

23rd Annual Report 2011-12



Visesh Infotecnics Limited

CHAIRMAN’S MESSAGE

“We are focussed on providing our customers with solutions that actually solve their business issues and assist their growth through innovative application of technology and information management in an easy-to-use manner”

– *Mr. Peeyush Aggarwal*

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BOARD OF DIRECTORS

Mr. Peeyush Aggarwal	Chairman
Mr. Sunil Kumar Jain	Director
Mr. S.N. Sharma	Director
Mr. Adesh Jain	Director
Mr. Vipin Garg	Director
Mr. Karun Jain	Executive Director

COMPANY SECRETARY

Ms. Rita Dedhwal

STATUTORY AUDITORS

M/s RMA & ASSOCIATES
CHARTERED ACCOUNTANTS
48, First Floor, Hasanpur,
I.P. Extension
Delhi – 110 092,
Ph. No. 011-45261214
Email: pankajchanderca@gmail.com

BANKERS

ALLAHABAD BANK
DBS BANK
BARCLAYS BANK
ICICI BANK

REGISTERED & CORPORATE OFFICE

508, Arunachal Building,
19, Barakhamba Road, Connaught Place
New Delhi-110001
Fax: 011-47613399
Phone No.:011-47613300
E-mail: info@viseshinfo.com
Website: www.viseshinfo.com

SUBSIDIARIES:

- 1. Axis Convergence Inc, Mauritius**
Level 2, MaxCity Building, Remy Ollier Street,
Port Louis, Mauritius.
- 2. Greenwire Network Ltd., Hongkong**
Block A, 15/F Hillier Commercial Building, 65-67
Bonham Strand East, SheungWan, Hongkong.
- 3. Opentec Thai Network Specialists Ltd, Thailand**
8/5 Sukhumvit 28 Klongton, Bangkok, Thailand.

BRANCH OFFICES

NOIDA

Omkam House, B-55, Sector-65
Noida-201301, U.P.

BANGALORE

325, 3rd Floor, CMH Road, Indiranagar,
Bangalore – 560 038. Karnataka
E-Mail: bangalore@viseshinfo.com

MUMBAI

102, Emerald Isle, Taluka Andheri,
Aarey Milk Colony,
Goregaon (East) Mumbai – 400 065.
E-Mail: mumbai@viseshinfo.com

GURGAON

B 20-21 Sector-18, Electronics City,
Hartron, Gurgaon (Haryana) 122 016
Email : gurgaon@viseshinfo.com

Kolkata

150, Jodhpur Park,
Kolkata-700068, West Bengal



NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Company will be held on Saturday, 29th day of September 2012 at 10.00 A.M. at the Auditorium at Bipin Chandra Pal Memorial Trust, A-81, Chittranjan Park, New Delhi-110019, to transact the following business as:

ORDINARY BUSINESS

1. To consider and adopt the audited balance sheet of the Company as at 31st March, 2012 and the audited profit & loss account for the period ended as on that date along with consolidated financial accounts and the report of Auditor's and Directors' thereon.
2. To appoint a director in place of Mr. Peeyush Aggarwal who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Sunil Kumar Jain, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint statutory auditors and to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

“**RESOLVED THAT** M/s RMA & Associates, Chartered Accountants, New Delhi, Company's retiring statutory auditors, being eligible and offering themselves for reappointment, be and are hereby appointed as the Statutory Auditors of the Company to hold the office until the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS

5. Appointment of Mr.Vipin Garg as a Whole Time Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of section 198, 269, 309, 311 and 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956 and all guidelines for managerial remuneration issued by the Central Government from time to time and such other consents and approvals as may be required, consent of the Company be and is hereby accorded for the appointment of Mr. Vipin Garg as a Whole Time Director of the Company, with substantial powers of the management to be exercised by him for a period of five years w.e.f. 14.08.2012 on the terms and conditions as set out in the agreement submitted in the meeting and for identification initialed by the chairman thereof, which includes payment of remuneration on the terms and conditions not exceeding the limits specified under Schedule XIII of the Companies Act 1956 or any statutory modification or re enactment thereof.”

6. Increase in Authorised Capital of the Company.

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

“**RESOLVED THAT** pursuant to provisions of section 94(1)(a) of the Companies Act, 1956 and other applicable provisions if any, the Authorised Share Capital of the Company be and is hereby increased from Rs. 287,45,000,00/- (Rupees Two Hundred Eighty Seven Crores and Forty Five Lacs) divided into 287450000 (Twenty Eight Crores Seventy Four Lacs Fifty Thousand) equity shares of Rs. 10/- each, to Rs. 343,13,50,000/- (Rupees Three Hundred Forty Three Crores Thirteen Lacs Fifty Thousand), divided into 34,31,35,000 (Thirty Four Crores Thirty One Lacs and Thirty Five Thousand) equity shares of Rs. 10/- each.

FURTHER RESOLVED THAT, Clause V of the Memorandum of Association of the Company as to Share Capital be and is hereby amended by substituting in its place the following clause:

“The Authorized Share Capital of the Company is Rs. 343,13,50,000/- (Rupees Three Hundred Forty Three Crores Thirteen Lacs Fifty Thousand), divided into 34,31,35,000 (Thirty Four Crores Thirty One Lacs and Thirty Five Thousand) equity shares of Rs. 10/- each.”



7. Change in name of the Company.

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

“RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 and subject to the approval of the Central Government, the Members of the Company hereby accord their approval for changing the name of the Company from ‘Vivesh Infotecnics Limited’ to ‘Axis Netcom Limited’ or such other name with the prefix ‘Axis’ or any such other name as may be approved by the Central Government/Registrar of Companies.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to decide the date, time and manner of filing the application with the Central Government/Registrar of Companies for seeking their approval to change the name of the Company and to do all such acts, deeds and things as may be deemed expedient and necessary in their absolute discretion to give effect to this Resolution in the best interest of the Company.”

8. Alteration of Articles of Association of the Company.

To consider and, if thought fit, to pass with or without modification(s) the following Resolutions as a SPECIAL RESOLUTION:

“RESOLVED THAT upon the change of name of the Company becoming effective, the name ‘Vivesh Infotecnics Limited’ wherever it occurs in the Memorandum and Articles of Association be substituted by the name ‘Axis Netcom Limited’ or any such other name as may be approved by the Central Government/Registrar of Companies”.

Place: New Delhi

Date : 03rd September 2012

By the Order of the Board

Sd/-

Rita Dedhwal

Company Secretary

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall. Attendance at the Annual General Meeting will not be allowed without the production of the “Attendance Slip” duly filed and signed.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September 2012 to 29th September 2012 (both days inclusive).
4. All members are requested to bring their own copy of Annual Report along with them.
5. Members desiring any information with regard to accounts and operations of the Company are requested to write to the Company atleast 10 days before the date of the meeting to enable the management to keep the information available at the meeting.
6. All members are requested to intimate any changes in their address and e-Mail ID to the Company/our Registrar and Share Transfer Agent for better communication in future and as part of effective Corporate Governance.



Information pursuant to clause 49 of the listing agreement regarding appointment of a new director or re-appointment of directors

Peeyush Aggarwal, Non Executive & Dependent Director

Mr. Peeyush Aggarwal, aged 48 years, is a Fellow Member of the Institute of Chartered Accountants of India. He has extensive experience of over 25 years in the field of Finance and Taxation; Corporate Laws; Project Management; Strategic business planning etc. His business interests today are in the areas of Information Technology; Telecom; VAS; Animation and Gaming; Digital Cinema; Pharma; Real Estate; Construction & Hospitality; Garment Exports; and Broking (Shares, Commodities, Insurance). He is a first generation entrepreneur having a clear business vision and practicing a hands-off approach. Companies (other than Vivesh) in which Mr. Peeyush Aggarwal holds directorship and committee memberships are as follows:

Name of the Companies	Nature of Interest	Committee Name & Position
1. Interworld Digital Limited	Director	Audit Committee : Member Shareholder Grievance Committee : Member
2. B.P Capital Limited	Director	Audit Committee : Member Shareholder Grievance Committee : Member
3. Omkam Developers Limited	Director	–
4. Onshore Shipping Limited	Director	–
5. Kameshwari Buildwel Limited	Director	–
6. NEEC Logistics Limited	Director	–

Sunil Kumar Jain, Independent Director

Mr. Sunil Kumar Jain, aged 50 years holds a Bachelor's degree in Commerce (Honours). He has more than 30 years of experience in Logistics and Transport industry. He has also vast and multifaceted experience in real estate business. He is holding 80,400 shares in the Company. Companies (other than Vivesh) in which Mr. Sunil Kumar Jain holds directorship and committee memberships are as follows:

Name of the Companies	Nature of Interest	Committee Name & Position
1. Parsavnath Developers Limited.	Director	Audit Committee : Member Investor's Grievances Committee : Member
2. North Eastern Carrying Corporation Limited	Director	–
3. N.E.C.C Logistics Limited	Director	–

Explanatory Statement pursuant to section 173(2) of the Companies Act 1956:

The following explanatory statement sets out all material facts relating to the special business mentioned in the notice and forms part of the notice of the twenty third annual general meeting.

ITEM NO. 5.

Mr. Vipin Garg, aged 39 years, is a fellow member of the Institute of Chartered Accountants of India. He is having 15 years of experience in the field of telecom and networking. He has actively contributed in the



development of technology based solutions and value added services and has further initiated the concept of Extended ERP system wherein mobile is used as a means of data input and retrieval from the ERP systems. The Board of Directors in its meeting held on 14.08.2012 appointed Mr. Vipin Garg as a Whole Time Director of the Company for a period of 5 years w.e.f 14.08.2012 subject to the approval of the members in the Annual General Meeting of the Company.

On the recommendation of the Remuneration committee constituted by the Board of Directors of the Company, the remuneration and perquisites payable to Mr. Vipin Garg as a Whole Time Director of the Company are as follows:

1. Basic Salary: Rs.1,33,500/- p.m with authority to the Board of Directors (which expression shall include a committee thereof) to revise the basic salary from time to time taking into account the performance of the Company subject to the conditions contained in Schedule XIII of the Companies Act 1956.
 - a) Housing: Furnished residential accommodation or in lieu thereof a house rent allowance upto a maximum of 50% of the Basic salary.
 - b) Perquisites: Mr. Vipin Garg will be entitled to perquisites, as decided by the Board of Directors from time to time. Remuneration and perquisites in aggregate as given hereunder would be within the overall ceiling prescribed under Schedule XIII to the Companies Act, 1956.
2. Minimum Remuneration: Notwithstanding anything to the contrary contained herein, where in any financial year, during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company will pay salary and perquisites and allowances as specified above to Mr. Vipin Garg as minimum remuneration which are in compliance with Schedule XIII of the Companies Act 1956 and other applicable provisions
3. Other Conditions: The terms and conditions of the said appointment and agreement may be altered and varied from time to time by the Board of Directors as it may, in its discretion, deems fit within the maximum amount payable to the Whole Time Director in accordance with Schedule XIII of the Companies Act, 1956 or any amendments made thereafter.

None of the Directors except Mr. Vipin Garg shall be considered to be interested or concerned in the resolution.

ITEM NO. 6

Pursuant to merger of Axis Convergence Pvt. Ltd. with the Company, the Company is required to increase its authorised share capital in order to allot shares to the shareholders of Transferor Company from Rs. 287,45,00,000/- to Rs.343,13,50,000/- and for that purpose, the Memorandum of Association of the Company is proposed to be suitably altered by passing Special resolution. The provisions of the Companies Act, 1956 require the Company to seek the approval of the Members for increase in the authorised share capital of the Company. A copy of the Memorandum and Articles of Association of the Company with the proposed alteration is available for inspection by members on any working days at the registered office of the Company prior to the date of Annual General Meeting of the Company.

None of the Directors of the Company, in any way, is concerned or interested in the said resolutions.

ITEM NO. 7 & 8

The Board of Directors of the Company recommend that the name of the Company be changed from Vivesh Infotecnics Limited to 'Axis Netcom Limited' or such other name with the prefix "Axis" or any such other name as may be approved by the Central Government / Registrar of Companies. In order to take the advantage of

VISESH INFOTECNICS LTD.



brand name of our Transferor Company i.e. M/s. Axis Convergence Pvt. Ltd., the Directors are interested in adopting the prefix word 'Axis' subject to the confirmation with respect to availability of the name by Registrar of Companies, NCT of Delhi & Haryana. The change in the name of the Company can be effected by a Special Resolution and will require the approval of the Central Government under section 21 of the Companies Act, 1956. The Board of Directors should have authority to decide when the Company should file the said application to the Central Government for its approval for the change of name. After the Central Government approves change in name, it will be necessary to substitute the name of the Company wherever it occurs in the Memorandum and Articles of Association and other documents of the Company.

The letter of Registrar of Companies confirming availability of the name and the Memorandum and Articles of Association of the Company will be available for inspection by the Members at the Registered office of the Company on any working day prior to the date of Annual General Meeting.

