company has not made any contributions towards such funds, as the provisions of the said act are not applicable.

Gratuity - The Company has not made provision for Gratuity as none of the employees currently employed with the company have met the criteria as defined under the Gratuity Act of 1972.

Leave Encashment - The Company does not have any policy for encashment of leave. Hence the company has not made any provision for leave encashment.

(c) Inventories:

The Company has not carried any stock during and as at the end of the year and hence the question of valuation of inventories does not arise.

Earnings Per Share:

i. Basic Earnings per share is calculated by dividing the net earning available to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year.

ii. Diluted Earnings per share is calculated by dividing the net earnings available to existing and potential Equity Shareholders by aggregate of the weighted average number of Equity Shares considered for deriving basic earnings per share.

(d) Income Recognition:

Screening Income:

In cases where the Company has a formal contract with the advertiser or advertising agency, revenue is recognized as specified in the contract.

In other cases, revenue is recognized after completion of screening of related advertisement.

Project Management/Development Income:

Income is recognized as and when the bill is raised.

(e) Deferred Taxes:

The net result of the deferred tax is the Deferred Tax Asset. However, Deferred Tax Assets are not recognized on the unabsorbed business and depreciation losses as the company is not reasonably certain that there will be a sufficient future taxable business income to recover such losses.

(f) Cash Flow Statement :

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and the changes during the period in inventories and operating receivables and payables. The cash flows from regular revenue generating, investing and financing activities of the Company are shown separately.

(g) Impairment of Assets:

The Company assessed its fixed assets for impairment as at 30th June, 2010 and concluded that there has been no significant impaired fixed asset that needs to be recognized in the books of account.

NOTES TO ACCOUNTS:

1 Sundry Debtors and Loans & Advances:

- i) Balances in certain Sundry Debtors, Creditors, Loans and advances are subject to confirmation.
- ii) All Current Assets, Loans and advances, have at least the value as stated in the Balance Sheet if realized in the ordinary course of the Business.
- iii) There is an outstanding balance to the tune of Rs. 4,78,46,889/- in Loans and Advances due from M/s Vasanth Color Laboratories Limited, a company in which directors are interested. The management has a perception that this amount is recoverable and ensures that the same need not be written off.

2 The information required by Paras 3 and 4 of Part II of Schedule VI of the Companies Act, 1956 is as under:

- Quantitative Details of Raw Films :

Opening Stock: NIL

Purchased: NIL

Consumed: NIL

Closing Stock: NIL

- Administrative cost includes remuneration to auditors as follows:

Nature of Payment	Year Ending 30.06.2010	Year Ending 30.06.2009
Statutory Audit Fees	44,120	44,120
Other matters	Nil	Nil

3 Earnings per Share

The following table reflects the income and share data used in the computation of Basic \Diluted Earnings per Share.

	30.06.2010 Rs.	30.06.2009 Rs.
Net Profit after Taxes (in Rs.)	9,41,318	979,181
Weighted average number of Equity shares (In Nos.)	35,371,200	35,371,200
Basic\Diluted Earnings per Share (in Rs.)	0.03	0.03

4 Related Party Transactions:

a) Key Managerial Personnel

Name of the Employee	Designation
Ranga Vasanth	Managing Director
Anitha Vasanth	Director

b) Other Related Parties: Vasanth Colour Laboratories Limited and Pyramid Entertainment Private Ltd

Income from Vasanth Colour Laboratories Limited

- I. Lease rental received - Rs. 20,66,400/- (Previous Year: Rs.20,22,300/-)
- II. Project Revenue - Rs. 2,56,90,820/- (Previous Year: Rs. 3,08,98,228/-)

5 In the absence of information with the Company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the information under the said act could not be compiled and disclosed.

6 There are no amounts outstanding to any small scale industries during the year as identified by the company.

7 Previous year figures have been presented on a comparative and consistent basis and regrouped where appropriate/practicable.

Signature to Notes to Accounts and Significant Accounting Policies

For S.JANARDHAN & ASSOCIATES
Chartered Accountants
Registration No. 0053105

For and on behalf of the Board

Sd/-
VIJAY BHATIA
Partner
Membership No. 201862
Place: Bangalore
Date: 25.11.2010

Sd/-
B Rangavasanth
Managing Director

Sd/-
Anitha Vasanth
Director

VISION TECHNOLOGY INDIA LIMITED (AND REDUCED)
CASH FLOW STATEMENT FOR THE YEAR ENDED 30th June 2010

	PARTICULARS	For the year ended 30th June, 2010	For the year ended 30th June, 2009
A.	CASH FLOWS FROM OPERATING ACTIVITIES		
	Net profit before tax and extraordinary items	1,149,318	1,116,051
	Adjustment for:		
	Add: Depreciation for the year	2,097,994	2,097,993
		3,247,312	3,214,044
	LESS: Interest earned		
	Lease rentals	2,066,400	2,022,300
	Service Tax Deposit Refunded		70,586
	Operating profit before working capital changes	1,180,912	1,121,158
	Adjustment for:		
	Trade and other receivables		
	Loans and advances	(25,183,219)	(3,157,788)
	Trade and other payables	21,759,383	75,791
	Cash generated from operations	(2,242,924)	(1,960,839)
	Income Tax	(208,000)	(132,000)
	Fringe Benefit Tax		(4,870)
	Cash from Operations before Extraordinary Items	(2,242,924)	(2,097,709)
	Add : Service Tax Deposit Refunded		70,586
	Net cash from operating activities - A	(2,242,924)	(2,027,123)
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Interest Earned		
	Lease rentals	2,066,400	2,022,300
	Net cash from Investing activities - B	2,066,400	2,022,300
C.	CASH FLOWS FROM FINANCING ACTIVITIES:		
	Loan funds (net)	178,577	Nil
	Net cash from financing activities	178,577	Nil
D.	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	2,053	(4,823)
	Cash and cash equivalents at beginning of period (Note -1)	82,259	87,082
	Cash and cash equivalents at end of period (Note -1)	84,312	82,259

NOTES:

- 1 Cash and Cash equivalents consist of cash on hand and balances with banks.
- 2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard on Cash Flow Statement (AS 3) issued by the Institute of Chartered Accountants of India.
- 3 Previous Period's figures have been re-arranged and/or regrouped wherever necessary.