None of the Directors of the Company, in any way, is concerned or interested in the said resolutions.

Place: New Delhi

Date : 03rd September 2012

By the Order of the Board

Sd/-

Rita Dedhwal

Company Secretary



DIRECTOR'S REPORT

Dear Members,

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

FINANCIAL RESULTS

The Financial Results of the Company for the period under review are as follows: -

(₹ in lacs)

PARTICULARS	2011-12 Standalone	2011-12 Consolidated	2010-11
Income from Operations	15,473.93	23,928.66	17,675.12
Other Income	67.60	67.60	81.79
Total Income	15,541.53	23,996.23	17,756.91
Total Expenditure	13,749.00	13,749.00	16,209.61
PBID & Tax	1,581.75	1,581.75	1,547.30
Interest	307.82	312.49	275.78
Depreciation	1,184.30	1,184.30	1,098.24
Profit before Tax	115.40	192.80	173.28
Provision for Taxation	24.04	30.46	35.00
Deferred Tax	36.43	36.43	27.53
Profit After Tax (PAT)	54.25	125.25	109.54
Profit b/f from previous year	4,139.60	4,139.60	4,030.06
Balance Carried to Balance Sheet	4,193.85	4,264.84	4,139.60
Paid up Equity Share Capital	12,313.06	12,313.06	6,374.11
Reserve & Surplus	12,359.29	12,838.71	12,122.26

RESULTS OF OPERATIONS

During the Financial Year 2011-12, the total revenue of the Company from operations stood at (₹) 15,473.93 Lacs as against (₹) 17,675.12 Lacs during the previous year. However, on consolidated basis, the total income from operations for the fiscal year ended March 2012 stood at (₹) 23,928.66 lacs. The consolidated figures for the current year represent the operations of the Company including the operations of erstwhile transferor Company whereas the figures of the previous year represent figures relating to the operations of the Transferee Company only. To this extent the figures for the current year are not comparable with the figures of the previous year.

DIVIDEND

Due to inadequacy of profits during the year under review, the Board of Directors have decided not to recommend any dividend for the year ended March 31, 2012.

SUBSIDIARY

By virtue of merger of Axis Convergence Pvt. Ltd. with the Company, M/s Axis Convergence Inc, Mauritius and M/s Greenwire Network Ltd., Hongkong become Subsidiary Companies of your Company. The Company has another subsidiary namely, M/s Opentec Thai Network Specialists Ltd.(OTNS) based in Thailand. As per the provisions of Section 212(8) of the Companies Act, 1956, Companies are exempted from attaching financial statements of its subsidiaries, subject to fulfillment of conditions stated in the circular, Financial statement of the subsidiary is not attached to the Balance sheet of the Company. The Company will make available the Annual Accounts of the subsidiary to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary will also be kept open for inspection at the Registered Office of the Company.



CONSOLIDATED FINANCIAL STATEMENTS

As required by clause 41 of the Listing Agreement with the Stock Exchanges, Consolidated Financial Statements of the Company and its subsidiaries as prepared in accordance with Accounting Standard AS-21 on 'Consolidated Financial Statements', as issued by the Institute of Chartered Accountants of India, is attached herewith and the same together with Auditor's Report thereon forms part of the Annual Report of the Company.

PUBLIC DEPOSITS

In terms of the provisions of section 58A or 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits Rules) 1975, the Company has not invited/ accepted any fixed deposits from public during the year under review.

PREFERENTIAL ISSUE

In terms of the resolution passed under section 81(1A) of the Companies Act, 1956 at the Extra Ordinary General Meeting of the Company held on 03.09.2010, the Board had allotted 22,00,00,000 convertible warrants to the Promoter & Non-Promoter group on preferential basis with an option to convert such warrants into equal number of equity shares of (₹) 10/- each at a price of (₹) 10/- per warrant. Consequent to receipt of all consideration money and request of conversion of said warrants from all applicants, the Company in its Board Meeting held on 28.04.2012 allotted 22,00,00,000 equity shares of (₹) 10/- each to the promoters and non promoters group.

GDR ISSUE

The funds raised by the Company from GDR issue during F.Y. 2007-08 were kept in fixed deposit account with Banco Efisa, Lisbon, Portugal, as the said amount was to be deployed in terms of INFORMATION MEMORANDUM of the GDR issue. During the F.Y. 2008-09, the Bank in Portugal, Banco Efisa wrongly debited an amount of USD 8,883,210.75 out of the balance lying in the Company's Account with the Bank. The Company has denied and disputed this debit and had initiated legal action under criminal jurisprudence of Portuguese Law. During the criminal investigation, several new facts/documents have come to our knowledge and based on the evaluation of new facts/documents by Barristers, Senior Advocates and investigation carried out in India, London and Portugal; your Company has initiated a strong civil action for recovery of USD 8,883,210.75, alongwith interest, against Banco Efisa and its Holding Company, wherein the Portuguese advocates confirm that the chances of recovery are very high. A criminal complaint against the conniving accused for siphoning off the above said amount had been filed and the matter is presently under investigation.

MERGERS & ACQUISITIONS

During the year under review, the Company had filed an application u/s 391 to 394 of Companies Act, 1956 before the Hon'ble High Court of Delhi for the merger of M/s. Axis Convergence Pvt. Ltd. with the Company. Hon'ble High Court of New Delhi vide its order dated 20th July, 2012, has approved the Scheme of Amalgamation.

BOARD OF DIRECTORS

There was no change in the composition of the Board of Directors of the Company during the year under review. In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Peeyush Aggarwal and Mr. Sunil Kumar Jain retire from office by rotation, and being eligible, offer themselves for reappointment. The Board has also received Form DD A pursuant to the Companies (Disqualification of Directors under section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming that they are not disqualified under section 274(1)(g) of the Companies Act, 1956. Your Board recommends their reappointment for approval of shareholders in the ensuing Annual General Meeting.

APPOINTMENT OF STATUTORY AUDITORS

M/s RMA & Associates, Chartered Accountants, Delhi, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to be re-appointed which, if made will be in accordance with section 224 (1B) of the Companies Act, 1956. Yours Directors recommend their reappointment.



AUDITORS REPORT

The observations made in the Auditors' Report are self explanatory and do not call for further comments under Section 217(3) of the Companies Act, 1956.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance. A detailed report on Corporate Governance and the certificate from the Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement are being attached and form part of this Annual Report.

PARTICULARS OF EMPLOYEES

There is no employee who is in receipt of remuneration aggregating to the sum prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 as amended.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed Management Discussion and Analysis Report as required under clause 49(IV)(F) of the listing agreement is disclosed separately in this report.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company is mainly engaged in the business of IT and IT enabled services, providing solutions to the customers. The operations of your Company are accordingly not energy intensive. However, adequate measures are taken to conserve energy and ensure its optimum consumption by using and purchasing energy-efficient equipments. Your Company is committed to follow a high standard of environmental protection and provision of a safe and healthy work place for our people, customers and visitors. As energy costs comprise a very small part of our total expenses, the financial impact of these measures is not material. The company has not imported any technology during the year under review.

RESEARCH & DEVELOPMENT

Your Company strives to deliver high quality services to its customers and in such endeavour, constantly invests in and undertakes research & development aimed at improving its solutions. Vises has a dedicated business unit for Research & Development which delivers innovative solutions to clients and also fosters R&D within all business units to create intellectual property in the form of re-usable components, frameworks, etc., which help drive greater productivity. The company is carrying on R&D in multiple forms, but all of these are focused on better efficiency through continuous improvement in processes, systems methodologies and capabilities. Your company is committed to provide I.T. solutions that are innovative and continuously upgraded in keeping with emerging technology trends by a motivated workforce that includes R&D group, resulting in maximizing stakeholder's value. We have continued to invest in some fundamental research involving small budget with long term perspective. In order to excel at new operations and activities VIL stress is on continuous innovation and research, based on market requirements and customer expectations.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of foreign exchange earnings and outgo are as follows:

(In Lacs)

	Year ended 31.03.2012	Year ended 31.03.11
Foreign exchange earnings	202.45	NIL
Foreign exchange Outgo	39.21	37.25



DIRECTOR'S RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors hereby confirm that:

- a) In the preparation of annual accounts, the applicable accounting policies and standards have been followed;
- b) The accounting policies are consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2011-2012 and of the profit and loss of the Company for that period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) These annual accounts have been prepared on a 'going concern basis'.

ACKNOWLEDGEMENT

The Board records its appreciation for the support which the Company has received from its investors, bankers, customers, vendors, government organizations and employees. The Board also appreciates the confidence reposed by the shareholders in the Company and its management.

For and on Behalf of the Board of Directors

Place: New Delhi
Date: 3rd September, 2012

Sd/-
Peeyush Aggarwal
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per the Clause 49 of the Listing Agreement.

ECONOMY & INDIAN IT INDUSTRY

Global Economy saw a slow recovery in 2011 (3.8% growth in 2011 as compared to 5.2% in 2010, as per IMF), owing to strains in the euro-area and shocks in Japan. 2012 is expected to see a much slower, subdued recovery (3.3% growth), with escalating downside risks that include growing concerns of a mild recession in the euro-area causing spill-over in other economies and slower growth in emerging economies due to poor domestic demand and an uncertain external environment. Emerging economies are expected to grow by 5.4%; the advanced economies by 1.2% and the euro-area likely to contract by 0.5%. However, there are few positive signs of recovery in the U.S., with the unemployment rate in the U.S. touching a 3-year low of 8.3% (in Feb 2012) and industrial production showing an upward trend (with the index of industrial production touching a 3.5-year high of 96.2 in Jan-Feb 2012). Though the overall economic outlook appears sluggish, global spending on technology continues to grow and the global IT offshoring market is expected to grow much faster (as per NASSCOM Strategic Review 2012). India currently accounts for about 74% of the global IT offshoring market.

NASSCOM estimates that the Indian IT and BPO export is at \$ 59 billion in FY12, a growth of 16.3% and is likely to grow at 11-14% in FY13. The U.S. continues to be the single largest customer market for IT services. Mature verticals such as BFSI and Manufacturing continue to drive a large share of IT offshoring market and emerging verticals such as healthcare, telecom, media and retail continue to grow.

The future of the IT services industry shall be defined by “Consumerisation of IT”, characterized by customers focusing on IT as a key differentiator to their businesses and IT service providers investing in a combination of services, solution accelerators, products and platforms, to deliver customer-value. Customers have started demanding “transformative” value propositions, which is leading to a decisive shift in the industry landscape, towards “as-a-service” offerings. Emerging trends in Mobility, Social Media, Big Data / Analytics and Cloud shall redefine the technology landscape of the future. The year 2011-12 marked a significant landmark for the IT-BPO industry as it crossed the milestone of USD 100 billion in revenues. The industry performance this year demonstrated the sector’s ability to innovate and deliver differently in order to maintain the growth trajectory. More importantly, companies are investing in building platforms and productized solutions to drive future growth opportunities. The industry is expanding into newer geographies and verticals where the growth is 1.4 time than in the mature markets. Emergence of a vibrant start-up product ecosystem creating solutions for India and the world also enhanced the product opportunity for India.

Over the years, Indian IT service offerings have evolved from application development and maintenance, to emerge as full service players providing testing services, infrastructure services, consulting and system integration. The coming of a new decade heralds a strategic shift for IT services organizations, from a ‘one factory, one customer’ model to a ‘one factory, all customers’ model. Central to this strategy is the growing customer acceptance of Cloud-based solutions which offer best in class services at reduced capital expenditure levels.

IT services exports is the fastest growing segment, growing by 19 per cent in FY2012, to account for exports of USD 40 billion. In the last few years, the BPO segment has been focusing on re-engineering itself in order to deliver transformational impact to customers. A ‘Verticalised’ approach has been a key marketing strategy – developing in-depth capabilities across the entire value chain in specific verticals. BPO firms are also increasing their onshore and near shore footprint to enable customer entry into local markets; firms have also been actively implementing non-linear growth initiatives that ensure higher realizations for service providers, while controlling costs, facilitating faster time-to-market and improving satisfaction at the clients’ end.

In the Calendar Year 2011 (CY11), the global IT-ITES industry grew by 5.4% in the midst of unpredictable economic environment and extremely volatile currency movements. The domestic IT-ITES Industry also grew at a steady pace backed by strong economic growth, technology, innovations, enhancements, competition and enhanced focus by the Government. According to NASSCOM, India retained its position as the world’s leading global sourcing destination for IT-ITES services with a total share of 58%. The Industry has experienced



considerable traction within traditional segments like Customer Application, Application Management and Testing. Emerging technologies such as Cloud Computing, Social Media, Mobility, and Analytics are potential areas of growth

IT INDUSTRY PERFORMANCE AND PROJECTIONS

It was a bumpy year for IT-BPO Industry, repercussion of European Union debt crisis and US slowdown persisted throughout the year. Global environment remains uncertain leading to delay in decision making impacting overall growth of industry sectors and companies. Recently, World Bank has revised world GDP growth rate downward to 2.5% from 3.6% for the period 2012. USA GDP growth has been revised from 2.9% to 2.2% and European Union GDP from 1.8% to -0.3% in the same period. Clients IT budget would remain suppressed due to fears of global uncertainty forcing outsourcing companies to re-invent their engagement model, invest in newer customer-centric solutions and pursue new locations due to talent, cost arbitrage and risk diversification considerations.

The world wide spending towards information technology (IT) related products and services has crossed USD 1.7 trillion in 2011, a growth of 5.4% over 2010. Software, IT and BPO services, which were 63% of the total spending, grew at 4% over 2010. Global IT services spending have increased from USD 586 billion in 2010 to USD 605 billion in 2011. BPO services spending have increased from USD 147 billion in 2010 to USD 153 billion in 2011. The geographic revenue break-up for IT and BPO services in 2011 was 46.5% (43.0% in 2010) for North America, 34.1% in 2011 (39.7% in 2010) for Europe, Middle East and Africa and 19.4% in 2011 (17.3% in 2010) for Asia Pacific.

Looking forward, the global IT services spending is expected to grow at a CAGR of 4.5% over 2011-2013 while the global BPO services spending is expected to grow at CAGR of 5.3% during the same period. During 2011, global IT offshoring accounted for 61% of the total global sourcing market while BPO offshoring accounted for 39%. Trends in global sourcing continued to remain positive, showing higher growth than the global spending. In 2011 global sourcing grew by 12% over 2010 (2010 growth over 2009 was 10.4%).

VIRESH OPERATIONS & FUTURE OUTLOOK

Your company's top priority is to capture growth opportunities by broadening its range of offerings in the realm of Information Technology and to focus more on domestic market in order to fully utilize the capacity of the existing units through our network of marketing offices and alliances with other market players and to provide high quality on site services for software development and latest technologies. The Company has carved a niche for itself in the IT industry and has increased its business by acquiring some major domestic projects.

Company has successfully ventured into the business of Smart Card Technology. The e-Governance team of the company has developed a Technology Infrastructure and Solution platform to deliver end-to-end technology services. Company's win in a project of nation-wide importance namely 'Aadhar' which is Government of India's Unique Identification (UID) project is testimony of its strong domain expertise within range of its Services. Your company is certified & complies with the regulatory requirements of SCOSTA (Smart Card Operating System Standard for Transport Application) as laid down by National Informatics Centre, Government of India. Thereby it has been awarded another contract to supply 64K Smart Card by Andhra Pradesh Transport Department (APTD) in this Financial Year.

The Company's Infrastructure Services Division "InfraServe™" has continued to record growth through its focus on design, deployment and maintenance of robust & reliable network architecture from global leaders in IT equipment and software. Company's another product - BusinessSoft™ is widely deployed in the Service, Pharmaceutical, Manufacturing, Chemical and Sales & Distribution segments. It applies the power of information technology to VIL clients' business issues and drives their business processes with greater efficiency, accuracy and predictability. BusinessPro™ automates critical functions of a manufacturing organization and can deploy enterprise wide applications that are integrated, scalable and reliable. It makes faster data available across the enterprise to enable better decisions. PowerPro™ is a ready to implement ERP product for the SMB (Small & Medium Business) segment, which packs in all the features that such a business would require at a low initial price along with an implementation time frame of less than a month. SignDomains.com™ is India's first ICANN Accredited domain registrar which offers on-line domain registration of top level domains (TLD) including .com .net .org .info .biz .in etc. SignDomains.com has several corporate, large portals, resellers and end-users as its



cliente. VIL also offers web-hosting solutions through InfraSurf™ dedicated servers located in server farms and data centers in India and the US. Value added services like SMS, payment gateways, messaging, e-identity management, e-commerce are available for corporate clients and other businesses. Customized software Development Division V-APPS™ provides development services on web-based and client-server technologies.

During the year the Company has entered into a new venture in the field of Retail VAS & bill payments. The company has also launched B2B2C based multi purpose transaction platform <http://www.uvapoint.com>. The platform is used by retailers for Providing a host of services to the visiting customers such as Prepaid Mobile Recharge, Postpaid Mobile Bill Payments, DTH Recharge, Landline bill payments, Data Card Recharge/Payments, etc. The retail network is used for managing mobile wallets launched by several banks and for solving the cash on delivery issues of the e-commerce industry. The platform also has a Mobile Application retail store for customers who can buy applications for their mobile phone or desktop from our retail network.

STRENGTHS & OPPORTUNITIES:

India has emerged as the fastest growing IT market in the world, driven on the increased IT adoption by the domestic market along with the increased exports. As long as we embrace new technologies, new business models, new paradigms and leverage the power of these to bring benefits to our consumers, we believe we would have endless opportunities to grow. The value proposition of our Company can be summed up as “faster, better and cheaper.” We are a global IT services company that engineers meaningful technology solutions to help businesses and societies flourish. We place significant emphasis on a collaborative spirit, unrelenting dedication towards our customers, expert thinking and high standards of corporate governance. Our endeavor is to create success for our customers through innovative solutions delivered by happy people at workplace. Expanding market opportunities, exponential growth prospects, access to the latest technology, increased income levels, better corporate governance etc have been some of the key benefits that this industry has witnessed over the years.

We believe our competitive strengths include leadership in sophisticated solutions that enable our clients to optimize the efficiency of their business, commitment to superior quality, strong brand, long-standing client relationship, status as an employer of choice, ability to scale and last but not the least innovation. India is a preferred destination for companies looking to offshore their IT and back-office functions. It also retains its low-cost advantage and is a financially attractive location when viewed in combination with the business environment it offers and the availability of skilled people.

THREATS, RISKS & CONCERNS:

Changing economic and business conditions and rapid technological innovation are creating an increasingly competitive market environment that is driving corporations to transform their operations. Consumers of products and services are increasingly demanding accelerated delivery times and lower prices. Companies are focusing on their core competencies and are using outsourced technology service providers to adequately address these needs. The role of technology has evolved from supporting corporations to transforming them. There is an increasing need for highly skilled technology professionals in the markets in which we operate. These factors have increased corporations' reliance on their outsourced technology service providers and are expected to continue to drive future growth for outsourced technology services.

The Indian software firms today, have to compete on two fronts; at the global market – as majority of its revenue comes from exports and at the growing domestic market. The intense level of global competition faced is a huge push factor for enhancing firm-level competitiveness. This has compelled the firms to constantly increase performance standards in many dimensions, including quality, cost, product introduction time, and smooth flowing operations. At the domestic front, both competition and cooperation are witnessed. As the domestic market grows, the inter-firm competitiveness is getting stiffer but the regulated trade environment leads to many synergetic alliances as well.

In the future, we expect competition from firms establishing and building their offshore presence and firms in countries with lower personnel costs than those prevailing in India. However, we recognize that price alone cannot constitute a sustainable competitive advantage. We believe that the principal competitive factors in our business include the ability to effectively integrate onsite and offshore execution capabilities to deliver seamless,



scalable, cost effective services; increase scale and breadth of service offerings to provide one-stop solutions; provide industry expertise to clients' business solutions; attract and retain high-quality technology professionals and maintain financial strength to make strategic investments in human resources and physical infrastructure through business cycles.

We believe we compete favorably with respect to these factors. We intend to continue to grow our business by enhancing our existing relationship and increasing the scope of engagements with our clients by providing tangible business values to our customers. Our client contracts are often conditioned upon our performance, which, if unsatisfactory, could result in less revenue than previously anticipated. Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and in the industries on which we focus. Uncertain global environment and market fluctuations pose as the biggest risks of this industry.

OUR STRATEGY & RISK MANAGEMENT

The Indian information technology sector continues to be one of the sunshine sectors of the Indian economy showing rapid growth and promise. In FY 2012, we identified our strategy pillars that will help us grow faster than the industry average as well generate higher returns to all our stakeholders.

Visesh Strategy Pillars:

- Growth through Focused Planning; Pursue Big deals; Deepen Domain expertise; and achieving the objective of Social responsibility through Customer Satisfaction.
- Operational excellence through Quality Enrichment; Talent Management; Supportive Infrastructure, focusing on product model.

Risk refers to events which hinder the achievement of business objectives and the occurrence of which is uncertain, and Risk Management refers to a series of measures to recognize, confirm, evaluate and prioritize risks by establishing measures to respond to such risks in advance, to prevent the occurrence of or reduce such risks, or to minimize the damage caused when such risk occur. Your Company follows risk management policy by laying down certain procedures to inform Board members about risk assessment and minimization procedures. These procedures are periodically reviewed to ensure its effectiveness.

SEGMENT WISE PERFORMANCE

The company is mainly operating in three segments:

- *IT Solutions & Products.
- *IT enabled Services.
- *Telecommunications.

Segment wise revenues are provided in Notes on Accounts forming part of Annual Report.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

Your Company has a proper and adequate system of internal controls to ensure that its assets are safeguarded and protected against loss. We have an audit committee which oversees the financial and operating reporting processes and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible. The audit committee also reviews with management and statutory auditor the adequacy of internal control systems, compliance, etc. The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. The systems and the procedures are constantly upgraded to suit the requirements.

HUMAN RESOURCE AND DEVELOPMENT

Human Resource Management, work place safety and employee welfare have always been given utmost importance in your Company. The Company administers a comprehensive human resources management system which includes attracting, developing, and retaining a highly qualified, continuously learning workforce. The Company considers the quality of its human resources to be its most important asset and fosters an environment



that encourages and values diversity and promotes personal and professional development of employees. The focused approach towards organizational structuring enabled us to establish clearer communication channels and responsibility centers throughout the organization.

In a knowledge centric world, people are clearly the key assets of the company and hence employee engagement and management is a key focus for your company. We have created a favourable work environment that encourages innovation and meritocracy. We believe that a satisfied employee can actually be the differentiating factor in the struggle to gain market share, to deliver customer delight, to innovate product and services and, ultimately, to deliver a better bottom line.

Your company is privileged to have the right blend of professionals both in field of technical & other professional areas. Dedication, a positive attitude, skills and professionalism have always been the feature of our workforce at all levels of organization.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing company objectives, projections, estimates may be 'forward looking statements' within the meaning of the applicable security laws and regulations. Actual results could differ materially from those expressed or implied, depending upon economic conditions, changes in Government regulations and policies, demand, supply and price conditions, political and economic developments within and outside the country and various incidental factors.

The company assumes no responsibility to publicly amend, modify, or revise any forward looking statements, on the basis of any subsequent developments, information or events.



REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S GOVERNANCE PHILOSOPHY

Your Company's commitment to the principles of transparency, integrity, professionalism and accountability in all its dealings is the foundation of its continuous efforts to create sustainable value for all its stakeholders including shareholders, customers, employees and the society at large. In line with this philosophy, your Company follows highest standards of Corporate Governance practices.

The company will continue to focus its resources, strengths and strategies to achieve its vision, of becoming a truly global IT Company, while consciously taking all such actions as may be necessary in order to achieve its goal of value creation, safety in all process and operations, good governance and maximization of shareholder's wealth. The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under clause 49 of the Listing Agreement with the Stock Exchanges.

BOARD OF DIRECTORS

The Company is managed and guided by the Board of Directors ("Board"). The Company has an optimum combination of Executive, Non Executive and Independent Directors and the structure of Board of Directors is in conformity with clause 49 of the Listing Agreement, as amended from time to time. As at March 31, 2012, the Board comprised of six members. The Company has a Non Executive Chairman, who is a professional Director in his individual capacity but belongs to the Promoter Group and the number of Independent Directors is 4 which is more than half of the total strength of the Board as required by the provisions of the Listing Agreement. The number of Non Executive Directors is 5 which is more than 50% of the total number of Directors.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees as specified in clause 49 of the Listing Agreement. Necessary disclosures regarding Committee positions have been made by the Directors.

The name and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Memberships held by them during the year 2011-12 are given below. Other Directorships do not include alternate directorships, directorships of private limited companies, foreign companies and Company incorporated outside India. Chairmanship/membership of the Board Committees include membership of Audit, and Shareholders/ Investors Grievance Committees excluding that of Viresh Infotecnics Ltd.

STATEMENT SHOWING THE COMPOSITION OF BOARD AND OTHER STATUTORY & RELEVANT INFORMATION

No.	Name of Director	Positions	Category	Attendance		No. of Directorships in other public companies	No. of Committee positions held in other public companies	
				Board Meeting	Last AGM		As Chairman	As Member
1.	Sh. Peeyush Aggarwal DIN 00090423	Chairman	Non- Executive Dependent	6	Yes	6	-	4
2.	Sh. Sunil Kumar Jain DIN 00010695	Director	Non- Executive Independent	6	Yes	3	-	2
3.	Sh. S.N Sharma DIN 00336736	Director	Non- Executive Independent	2	Yes	4	2	2
4.	Sh. Adesj Jain DIN 00366638	Director	Non- Executive Independent	6	Yes	1	1	1
5.	Sh. Karun Jain DIN 00077035	Executive Director	Executive & Non Independent	6	Yes	1	-	-
6.	*Sh. Vipin Garg DIN 00157111	Director	Non- Executive Independent	6	No	-	-	-

*Shri Vipin Garg has been appointed as a Whole Time Director of the Company in the Board Meeting held on 14.08.2012 subject to the approval of shareholders in the upcoming AGM.