FOR AND ON BEHALF OF VISION TECHNOLOGY INDIA LIMITED

"SUBJECT TO OUR REPORT ON EVEN DATE"
FOR S JANARDHAN & ASSOCIATES

(RANGAVASANTH,B)
MANAGING DIRECTOR

(VIJAY BHATIA)
PARTNER
MEMBERSHIP NO. 201862

(ANITHA VASANTH)
DIRECTOR

PLACE : BANGALORE
DATE: 25.11.2010

VISION TECHNOLOGY INDIA LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
(In Rupees Thousands)

1 Registration Details

Registration No. 132662 State Code.

Balance Sheet Date 30.06.2010

2 Capital raised during the year (Amount in Rs. Thousands)

Public Issue	Right Issue
0	0
Bonus Issue	Private Placement
0	0

3 Position of mobilisation and deployment of fund
(Amount in Rs. Thousands)

Total Liabilities	Total Assets
43522.57	43522.57

Sources of funds

Paid-up Capital	Reserves and Surplus
43467.45	55.12411

Secured Loan	Unsecured Loan
0	0.

Application of funds

Net Fixed Assets	Investments
11425	Nil

Net Current Assets	Miscellaneous Expenditure
24980	0

Accumulated Losses

7296

4 Performance of company (Amount in Rs. Thousands)

Turnover 27757	Total Expenditure 26608
Profit before tax 1149	Profit after tax 941

(Please tick appropriate box + for profit - for loss)

Earnings per share in Rs. 0.03	Dividend 0
-----------------------------------	---------------

5 Generic name of three principal products/services of company
(as per monetary terms)

i) Item Code No (ITC Code)
NA

Product Description
Film Processing ,Lab Activities, Audio Rights Acquisition, Recording & Sales Activities

ii) Item Code No (ITC Code)
NA

Product Description
Advertisement / Screening / Mobile Publicity Activities

As per Our Report of Even date
for S.JANARDHAN & ASSOCIATES
Chartered Accountants

Sd/-
(Vijay Bhatia)
Partner
Membership No. 201862

Place : Bangalore
Date :25.11.2010

For and on behalf of the Board

Sd/-
(Rangavasanth B)
Managing Director

Sd/-
(Anitha Vasanth)
Director

VISION TECHNOLOGY INDIA LTD
Regd. Office: # 110, K.H.Road, Bangalore – 27

ATTENDANCE SLIP

(Please fill in this slip and hand it over at the entrance of the meeting venue)

Name of the Member.....FolioNo / DP &
Client ID No Address of member.....
.....
.....

Name of the Proxy holder.....
Number of Shares.....

I hereby record my presence at the 16th Annual General Meeting of the members of Vision Technology India Limited being held at AC Hall KSCA Club House No.1 M.G.Road, Banagalore 560 001 on Thursday the 30th December 2010 at 9.00 a.m.

Signature of the Member or
Signature of the Proxy Holder.....

VISION TECHNOLOGY INDIA LTD
Regd. Office: # 110, K.H.Road, Bangalore – 27

PROXY FORM

Name of the Member.....Folio
No..... No of Shares
held.....
I/We.....

being a Member/Members of **VISION TECHNOLOGY INDIA LIMITED** hereby
appoint...Mr/Ms.....
.....failing him/her.....

Mr/Ms.....as my/our
Proxy to attend for me/us and vote on my/our behalf at the adjourned Fifteenth Annual General Meeting of the members of **VISION TECHNOLOGY INDIA LIMITED** to be held at AC Hall KSCA Club House No.1 M.G.Road, Banagalore 560 001 on Thursday the 30th December 2010 at 9.00 a.m.

Signed this.....day
of.....2010.
Reg.Folio No.....
No.of Shares held.....

Note: The proxy must be signed, in case of joint holding by all the joint holders. The proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the Scheduled time for the commencement of the aforesaid Annual General Meeting. The Proxy need not be a member of the Company.

FORM 2 B

(See rules 4CC and 5D)

NOMINATION FORM

(to be filled in by individual applying singly or jointly)
(if jointly, only upto two persons)

I/We.....and
.....the
holder/s of shares bearing number(s).....of M/s Vision
Technology India Limited, wish to make a nomination and do hereby nominate the
following person in whom all rights of transfer and/or amount payable in respect of
shares shall vest in the event of my/our death.

Name and Address of Nominee:

Name

Address

.....

.....

.....

Date of birth*

.....

(* to be furnished in case the nominee is a minor)

** The nominee is a minor whose guardian is

NameandAddress

.....

.....

(** to be deleted if not applicable)

Signatureofthe firs holder:.....

Name

.....

Signatureofthe second holder:.....

Name

.....

Address

.....

Date:

Signature of two witness

Signature with date

Name and Address

1.

2.