The non-executive Directors have no material pecuniary relationship or transaction vis-à-vis the Company in their personal capacity during the year.



BOARD MEETINGS

6 Board meetings were held during the year and the gap between two meetings did not exceed four months. The Board Meetings were held on following dates:

*May 13, 2011 *June 27, 2011 * August 12, 2011
*September 2, 2011 * November 14, 2011 * February 14, 2012.

COMMITTEES OF BOARD OF DIRECTORS

A. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of clause 49 of the listing Agreements with the Stock Exchanges read with section 292A of the Companies Act, 1956. The committee is headed by an Independent Director.

The Audit Committee of the Company is responsible for:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report, including quarterly/half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board.
- Reviewing the Company's financial and risk management policies.
- Evaluating the adequacy of internal controls and internal audit function and its effectiveness.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.

COMPOSITION

As on March 31, 2012, Audit Committee of the Company comprises of the following :

Mr. Adesh Jain	Chairman
Mr. Peeyush Aggarwal	Member
Mr. S. N. Sharma	Member
Ms. Rita Dedhwal	Secretary

During the year under review, the Audit Committee met 5 times on following dates:

*May 13, 2011 *August 12, 2011 *September 2, 2011
*November 14, 2011 *February 14, 2012

All the members of the Audit Committee are financially literate and have accounting or related financial management expertise. Adequate Quorum was present at all the meetings.

B. REMUNERATION / COMPENSATION COMMITTEE:

The Remuneration Committee is a non-mandatory requirement of clause 49 of the Listing Agreement. The broad terms of reference of the Remuneration Committee are as under:

- ❖ To approve the Annual Remuneration Plan of the Company.
- ❖ To approve Remuneration and commission/incentive remuneration payable to the Managing Director / Executive Director for each financial year.
- ❖ Such other matter as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.



The constitution of the Remuneration Committee during the F.Y. ending March 2012, was as follows:

Mr. Adesh Jain	Chairman
Mr. Peeyush Aggarwal	Member
Mr. S. N Sharma	Member

The Company Secretary acts as the Secretary to the Committee.

- The remuneration paid to Mr. Karun Jain, Executive Director of the Company during the financial year under review is Rs.16,63,754/-(Rupees Sixteen Lacs Sixty Three Thousand Seven Hundred and Fifty Four Only).
- The remuneration paid to Mr. Vipin Garg, Director of the Company during the financial year under review is Rs. 15,60,000/- (Rupees Fifteen lacs and Sixty Thousand only).

C. SHARE TRANSFER COMMITTEE:

In compliance with provisions of clause 49 of the Listing Agreement, the Company has a duly constituted Share Transfer Committee. Meetings of the Committee held at regular interval with regard to the volume of transfer requests received by the Company. The Company Secretary being the Compliance Officer takes personal interest in all the matters of concern for investors and reports the same to the Committee. To expedite the process of share transfers, the Board has delegated the power of share transfer to Mass Services Pvt. Ltd. viz. Registrar and Share Transfer Agent who attend to the share transfer formalities.

During the F.Y ending March 2012, Share Transfer committee comprises of following members:

Mr. Peeyush Aggarwal	Chairman
Mr. Adesh Jain	Member
Mr. Karun Jain	Member
Ms. Rita Dedhwal	Secretary

D. INVESTOR GRIEVANCES COMMITTEE

As on March 31, 2012, Investor Grievances Committee comprises of following members:

Mr. Peeyush Aggarwal	Chairman
Mr. Adesh Jain	Member
Mr. Karun Jain	Member
Ms. Rita Dedhwal	Secretary

The Company has an Investor Grievances Committee to specifically look into grievances arising out of issues regarding share transfer, dematerialization, rematerialization, issuing duplicate share certificate and other allied matters of investor services. As on March 31, 2012, no investor complaint is pending.

GENERAL BODY MEETING

Details of the last three Annual General Meetings of the Company are as follows:

Date	Location	Time	No. of Special Resolution passed
28-09-2011	Auditorium, Bipin Chandra Pal Memorial Trust, A-81, Chittranjan Park, New Delhi-110019	10:00 A.M	0
29-09-2010	Auditorium, Bipin Chandra Pal Memorial Trust, A-81, Chittranjan Park, New Delhi-110019	10:00 A.M	0
29-09-2009	Auditorium, Bipin Chandra Pal Memorial Trust, A-81, Chittranjan Park, New Delhi-110019	10:00 A.M	0

DISCLOSURES

- There are no materially significant related party transactions of the Company, which have potential conflict with the interest of the Company at large.
- Company has fulfilled all statutory compliances and there were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to Capital markets during the last three years.
- The Company has complied with all the mandatory requirements of Corporate Governance, as required under the Listing Agreement.



MEANS OF COMMUNICATION

The quarterly, half-yearly, and annual results of the company are regularly published in one prominent widely circulated English newspaper and one in daily Hindi Newspaper viz. The Business Standard (English) & (Hindi). The said results are also promptly forwarded to the Stock Exchanges where the shares of the Company are listed as per the listing agreement. Further the said results are also posted on company's website www.visheshinfo.com. The website also displays the shareholding pattern of the Company in each quarter and report on corporate governance alongwith all official news, updates, releases issued by the Company from time to time.

The notice of AGM along with Annual Report is sent to the shareholders well in advance of the AGM which is also published in newspapers. In addition, the Stock Exchange is notified of any important developments that may materially affect the working of the Company. Disclosure with regard to the shareholding pattern, change in major shareholding, quarterly secretarial audit reports etc. are also sent to the Stock Exchange as required under various Regulations. Annual report of the Company is circulated to all the members and all others entitled thereto.

"GO GREEN" INITIATIVE

As a continuing endeavour towards the "Go Green" initiative, the Company has sent various notices/documents/ Annual report to the shareholders through electronic modes at their e-mail id's registered with the Depository Participants. The shareholders, who have so far opted for it, will be provided these documents in electronic mode and further, the copy of such documents shall also be available on the website of the Company i.e. www.visheshinfo.com.

You are also entitled to be furnished, a physical copy of the above documents of the Company on demand. Shareholders are requested to support this Green initiative by registering/updating their e-mail addresses for receiving all kinds of electronic communications.

CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and senior management personnel have affirmed their compliance with the code.

CEO/CFO CERTIFICATION

A Certificate from the Executive Director and Head (F & A) on the financial statement of the Company was placed and considered by the Board.

GENERAL SHAREHOLDER'S INFORMATION

I. DATE, TIME, VENUE OF ANNUAL GENERAL MEETING FOR THE YEAR 2011-12:

29th September, 2012 at 10:00 A.M. at Auditorium, Bipin Chandra Pal Memorial Trust, A-81, Chittranjan Park, New Delhi-110019

II. FINANCIAL YEAR

Financial year : 1st April to 31st March
Financial year (during period under review) : 1st April, 2011 to 31st March, 2012
First Quarter : 1st April, 2011 to 30th June, 2011
Second Quarter : 1st July, 2011 to 30th September, 2011
Third Quarter : 1st October, 2011 to 31st December, 2011
Fourth Quarter : 1st January, 2012 to 31st March, 2012

III. REGISTRAR & SHARE TRANSFER AGENTS (RTA)

Name	Address	Contact
MAS Services (P) Ltd.	T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020	Tel no. : 011-26387281-83 Fax : 011- 26387384 e-Mail : mas_ser@yahoo.com



IV. LISTING OF SHARES/ GDRs

Shares/ GDRs of the Company are listed on following stock exchanges:

Name	Address	Stock Code
National Stock Exchange of India Ltd.	Exchange Plaza, Bandra, Kurla Complex, Bandra(E) Mumbai-400051	VISESHINFO
Bombay Stock Exchange Limited	Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001	532411
*Singapore Exchange Securities Trading Limited	2 Shenton Way No. 19-00 SGX Centre 1, Singapore-068804	033312989 (Common Code)

V. WITH EFFECT FROM 28TH AUGUST, 2000 THE SHARES OF VISESH INFOTECNICS LIMITED ARE TRADED IN DE-MAT FORM ONLY:

ISIN Code No: INE861A01017

***The GDRs of the Company admitted on official list of Singapore Stock Exchange on 26th December, 2007.**

ISIN Code for Vivesh GDRs: US92829H1086

VI. BOOK CLOSURE

PERIOD		PURPOSE
FROM	TO	
26 th September, 2012	29 th September, 2012	ANNUAL GENERAL MEETING

VII. INVESTOR SERVICE CELL & ADDRESS FOR CORRESPONDENCE

Address : 508, Arunachal Building, 19 Barakhamba Road, Connaught Place, New Delhi-110001
 Telephone : +91-11-47613300
 Fax : +91-47613399
 E-Mail : info@viveshinfo.com

VIII. COMPLIANCE OFFICER

Ms. Rita Dedhwal, Company Secretary.

IX. STOCK MARKET DATA

The monthly high and low quotations and volume of shares traded at National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange Limited (BSE) are as follows:

Financial Year April 2011 to March 2012	National Stock Exchange			Bombay Stock Exchange		
	High	Low	No. of shares traded	High	Low	No. of shares traded
April 2011	9.90	8	191554	10.1	8.25	773779
May 2011	10.40	7	97308	9.34	7.25	192770
June 2011	9.90	7.15	348013	9.89	7.35	764777
July 2011	9.50	7.70	101473	9.35	7.75	421152
August 2011	8.65	3.70	904972	8.6	3.68	1553931
September 2011	4.40	3	617277	4.4	3	575481
October 2011	3.35	2.70	293036	3.3	2.77	284858



Financial Year April 2011 to March 2012	National Stock Exchange			Bombay Stock Exchange		
	High	Low	No. of shares traded	High	Low	No. of shares traded
November 2011	3.30	2.45	199439	3.25	2.41	236848
December 2011	3.30	2.50	146089	3.15	2.55	128823
January 2012	3.70	2.65	256924	3.98	2.39	504805
February 2012	4.10	3.05	114157	4.1	3.03	298885
March 2012	3.80	2.80	133653	3.98	2.9	522667

X. Dematerialization of Shares

Pursuant to an agreement with the NSDL and CDSL, the shareholders have the option to dematerialize their shares with either of the depositories. Equity shares of the Company are actively traded at National Stock Exchange & Mumbai Stock Exchange.

Status of issued capital as on 31st March, 2012:

Total Issued Capital	No. of Shares	% to total shareholding
NSDL (Demat Form)	49130342	77.08
CDSL (Demat Form)	14267237	22.38
Physical Form	343511	0.54
TOTAL	63741090	100.00 %

XI. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2012:

Shareholding of Nominal Value of ₹	No. of shareholders	% to total no. of shareholders	Amount in ₹	% to total shareholding
Upto 5000	12545	74.253	22562650	3.540
5,001-10,000	1869	11.062	16170600	2.537
10,001-20,000	991	5.866	15848030	2.486
20,001-30,000	371	2.196	9728000	1.526
30,001-40,000	174	1.030	6409640	1.006
40,001-50,000	209	1.237	10045940	1.576
50,001-1,00,000	313	1.853	23575670	3.699
1,00,001 and above	423	2.504	533070370	83.631
TOTAL	16895	100.000	637410900	100.000

XII. SHAREHOLDING PATTERN AS ON 31ST MARCH 2012

Category	No. of Shares	% of total
A. Promoters	28425714	44.6
B. Non-Promoter holding		
i. Bank's, FI's, Mutual Funds, Insurance Companies (central/state govt. institution/non govt. institutions)	4250	0.01
ii. Private corporate bodies	5695074	8.93
iii. Indian public	21885514	37.49
iv. NRI's / OCB's	575817	0.9
v. Foreign Investor	5363524	8.41
vi. Clearing member	405942	0.64
TOTAL	63741090	100



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Vivesh Infotecnics Ltd.

We have examined the compliance of conditions of Corporate Governance by Vivesh Infotecnics Ltd. for the financial year ended 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of management. Our Examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.

We state that as per the report given by the Registrars of the Company to the Investor's Grievances Committee, as on March 31, 2012, there were no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

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

For RMA & Associates
Chartered Accountants
Firm Registration No.000978N

Sd/-
Pankaj Chander
Partner

Place: New Delhi
Date: 3rd September, 2012

Confirmation of Compliance of Code of Conduct and Ethics

I declare that all Board Members and Senior Management have individually affirmed compliance with the code of business conduct and ethics adopted by the company during the year 2011-12. This code of conduct is available on the Company's website.

Place: New Delhi
Date: 3rd September, 2012

Sd/-
Peeyush Aggarwal
Chairman



AUDITOR'S REPORT

To
THE MEMBERS OF
Visesh Infotecnics Limited
New Delhi

We have audited the attached Balance Sheet of Visesh Infotecnics Limited as at March 31, 2012 and also the Profit & Loss Account and cash flow statement 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 concluded our audit in accordance with auditing standards generally accepted in India. Those standards required 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.

We report that:

1. As required by the Companies (Auditor's Report) Order, 2003 (amended) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose annexure on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Attention is invited to note No.11 of the financial statement, consequential effect of adjustment of fund by Banco Efisa, Lisbon Portugal, has not been taken in the books of accounts, resulting thereof and in our opinion bank balance of the company is overstated by USD 8883210.75 (Rs.350,977,439/- value in INR).
3. Further to our comments in the Annexure referred in Paragraph 1 above, we report that:
 - i) 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.
 - ii) 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 such books.
 - iii) The Balance Sheet and Profit & Loss Account referred to by this report are in agreement with the books of Accounts.
 - iv) In our opinion, the Balance Sheet and Profit & Loss Account comply with the accounting Standards as referred to in Section 211(3C) of the Companies Act 1956.
 - v) We have no observation or comments that have adverse affect on the functioning of the company.
 - vi) On the basis of written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Directors of the company are disqualified from being appointed as Director of the company under Section 274(1)(g) of the Companies Act 1956.
 - vii) Subject to para No.2 above, in our opinion and to the best of our information and according to the explanations given to us, the accounts read together with notes on 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 case of Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - b) In the case of Profit & Loss Account, of the profit of the Company 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.

Place : New Delhi
Dated : 03.09.2012

for M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N
Sd/-
Pankaj Chander
Partner
M. No. 089065



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our report of even date to the members of VISESH INFOTECNICS LIMITED for the year ended 31.3.2012).

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification and same have been properly dealt with in the books of accounts.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) 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) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under Section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five Lacs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (iv) As per our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) In our opinion and according to the information and explanation given to us, the Company has not made any deposit under section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules 1975 with regard to the deposits accepted from the public and any other relevant provision of the Act.
- (vi) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues were outstanding at the year end for a period of more than six months from the date they became payable except a) Dues of Income Tax Rs. 5,104,827/- related to A.Y. 2005-06 against this Rs. 4,000,000/- deposited under protest with Income-tax Authorities, b) Rs.1,245,589/- related to A.Y. 2006-07, and c) Rs. 43,851,395/- related to A.Y. 2008-09 against this Rs. 15,00,000/- deposited under protest with Income-tax Authorities. d) In respect of A.Y. 2009-2010 income tax demand is Rs. 27,487,250/-. In respect of A.Y. 2005-06 & 2006-07, appeals of the Company, are pending before the Commissioner of Income Tax (Appeals), Bangalore and for the A.Y. 2008-09 and A.Y 2009-10 appeals are pending before the Commissioner of Income Tax (Appeals) XIX, New Delhi.



VISESH INFOTECNICS LTD.

- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current year and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks (refer point No-3 of Note-3 of Balance sheet). The Company has outstanding dues to financial institutions during the financial year under review (Refer Note-3 of Balance Sheet). The Company has no record of outstanding debentures during the year.
- (x) According to the information and explanations given to us and based on the documents and records produced 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.
- (xi) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xii) 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 (as amended) are not applicable to the Company.
- (xiii) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xiv) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xv) 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.
- (xvi) According to the information and explanation given to us, the company has made preferential allotment of convertible warrants to the following companies covered in the register maintained under section 301 of the Companies Act,1956 :

S.No.	Name of the Company	No. of Convertible warrants
1	Omkam Global Capital Private Limited	2,72,00,000
2	Omkam Securities Private Limited	2,20,00,000
3	Omkam Capital Markets Private Limited	3,10,00,000

- (xvii) According to information and explanations given to us during the period the company has not issued any Debentures.
- (xviii) The Company has not raised any money by way of public issue during the year.
- (xix) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : New Delhi
Dated : 03.09.2012

for M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N

Sd/-
Pankaj Chander
Partner
M. No. 089065



BALANCE SHEET AS AT MARCH 31, 2012

(Amount in ₹)

PARTICULARS	Refer Note No.	As at 31.03.2012	As at 31.03.2011
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	1(a)	1,231,306,050	637,410,900
(b) Reserves and surplus	2	1,235,928,527	1,212,226,347
(c) Money Received Against Share warrant	1(b)	1,588,470,000	940,782,500
2. Non-current liabilities			
(a) Long-term borrowings	3	325,176,751	309,086,402
(b) Deferred tax liabilities (Net)		137,631,455	133,988,170
3. Current liabilities			
(a) Trade payables		79,642,779	82,685,305
(b) Other current liabilities	4	46,305,513	10,825,736
(c) Short-term provisions	5	4,911,739	10,200,263
TOTAL		<u>4,649,372,814</u>	<u>3,337,205,623</u>
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	6		
(i) Tangible assets		48,887,268	53,737,864
(ii) Intangible assets		612,511,150	601,853,966
(iii) Capital work-in-progress (Including Advances for IT Park)		2,318,701,061	1,684,298,425
(b) Non-current investments	7	617,530,195	4,154,658
(c) Long-term loans and advances	8	39,638,560	33,489,619
2. Current assets			
(a) Inventors	9	10,275,952	538,631
(b) Trade receivables	10	638,502,532	588,538,390
(c) Cash and cash equivalents	11	357,295,649	361,959,351
(d) Other current assets	12	6,030,448	8,634,719
TOTAL		<u>4,649,372,814</u>	<u>3,337,205,623</u>

See accompanying notes forming part of the financial statement

in terms of our report attached

For M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N

FOR & ON BEHALF OF THE BOARD

Sd/-
PANKAJ CHANDER
PARTNER
M.No. 089065

Sd/-
PEEYUSH AGGARWAL
CHAIRMAN

Sd/-
KARUN JAIN
EXECUTIVE DIRECTOR

Sd/-
VIPIN GARG
DIRECTOR

Place : New Delhi
Dated : 03/09/2012

Sd/-
RITA DEDHWAL
COMPANY SECRETARY



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2012

(Amount in ₹)

PARTICULARS	Refer Note No.	As at 31.03.2012	As at 31.03.2011
I. Revenue from operations	13	1,547,393,037	1,767,511,608
II. Other income	14	6,759,392	8,179,032
III. Total Revenue (I + II)		<u>1,554,152,429</u>	<u>1,775,690,640</u>
iv. Expenses:			
Purchases of Stock-in-Trade		1,365,522,184	1,598,914,295
Changes in inventories	15	(9,737,321)	480,137
Employee benefit expenses	16	24,780,566	12,046,414
Finance costs	17	30,782,168	27,577,573
Depreciation and amortization expense		118,430,301	109,824,081
Other expenses	18	12,834,752	9,520,244
Total expenses		<u>1,542,612,650</u>	<u>1,758,362,744</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		11,539,779	17,327,896
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		<u>11,539,779</u>	<u>17,327,896</u>
VIII. Extraordinary Items		66,593	(120,738)
IX. Profit before tax (VII- VIII)		<u>11,473,186</u>	<u>17,207,158</u>
X. (1) Current tax		2,404,837	3,500,000
(2) Deferred tax		3,643,285	2,752,892
XI. Profit (Loss) for the period from continuing operations		<u>5,425,064</u>	<u>10,954,266</u>
XII. Add : Profit Brought Forward from previous year		413,959,932	403,005,666
XIII. Profit (Loss) for the period (XI + XII)		<u>419,384,995</u>	<u>413,959,932</u>
XIV. Earnings per equity share:			
(1) Basic		0.04	0.17
(2) Diluted		0.03	0.13

See accompanying notes forming part of the financial statement

in terms of our report attached

For M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N

FOR & ON BEHALF OF THE BOARD

Sd/-
PANKAJ CHANDER
PARTNER
M.No. 089065Sd/-
PEEYUSH AGGARWAL
CHAIRMANSd/-
KARUN JAIN
EXECUTIVE DIRECTORSd/-
VIPIN GARG
DIRECTORPlace : New Delhi
Dated : 03/09/2012Sd/-
RITADEHWAL
COMPANY SECRETARY



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

(Amount in ₹)

PARTICULARS	As at 31.03.2012	As at 31.03.2011
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	11,473,186	17,327,896
Adjustment for :		
Depreciation and Amortisation	118,430,301	109,824,081
Misc. Expenses Written off	3,922	32,720
Leave Encashment	61,965	509,938
Gratuity	147,338	400,401
Income Tax	(2,404,837)	(3,102,541)
Interest & Other Costs	30,782,168	27,577,573
Prior Period Expenses	66,593	(120,738)
Interest Received	(6,759,210)	(4,749,338)
Amount Transferred from General Reserve	-	103,096,935
Operating Profit Before Working Capital Changes	151,801,426	250,796,927
(Increase)/Decrease in Current Assets	(57,097,191)	(850,156,709)
Increase/(Decrease) in Current Liabilities & Provisions	27,143,459	(150,224,792)
Net Cash from Operating Activities (A)	121,847,694	(749,584,574)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets & Advances on capital Account	(740,136,941)	(371,170,188)
Interest Received	6,759,210	4,749,338
Purchase of Investment	(613,375,537)	-
Long term Loans & Advances	(6,648,941)	-
Net Cash Outflow in Investing Activities (B)	(1,353,402,209)	(366,420,850)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity Shares	593,895,150	211,589,160
Issue of Convertible Warrants	647,687,500	935,782,500
Share Application Money Received	-	(127,885,000)
Increase / (Decrease) in Secured Loan	16,090,349	(27,571,612)
Increase / (Decrease) in Unsecured Loans	-	137,448,466
Interest Paid	(30,782,168)	(27,577,573)
Net Cash inflow from Financing Activities (C)	1,226,890,831	1,101,785,941
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	(4,663,684)	(14,219,483)
Cash and Cash Equivalent as at 01/04/2011	361,959,333	376,178,834
Cash and Cash Equivalent as at 31/03/2012	357,295,649	361,959,333

Notes:

- Comparative figures have been regrouped wherever necessary.
- The cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements notified by the Companies (Accounting Standards) Rules, 2006.
- These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial statement in terms of our report attached

For M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N

FOR & ON BEHALF OF THE BOARD

Sd/-
PANKAJ CHANDER
PARTNER
M.No. 089065

Sd/-
PEEYUSH AGGARWAL
CHAIRMAN

Sd/-
KARUN JAIN
EXECUTIVE DIRECTOR

Sd/-
VIPIN GARG
DIRECTOR

Place : New Delhi
Dated : 03/09/2012

Sd/-
RITADEHWAL
COMPANY SECRETARY



NOTES FORMING PART OF FINANCIAL STATEMENT AS AT 31.03.2012

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2012	As at 31.03.2011
1	Share Capital		
	Equity Share Capital		
	Authorised Share capital	2,874,500,000	2,866,400,000
	287450000 Equity Share of Rs.10/- each (Previous Year 286640000 equity share of Rs. 10/- each)		
(a)	Issued subscribed & fully paid share capital	637,410,900	637,410,900
	(63741090 Equity Shares of Rs 10/- each Includes 9309524 Equity Shares Consequent to issue of 4654762 GDR vide information Memorandum dated December 4, 2007)		
	Issue of Equity Shares Pending for Allotment refer point no. 3 below	593,895,150	-
	Issued subscribed & fully paid share capital	1,231,306,050	637,410,900
(b)	Money received against convertible warrants convertible into equity shares	1,588,470,000	940,782,500
	Convertible warrant	1,588,470,000	940,782,500

Notes:

- The Company has only one class of Equity shares having a par value of Rs.10/- each per share. Each holder of equity share is entitled to one vote per share.
- In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company after discharging the liabilities of the Company.
- M/s Axis Convergence Private Limited has been merged with the Company as per the scheme of amalgamation sanctioned by the Hon'ble High Court, New Delhi vide its order dated 20.07.2012. Pursuant to this scheme of amalgamation, the Company has agreed to allot 59389515 equity shares fully paid up of Rs.10/- each to the shareholders of Transferor Company.
- As per the scheme of amalgamation, the business carried on by the transferor company from the appointed date till the effective date is carried on, for and on behalf of the transferee company and all profits accruing to the transferor company are profits of the transferee company. Therefore, the profits of the transferor company from 1st April'2011 to 31st March'2012 are reflected in the profit & loss a/c of the transferee company. Various items of profit & loss a/c of the company include corresponding figures of erstwhile transferor company. The corresponding figures of assets and liabilities of the transferor company as on 31st March' 2012 have merged with the assets and liabilities of the transferee company.
- Pursuant to the scheme of amalgamation as approved, the transferee company has taken over the entire business of erstwhile transferor company including all assets, liabilities obligations etc. and the same has been given effect to in the accounts subject to and read with point (4) above, on a purchase method basis as prescribed by Accounting Standard (AS-14) issued by the institute of chartered accountants of India. In view of this, the figures for the current year represent the operations of the company including the operations of erstwhile transferor company whereas the figures of the previous year represent figures relating to the operations of the transferee company only. To this extent the figures for the current year are not comparable with the figures of the previous year.
- The amount of excess difference between the consideration and the value of net identifiable assets acquired from transferor company has been transferred to Capital Reserve.
- In terms of the resolution passed under section 81(1A) of the Companies Act,1956 at the Extra Ordinary General Meeting of the Company held on 30.09.2010 and 'In-principle' approval received from NSE and BSE, The Board has allotted 220000000 convertible share warrants into equal number of equity shares of Rs 10/- each at a price of Rs 10/- per warrant, in the board meeting held on 30.10.2010 on preferential basis to promoters and non-promoters category. Pursuant to allotment of convertible share warrants, the company during the financial year 2010-2011 and 2011-2012, has received monies aggregating to Rs 158.85 crores out of Rs. 220.00 crores.



List of Paid up Equity Shareholders holdings 5% or more (Excluding Converted Share Warrants)

	Name of Shareholders	31 March 2012		31 March 2011	
		No.	% Holding	No.	% Holding
1	Mr. Peeyush Aggarwal	21,379,425	33.54%	22,769,004	35.72%
2	Ms. Seema Aggarwal	6,887,434	10.81%	6,887,434	10.81%

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2012	As at 31.03.2011
2	Reserves and Surplus		
	Capital Reserves	51,457,116	33,180,000
	Securities Premium Reserves	899,102,506	899,102,506
	General Reserve	57,493,569	57,493,569
	Surplus	227,875,335	222,450,272
	Total	1,235,928,527	1,212,226,347
3	Long-term borrowings		
	Secured		
	Working Capital Loan From Allahabad Bank	99,428,764	70,220,565
	Loans from other Banks*	82,726,578	95,186,762
	Vehicle Loan	207,007	864,673
	Unsecured		
	Unsecured Loans	142,814,402	142,814,402
	Total	325,176,751	309,086,402

Notes:

- Working Capital loans are secured by the first ranking pari passu charges over entire Current Assets of the Company including stocks of finished goods, stock in trade, goods in transit, book debts etc. (present and future).
- Loan from other banks are secured by the movable assets and immovable properties of the company, personal guarantee of the directors viz. Mr. Peeyush Aggarwal, Mr. Karun Jain, and body corporates guarantee namely Infotecnics India Ltd, Omkam Developers Pvt Ltd and guarantee of M/s. Peeyush Aggarwal (HUF).
- * During the year, there were irregularities in the Loan account, which has now been regularised as per confirmation given by bank.

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
4	Other current liabilities		
	Interest accrued and due on borrowings	4,658,083	-
	Advance Received From Customer	35,546,941	8,005,258
	Unpaid dividends	340,597	340,747
	Other payables	5,759,892	2,479,731
	Total	46,305,513	10,825,736

Notes:

Amount of Rs.340,597/- in the unpaid dividend account of the Company maintained with HDFC bank, shall be transferred to Investor Education and Protection Fund (IEPF) by March, 2013 as per Section 205C of the Companies Act, 1956.

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
5	Short-term provisions		
	Provision for Current Tax	2,404,837	7,547,475
	Provision for Leave Encashment	1,251,298	1,294,685
	Provision for Gratuity	1,255,604	1,358,103
	Total	4,911,739	10,200,263



SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31-03-2012

Note No. '6' - Fixed Assets

(Amount in ₹)

Description of Assets	Rate	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2011	Additions during the year	Adjustments/ Sales during the year	As at 31.03.2012	As at 01.04.2011	Depreciation during the year	Adjustments/ Sales during the year	As at 31.03.2012	W.D.V. as at 31.03.2012	W.D.V. as at 31.03.2011
A. Tangible											
Building	1.63%	20,682,581	-	-	20,682,581	2,630,330	337,126	-	2,967,456	17,715,125	18,052,251
Computers and Peripherals	16.21%	38,943,454	345,408	-	39,288,862	21,465,243	6,285,584	-	27,750,827	11,538,035	16,716,890
Office Equipments	4.75%	13,995,778	206,741	-	14,202,519	5,107,832	665,628	-	5,773,460	8,429,059	8,558,505
Vehicles	9.50%	6,745,230	53,700	-	6,798,930	2,440,763	607,441	-	3,048,204	3,750,726	3,018,072
Furniture & Fixtures	6.33%	19,098,229	14,642	-	19,112,871	10,466,842	1,191,706	-	11,658,548	7,454,323	7,392,146
Sub Total (A)		99,465,272	620,491	-	100,085,763	42,111,010	9,087,485	-	51,198,495	48,887,268	53,737,864
B. Intangible											
Goodwill	10.00%	2,800,000	-	-	2,800,000	2,520,000	280,000	-	2,800,000	-	280,000
Software & Industrial Property Rights	10.00%	1,030,300,288	120,000,000	-	1,150,300,288	428,726,322	109,062,816	-	537,789,138	612,511,150	601,573,966
Sub Total (B)		1,033,100,288	120,000,000	-	1,153,100,288	431,246,322	109,342,816	-	540,589,138	612,511,150	601,853,966
Total (A + B)		1,132,565,560	120,620,491	-	1,253,186,051	473,357,332	118,430,301	-	591,787,633	661,398,418	655,591,830
Capital Work in Progress (Including Advance on Capital Account)		826,014,755	100,000,000	120,000,000	806,014,755	-	-	-	-	806,014,755	826,014,755
IT - Park - Advance		858,283,670	654,402,636	-	1,512,686,306	-	-	-	-	1,512,686,306	858,283,670
Total		1,684,298,425	754,402,636	120,000,000	2,318,701,061	-	-	-	-	2,318,701,061	1,684,298,425

Note:

The Company has developed or customized various Computer software in House. The Company has source code for all these software and has all the rights over the product. However there is no formal registration of IPR. The Company has shown these software under the sub-head "Software and IPR" Under the head "Intangible" in its financial Statements and the same is certified by the management.



(Amount in ₹)

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
7	Non-current investments		
	Investment in wholly owned Foreign Subsidiary Companies		
	Axis Convergence Inc	403,985,905	-
	Greenwire Network Limited	201,479,237	-
	Opentec Thai Network Specialists Ltd. (OTNS)	12,020,053	4,154,658
	Others		
	Veom Infotech Pvt. Ltd.	45,000	-
	Total	617,530,195	4,154,658
8	Long Term Loans and Advances		
	Deposited With Income Tax Authorities	11,882,297	13,888,995
	Other loans and advances	20,341,269	18,677,185
	Advance to Suppliers	7,110,167	-
	Advance to Staff	304,827	923,439
	Total	39,638,560	33,489,619

Notes:

Other Loans & Advances, Advance to suppliers subject to balance confirmation and reconciliation.

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
9	Inventories		
	Stock in trade	10,275,952	538,631
	Total	10,275,952	538,631
10	Trade Receivables		
	Trade Receivable Less Than Six Month	602,890,394	549,694,000
	Other Trade Receivables	35,612,138	38,844,390
	Total	638,502,532	588,538,390

Notes:

Trade Receivables subject to balance confirmation and reconciliation.

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
11	Cash and cash equivalents		
	Balances with scheduled banks	2,815,999	3,711,014
	Cash in hand	252,211	242,051
	Others (FDRs with Banks)	3,250,000	7,028,847
	Balances with foreign bank - Banco Efisa	350,977,439	350,977,439
	Total	357,295,649	361,959,351

The funds raised by the Company from GDR issue during F.Y. 2007-08 were kept in fixed deposit account with Banco Efisa, Lisbon, Portugal, as the said amount was to be deployed in terms of INFORMATION MEMORANDUM of the GDR issue. During the F.Y. 2008-09, the Bank in Portugal, Banco Efisa wrongly debited an amount of USD 8,883,210.75 out of the balance lying in the Company's Account with the Bank. The Company has denied and disputed this debit and had initiated legal action under criminal jurisprudence of Portuguese Law. During the criminal investigation, several new facts/documents have come to our knowledge and based on the evaluation



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of new facts/documents by Barristers, Senior Advocates and investigation carried out of in India, London and Portugal; your Company has initiated a strong civil action for recovery of USD 8,883,210.75, alongwith interest, against Banco Efisa and its Holding Company, wherein the Portuguese advocates confirm that the chances of recovery are very high. A criminal complaint against the conniving accused for siphoning off the above said amount had been filed and the matter is presently under investigation.

(Amount in ₹)

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
12	Other Current Assets		
	Security Deposits	857,147	3,449,177
	Prepaid Expenses	5,138,003	5,146,322
	Preliminary Expenses	35,298	39,220
	Total	6,030,448	8,634,719

Notes:

Preliminary Expenses have been written off on the basis as provided under section 35D of the Income Tax Act 1961 as amended from time to time.

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
13	Revenue from Operations		
	Income from Operation	1,547,393,037	1,767,511,608
	Total	1,547,393,037	1,767,511,608
14	Other Income		
	Miscellaneous Income	-	3,429,694
	Interest Received	6,759,392	4,749,338
	Total	6,759,392	8,179,032
15	Changes in inventories		
	Opening Stock	538,631	1,018,768
	Less: Closing Stock	10,275,952	538,631
	Total	(9,737,321)	480,137
16	Employee Benefits Expenses		
	Salaries and wages	20,447,280	10,076,971
	Director's Remuneration	3,223,754	1,787,404
	Contribution to provident and other funds	170,995	50,986
	Staff welfare	938,537	131,053
	Total	24,780,566	12,046,414
17	Finance Costs		
	Interest expenses	29,808,826	27,417,432
	Other borrowing costs	973,342	160,141
	Total	30,782,168	27,577,573



(Amount in ₹)

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
18	Other Expenses		
	Advertisement and Publicity	202,510	201,822
	AGM/Board meeting expenses	109,523	598,133
	Listing Fees	608,326	466,970
	Audit Fees	165,450	165,450
	Books & Periodicals	4,350	3,115
	Communication Expenses	1,004,680	556,736
	Conveyance	349,643	298,086
	Electrical Power & Water Expenses	1,009,711	205,759
	Entertainment Expenses	278,266	57,815
	Exchange Rate Fluctuation	135,448	-
	Freight And Cartage Expenses	634,114	156,895
	Insurance Premiums	201,370	280,718
	Lease rent on Capital Goods	-	190,482
	Legal & Professional Expenses	1,962,160	1,285,996
	loss on sale of Assets	-	1,872
	Preliminary expenses W/o	3,922	32,720
	Miscellaneous Expenses	53,159	51,362
	Printing & Stationery	301,971	232,301
	Rates & Taxes	235,161	450,194
	Rent Charges	2,094,462	1,919,488
	Repair & Maintanance	981,438	540,324
	Security Charge Expenses	367,776	210,129
	Subscription & Membership Fees	15,000	24,000
	Travelling & Tour-Directors	45,528	1,055,431
	Travelling & Tour-Others	1,708,804	303,893
	Vehicle Running & Maintenance	361,981	230,553
	Total	12,834,752	9,520,244

Note 19 Disclosure under Accounting Standard 15 - Employee Benefit Plan

PARTICULARS	As at 31.03.2012	As at 31.03.2011
1. Employee's Contribution Benefit Plans		
Provident Fund Contributions	39,455	47,553
Superannuation Fund (Gratuity)	1,255,604	1,358,103
	1,295,059	1,405,656

The Company makes Provident Fund and Superannuation Fund (Gratuity) contributions to contribution plans for qualifying employees. Under the Schemes, the company is required to contribute a specified percentage of payroll costs to fund the benefits. The Company recognised the contributions in the statement of profit and Loss. The Contributions payable to these plans by the company are at rates specified in the rules of the schemes.

**Note - 20 Disclosure Under Accounting Standard 11- Transactions occurred in Foreign Currency.**

(Amount in ₹)

PARTICULARS	As at 31.03.2012	As at 31.03.2011
Import/Export in Foreign Currency		
FOB Value of Export	20,245,270	-
Value of Imports	3,921,430	3,725,147
Expenditure in Foreign Currency		
Travelling and Conveyance	-	817,580
Profit and (Loss) Foreign Exchange Fluctuation		
Profit in foreign fluctuation	(135,448)	-

Note-21 Disclosure under Accounting Standard 29 - Contingent Liability

The company has made provision for various contractual obligation and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below :

PARTICULARS	As at 31.03.2012	As at 31.03.2011
Contingent Liabilities not provided for :		
a) Claim against the company not acknowledged as debt	-	-
b) Income Tax Demand	72,189,061	45,201,811
c) Letter of Credits	-	31,431,504
d) Bank Guarantee	2,960,000	25,000
	75,149,061	76,658,315

Note 22- Disclosure Under Accounting standard 19- Operating Lease

The Company has taken certain Equipments on Operating Lease for IT Enabled services.

PARTICULARS	As at 31.03.2012	As at 31.03.2011
Lease Payments recognized in the statement of profit & loss A/c for the year	NIL	190,482
Future Minimum Lease Payments under Non-cancelable Operating Lease	NIL	NIL
Due not later than one year	NIL	NIL
Due later than one year and not later than five years	NIL	NIL
Due later than five years	NIL	NIL

Note 23- Payment to auditors

PARTICULARS	As at 31.03.2012	As at 31.03.2011
Audit Fee for - Statutory Audit	165,450	165,450

Note 24- Disclosure of managerial Remuneration under section 198 of The Companies Act,1956.

PARTICULARS	As at 31.03.2012	As at 31.03.2011
Salaries, Benefits and Allowances to Directors	3,223,754	1,787,404



Note-25 Disclosure under Accounting Standard 17 - Segment Reporting

Segment Information				
Particulars	Business Segments			(Amount in ₹)
	IT Solutions & products	IT Enabled Services	Telecommunication	Total
Revenue	1,528,047,326	13,120,863	6,224,848	1,547,393,037
	(1,704,562,961)	(62,948,647)	-	(1,767,511,608)
Inter-segment Revenue	--	-	-	-
Total	1,528,047,326	13,120,863	6,224,848	1,547,393,037
	(1,704,562,961)	(62,948,647)	-	(1,767,511,608)
Segment Result	155,305,052	4,529,392	26,185	159,860,629
	(138,664,388)	(12,641,316)	-	(151,305,704)
Interest				30,782,168
				(27,577,573)
				129,078,461
				(123,728,131)
Unallocable expenses (net)				124,364,667
				(114,700,005)
Operative Income				4,713,794
				(9,028,126)
Other Income (net)				6,759,392
				(8,179,032)
Profit before tax				11,473,186
				(17,207,158)
Tax Expense				6,048,122
				(6,252,892)
Net Profit for the year				5,425,064
				(10,954,266)

Note:

- Primary Segmentation has been done according to the nature of product & services. The Company's Operations predominantly relate to the following segments:
 - IT Solution & Products
 - IT Enabled Services
 - Telecommunication
- There is no Inter division or Inter Segment transfer of goods.
- Since Fixed Assets used in the company's business cannot be specifically identified with any of the reportable segment, as these are used inter changeably among segments, therefore segment wise disclosure on capital employed has not been furnished.
- The Company caters mainly to the Domestic market and the Export turnover is not significant in the context of the total turnover. As such, there are no geographical segments.
- The Segment of IT Solutions & products also includes revenue generated from trading in communicating devices.



Note-26 Disclosure under Accounting Standard 18-Related Party

Related Party transactions

Details of Related parties:

(Amount in ₹)

Description of Relationship	Names of Related Parties	Outstanding Balance as on 31st March 2012
Ultimate Holding Company	No	
Holding Company	No	
Subsidiary Companies	Axis Convergence Inc	-
	Greenwire network limited	-
	Opentec Thai Network Specialists Ltd.	-
Fellow Subsidiary Company	-	-
Key Management Personnel (KMP)	Mr Peeyush Kumar Aggarwal (Chairman)	137,448,466
	Mr. Karun Jain (Executive Director)	-
	Mr. Vipin Garg (Director)	-
Relative of KMP	-	-
Entities in which KMP/ Relatives of KMP can exercise significant influence	Omkam Global Capital Private Limited	-
	Omkam Securities Private Limited	-
	Omkam Capital Market Private Limited	-
	Omkam Communications Private Limited	-
	Omkam Commodities Private Limited	-

Note: Related Parties have been identified by the management

(Amount in ₹)

Particulars	Omkam Global Capital Private Limited	Omkam Securities Private Limited	Omkam Communications Private Limited
Sale of goods	-	-	124,030,500
Purchase of Goods	-	-	-
Share Application Money Received	35,000,000	25,000,000	-
Share Application Money refunded		1,000,000	-

Note 27 Disclosure under Accounting Standard 20 - Earning Per Share

PARTICULARS	As at 31.03.2012	As at 31.03.2011
Earning Per Share		
Basic		
Net Profit after tax as per Profit & Loss to Equity Shareholders	5,425,064	10,954,266
Net Profit before exceptional items	5,491,657	10,954,266
Weighted Average number of Equity Shares used as denominator for calculating EPS	123,130,605	63,741,090
Earning Per Share	0.04	0.17
Earning Per Share (before exceptional items)	0.04	0.17
Par Value per Share	10	10



(Amount in ₹)

PARTICULARS	As at 31.03.2012	As at 31.03.2011
Diluted		
The diluted earning per share has been computed by dividing the Net profit after tax available for Equity Shareholders by the weighted average number of equity shares, after giving diluted effect of the outstanding warrants and convertible bonds for the respective period		
Net Profit after tax as per Profit & Loss to Equity Shareholders	5,425,054	10,954,266
Weighted Average number of Equity Shares used as denominator for calculating EPS	178,130,605	86,657,757
Earning Per Share	0.03	0.13
Par Value per Share	10	10

Note 28 Disclosure under Accounting Standard 22 - Accounting for Taxation

PARTICULARS	As at 31.03.2012	As at 31.03.2011
Depreciation as per companies Act	11,84,30,301	10,98,24,081
Depreciation as per Income Tax Act	12,91,48,998	11,79,23,205
Net Difference between Depreciation as per Companies Act and Income Tax Act	1,07,18,697	80,99,124
Tax Effect of items constituting (Deferred Tax Liability) / Deferred Tax Assets	36,43,285	27,52,892

Note 29 Additional information pursuant to the provisions of Para 4, 4A, 4C and 4D of part-II of Schedule VI to the Companies Act, 1956 to extent applicable are given below:

Particulars		Closing Stock
SOFTWARE	Quantity (Nos.)	-
	Value (Rs.)	-
HARDWARE & PERIPHERALS	Quantity (Nos.)	-
	Value (Rs.)	-
COMMUNICATING DEVICES	Quantity (Nos.)	7,746
	Value (Rs.)	10,275,952
TOTAL	Quantity (Nos.)	7,746
	Value (Rs.)	10,275,952



NOTES FORMING PART OF THE FINANCIAL STATEMENT

SIGNIFICANT ACCOUNTING POLICIES

1. Nature of Operations

The Company is primarily engaged in Software and Hardware product, System Integration, Enterprises Software, Telecommunication and IT enabled services etc.

2. Basis of accounting and preparation of financial statement

The financial statements of the company have been prepared in accordance with the Generally Accepted accounting principles in India (Indian GAAP) to comply with the accounting standard notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical costs convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

3. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (Including Contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognised in the periods in which the results are materialised.

4. Inventories

Inventories are valued at the lower of cost (On FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Costs included all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

5. Cash and Cash equivalents (For purposes of Cash Flow Statements)

Cash comprises cash on hand and fixed deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

6. Cash Flow Statement

Cash flows are reported using the indirect method, whereby Profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accrual of past or future cash receipts or payments. The cash flows from operating, investing and financial activities of the company are segregated based on the available information.

7. Depreciation

Tangible Assets: Depreciation has been provided on the SLM method at the rates prescribed in schedule XIV to the Companies Act, 1956.

Intangible Assets: Softwares & Intellectual Property Rights, Copyrights and Goodwill are being amortised on Straight Line basis over a period of 10 years, considering the useful life of assets & their obsolescence.

8. Revenue Recognition

Revenue from Fixed price Software Contracts are recognised principally on the basis of completed milestones as specified in the contracts.

Software Development and services are recognised on Time basis as per the terms of specified contracts.

Sale of Software/Hardware products is recognised on the dispatch of Goods from company's premises. No provision has been made for possible returns or expenses during the warranty period.

Income from annual maintenance contracts, web hosting and domain registration are accounted for in the ratio of period expired to the total period of the contract and the amount received from the customers towards the un-expired portion of such contract is treated as advance received.

Interest Income is recognized on time proportion basis.

9. Tangible Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation/amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period



of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

10. Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairments losses, if any. The cost of intangible assets comprises its purchase price, including any import duties and other taxes and any directly attributable expenditure on making the assets ready for its intended use and net of any trade discounts and rebates.

11. Operating Leases

Assets taken on lease (AS-19) under which all significant risks and awards of ownership are effectively retained by the lessor are classified as Operating Leases. Lease payments under Operating Leases are recognized as expenses as incurred in accordance with the respective Lease agreements.

12. Foreign currency transactions and translations**Initial recognition**

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance sheet date are restated at the year-end rates. In the case of integral operations, assets and liabilities (Other Than Monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the statement of profit and loss.

Treatment of Exchange differences

Exchange differences arising on settlement/restatement of short term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expenses in the statement of profit and loss. The Exchange differences on restatement/settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a Foreign Currency monetary item translation difference account

13. Investments

Long-Term investments (Excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value.

Cost of investments include acquisition charges such as brokerage, fees and duties

14. Retirement and other Employee benefits

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expenses as they fall due based on the amount of contribution required to be made.

Provident Funds and Employees State Insurance Fund (Defined Contribution Schemes) are administrated by the Central Government of India and Contribution to the said funds are charged to profit and loss account on accrual basis.

For Defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost providing benefits is determined using the projected unit credit method with actuarial valuation being carried out at the each Balance sheet date. Actuarial gains and losses are recognised in the statement of profit and Loss in the period in which they occur.

15. Segment reporting

The Company identifies primary segments based on the dominant sources, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit and loss amounts are evaluated regularly by the Executive Management.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segments



Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocable to segment on reasonable basis have been included under " Unallocated revenue/ expenses/assets/liabilities.

16. Earning per share

Basic Earning per share is computed by dividing the profit after tax(including the post tax effect of extraordinary items if any) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing the profit after tax (Including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expenses or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares.

17. Taxes on Income

Income tax is accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income" as issued by the Institute of Chartered Accountants of India. Tax expenses comprise both Current and Deferred tax. Current Tax is measured at the amount expected to be paid to the Tax Authorities using the applicable tax rates. Deferred Tax assets and liabilities are recognized for future tax consequences attributable to timing differences between Taxable Income and Accounting Income that are capable of reversing in one or more subsequent periods and are measured using the relevant enacted tax rates. At each Balance Sheet date, the Company reassesses the un-recognized Deferred tax Assets to the extent they have become reasonably certain or virtually certain of realization, as the case may be.

18. Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provision (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimation. Contingent liabilities are not provided in the books of accounts and are disclosed separately by way of Notes.

19. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the understated service received is accounted and when there is no uncertainty in availing / utilising the credits.

20. The balance of Sundry debtors, sundry creditors, loans and advances, current liability (Including IT park Advances) is subject to balance confirmation and reconciliation.

21. Previous Period Comparatives

- i) Previous period's figures have been regrouped where necessary to confirm to current period's Classification
- ii) Schedule VI of the Companies act 1956 is revised with effect from 1st April'2011 and the adoption of such revised schedule VI has significantly impacted the presentation and disclosures in the Current financial statements.
- iii) The figures for the current year represent the operations of the Company including the operations of erstwhile transferor Company whereas the figures of the previous year represent figures relating to the operations of the Transferee Company only. To this extent the figures for the current year are not comparable with the figures of the previous year.
- iv) Schedule VI of the Companies act 1956 is revised with effect from 1st April'2011 and the adoption of such revised schedule VI has significantly impacted the presentation and disclosures in the current financial statements.
- v) **Notes 1 to 29** form an integral part of the Balance Sheet as on 31st March 2012 and the profit and Loss account for the year ended 31st March 2012.

**for M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N**

**Sd/-
Pankaj Chander
Partner
M. No. 089065**

**Place : New Delhi
Dated : 03.09.2012**

**AUDITOR'S REPORT**

To
THE MEMBERS OF
Visesh Infotecnics Limited
New Delhi.

We have audited the attached **Consolidated Balance Sheet of Visesh Infotecnics Limited as at March 31, 2012** and also the Profit & Loss Account and cash flow statement 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 concluded our audit in accordance with auditing standards generally accepted in India. Those standards required 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.

We report that:

1. As required by the Companies (Auditor's Report) Order, 2003 (amended) issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose annexure on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Attention is invited to note no 11 of the financial statement, consequential effect of adjustment of fund by Banco Efisa, Lisbon Portugal, has not been taken in the books of accounts, resulting thereof and in our opinion bank balance of the company is overstated by USD 8883210.75 (Rs. 350977439/-)
3. Further to our comments in the Annexure referred in Paragraph 1 above, we report that:
 - i) 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.
 - ii) 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 such books.
 - iii) The Balance Sheet and Profit & Loss Account referred to by this report are in agreement with the books of Accounts.
 - iv) In our opinion, the Balance Sheet and Profit & Loss Account comply with the accounting Standards as referred to in Section 211 (3C) of the Companies Act 1956.
 - v) We have no observation or comments that have adverse affect on the functioning of the company.
 - vi) On the basis of written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Directors of the company are disqualified from being appointed as Director of the company under Section 274 (1) (g) of the Companies Act 1956.
 - vii) Subject to para No. 2 above, in our opinion and to the best of our information and according to the explanations given to us, the accounts read together with notes on 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 case of Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - b) In the case of Profit & Loss Account, of the profit of the Company 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.

for M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N

Sd/-
Pankaj Chander
Partner
M. No. 089065

Place : New Delhi
Dated : 03.09.2012



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012

(Amount in ₹)

PARTICULARS	Refer Note No.	As at 31.03.2012	As at 31.03.2011
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	1(a)	1,231,306,050	637,410,900
(b) Reserves and surplus	2	1,283,871,053	1,212,226,347
(c) Money Received Against Share warrant	1(b)	1,588,470,000	940,782,500
Minority Interest		-	-
2. Non-current liabilities			
(a) Long-term borrowings	3	325,176,751	309,086,402
(b) Deferred tax liabilities (Net)		137,631,455	133,988,170
3. Current liabilities			
(a) Trade payables		124,284,995	82,685,305
(b) Other current liabilities	4	47,134,886	10,825,736
(c) Short-term provisions	5	5,552,603	10,200,263
TOTAL		4,743,427,793	3,337,205,623
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	6		
(i) Tangible assets		48,887,268	53,737,864
(ii) Intangible assets		612,511,150	601,853,966
(iii) Capital work-in-progress (Including Advances for IT Park)		2,318,701,061	1,684,298,425
(b) Goodwill (on consolidation)		616,910,728	-
(c) Non-current investments	7	48,362	4,154,658
(d) Long-term loans and advances	8	39,779,301	33,489,619
2. Current assets			
(a) Inventors	9	10,275,952	538,631
(b) Trade receivables	10	727,964,360	588,538,390
(c) Cash and cash equivalents	11	361,056,574	361,959,351
(d) Other current assets	12	7,293,038	8,634,719
TOTAL		4,743,427,794	3,337,205,623
See accompanying notes forming part of the financial statement		-	-

in terms of our report attached

For M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N

FOR & ON BEHALF OF THE BOARD

Sd/-
PANKAJ CHANDER
PARTNER
M.No. 089065Sd/-
PEEYUSH AGGARWAL
CHAIRMANSd/-
KARUN JAIN
EXECUTIVE DIRECTORSd/-
VIPIN GARG
DIRECTORPlace : New Delhi
Dated : 03/09/2012Sd/-
RITADEHWAL
COMPANY SECRETARY



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2012

(Amount in ₹)

PARTICULARS	Refer Note No.	As at 31.03.2012	As at 31.03.2011
I. Revenue from operations	13	2,392,865,798	1,767,511,608
II. Other income	14	6,759,827	8,179,032
III. Total Revenue (I+II)		<u>2,399,625,625</u>	<u>1,775,690,640</u>
iv. Expenses:			
Purchases of Stock-in-Trade		2,192,376,167	1,598,914,295
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	15	(9,737,321)	480,137
Employee benefits expense	16	24,780,566	12,046,414
Finance costs	17	31,249,180	27,577,573
Depreciation and amortization expense		118,430,301	109,824,081
Other expenses	18	23,247,087	9,520,244
Total expenses		<u>2,380,345,981</u>	<u>1,758,362,744</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		19,279,644	17,327,896
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		<u>19,279,644</u>	<u>17,327,896</u>
VIII. Extraordinary Items		66,593	(120,738)
IX. Profit before tax (VII-VIII)		<u>19,213,051</u>	<u>17,207,158</u>
X. (1) Current tax		3,045,701	3,500,000
(2) Deferred tax		3,643,285	2,752,892
XI. Profit (Loss) for the period from continuing operations		<u>12,524,065</u>	<u>10,954,266</u>
XII. Less: Minority Interest		(464)	-
XIII VIL's Share in Profit (Loss)		<u>12,524,530</u>	<u>10,954,266</u>
XIV Add : Profit Brought Forward from previous year		413,959,932	403,005,666
XV. Profit (Loss) for the period (XIII+XIV)		<u>426,484,462</u>	<u>413,959,932</u>
XVI. Earnings per equity share:			
(1) Basic		0.10	0.17
(2) Diluted		0.07	0.13

See accompanying notes forming part of the financial statement

in terms of our report attached

For M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N

Sd/-
PANKAJ CHANDER
PARTNER
M.No. 089065

Sd/-
PEEYUSH AGGARWAL
CHAIRMAN

Sd/-
KARUN JAIN
EXECUTIVE DIRECTOR

Sd/-
VIPIN GARG
DIRECTOR

FOR & ON BEHALF OF THE BOARD

Sd/-
RITA DEDHWAL
COMPANY SECRETARY

Place : New Delhi
Dated : 03/09/2012



VISESH INFOTECNICS LTD.

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

(Amount in ₹)

PARTICULARS	As at 31.03.2012	As at 31.03.2011
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	19,213,051	17,327,896
Adjustment for :		
Depreciation and Amortisation	118,430,301	109,824,081
Misc. Expenses Written off	3,922	32,720
Leave Encashment	61,965	509,938
Gratuity	147,338	400,401
Income Tax	(3,045,701)	(3,102,541)
Interest & Other Costs	31,249,180	27,577,573
Prior Period Expenses	66,593	(120,738)
Interest Received	(6,759,827)	(4,749,338)
Amount Transferred from General Reserve	-	103,096,935
Operating Profit Before Working Capital Changes	159,366,823	250,796,927
(Increase)/Decrease in Current Assets	(147,821,609)	(850,156,709)
Increase/(Decrease) in Current Liabilities & Provisions	73,261,180	(150,224,792)
Net Cash from Operating Activities (A)	84,806,394	(749,584,574)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets & Advances on Capital Account	(740,209,224)	(371,170,188)
Interest Received	6,759,827	4,749,338
Purchase of Investment	(48,362)	-
Goodwill (On consolidation)	(612,756,070)	-
Long term Loans & Advances	(6,289,682)	-
Net Cash Outflow in Investing Activities (B)	(1,352,543,511)	(366,420,850)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity Shares	593,895,150	211,589,160
Issue of Convertible Warrants	647,687,500	935,782,500
Share Application Money Received	-	(127,885,000)
Increase / (Decrease) in Secured Loan	16,090,349	(27,571,612)
Increase / (Decrease) in Unsecured Loans	-	137,448,466
Reserves of Subsidiary Companies	40,410,539	-
Interest Paid	(31,249,180)	(27,577,573)
Net Cash inflow from Financing Activities (C)	1,266,834,358	1,101,785,941
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	(902,759)	(14,219,501)
Cash and Cash Equivalent as at 01/04/2011	361,959,333	376,178,834
Cash and Cash Equivalent as at 31/03/2012	361,056,574	361,959,333

Notes:

- 1 Comparative figures have been regrouped wherever necessary.
- 2 The cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Consolidated Cash Flow Statements notified by the Companies (Accounting Standards) Rules, 2006.
- 3 These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial statement
in terms of our report attached

For M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N

Sd/-
PANKAJ CHANDER
PARTNER
M.No. 089065

Sd/-
PEEYUSH AGGARWAL
CHAIRMAN

FOR & ON BEHALF OF THE BOARD

Sd/-
KARUN JAIN
EXECUTIVE DIRECTOR

Sd/-
VIPIN GARG
DIRECTOR

Place : New Delhi
Dated : 03/09/2012

Sd/-
RITADEHWAL
COMPANY SECRETARY



NOTES FORMING PART OF FINANCIAL STATEMENT AS AT 31.03.2012

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2012	As at 31.03.2011
1	Share Capital		
	Equity Share Capital		
	Authorised Share Capital	2,874,500,000	2,866,400,000
	287450000 Equity Share of Rs.10/- each (Previous Year 286640000 equity share of Rs. 10/- each)		
(a)	Issued subscribed & fully paid share capital	637,410,900	637,410,900
	(63741090 Equity Shares of Rs 10/- each Includes 9309524 Equity Shares Consequent to issue of 4654762 GDR vide information Memorandum dated December 4, 2007)		
	Issue of Equity Shares Pending for Allotment (refer point no. 3 below)	593,895,150	-
	Issued subscribed & fully paid share capital	1,231,306,050	637,410,900
(b)	Money received against convertible warrants convertible into equity shares	1,588,470,000	940,782,500
	Convertible warrant	1,588,470,000	940,782,500

Notes:

- The Company has only one class of Equity shares having a par value of Rs.10/- each per share. Each holder of equity share is entitled to one vote per share.
- In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company after discharging the liabilities of the Company.
- M/s Axis Convergence Private Limited has been merged with the Company as per the scheme of amalgamation sanctioned by the Hon'ble High Court, New Delhi vide its order dated 20.07.2012. Pursuant to this scheme of amalgamation, the Company has agreed to allot 59389515 equity shares fully paid up of Rs.10/- each to the shareholders of Transferor Company.
- As per the scheme of amalgamation, the business carried on by the transferor company from the appointed date till the effective date is carried on, for and on behalf of the transferee company and all profits accruing to the transferor company are profits of the transferee company. Therefore, the profits of the transferor company from 1st April'2011 to 31st March'2012 are reflected in the profit & loss a/c of the transferee company. Various items of profit & loss a/c of the company include corresponding figures of erstwhile transferor company. The corresponding figures of assets and liabilities of the transferor company as on 31st March' 2012 have merged with the assets and liabilities of the transferee company.
- Pursuant to the scheme of amalgamation as approved, the transferee company has taken over the entire business of erstwhile transferor company including all assets, liabilities obligations etc. and the same has been given effect to in the accounts subject to and read with point (4) above, on a purchase method basis as prescribed by Accounting Standard (AS-14) issued by the Institute of Chartered Accountants of India. In view of this, the figures for the current year represent the operations of the company including the operations of erstwhile transferor company whereas the figures of the previous year represent figures relating to the operations of the transferee company only. To this extent the figures for the current year are not comparable with the figures of the previous year.
- The amount of excess difference between the consideration and the value of net identifiable assets acquired from transferror company has been transferred to Capital Reserve.
- In terms of the resolution passed under section 81(1A) of the Companies Act,1956 at the Extra Ordinary General Meeting of the company held on 30.09.2010 and 'In-Principle' approval received from NSE and BSE, The Board has allotted 220000000 convertible share warrants into equal number of equity shares of Rs 10/- each at a price of Rs 10/- per warrant, in the board meeting held on 30.10.2010 on preferential basis to promoters and non-promoters category. Pursuant to allotment of convertible share warrants, the company during the financial year 2010-2011 and 2011-2012, has received monies aggregating to Rs 158.85 crores out of Rs. 220.00 crores.



VISESH INFOTECNICS LTD.

List of Paid up Equity Shareholders holdings 5% or more (Excluding Converted Share Warrant)

	Name of Shareholders	March 31, 2012		March 31, 2011	
		No.	% Holding	No.	% Holding
1	Mr. Peeyush Aggarwal	21,379,425	34%	22,769,004	35.72%
2	Ms. Seema Aggarwal	6,887,434	11%	6,887,434	10.81%

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2012	As at 31.03.2011
2	Reserves and Surplus		
	Capital Reserves	51,457,116	33,180,000
	Securities Premium Reserves	899,102,506	899,102,506
	General Reserve	57,493,569	57,493,569
	Surplus	237,085,052	222,450,272
	Reserve and surplus of subsidiary cos	23,722,269	-
	Foreign Currency MIT Difference account	15,010,541	-
	Total	1,283,871,053	1,212,226,347
3	Long-term borrowings		
	Secured		
	Working Capital Loan From Allahabad Bank	99,428,764	70,220,565
	Loans from other Banks*	82,726,578	95,186,762
	Vehicle Loan	207,007	864,673
	Unsecured		
	Unsecured Loans	142,814,402	142,814,402
	Total	325,176,751	309,086,402

Notes:

- Working Capital loans are secured by the first ranking pari passu charges over entire Current Assets of the company including stocks of finished goods, stock in trade, goods in transit, book debts etc. (present and future).
- Loan from other banks are secured by the movable assets and immovable properties of the company, personal guarantee of the directors viz. Mr. Peeyush Aggarwal, Mr. Karun Jain, and body corporates guarantee namely Infotecnics India Ltd, Omkam Developers Pvt Ltd and guarantee of M/s. Peeyush Aggarwal (HUF).
- * During the year, there were irregularities in the Loan account, which has now been regularised as per confirmation given by bank.

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
4	Other current liabilities		
	Interest accrued and due on borrowings	4,658,083	-
	Advance Received From Customer	35,546,941	8,005,258
	Unpaid dividends	340,597	340,747
	Other payables	6,589,265	2,479,731
	Total	47,134,886	10,825,736

Notes:

Amount of Rs.340,597/- in the unpaid dividend account of the Company maintained with HDFC bank, shall be transferred to Investor Education and Protection Fund (IEPF) by March, 2013 as per Section 205C of the Companies Act, 1956.

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
5	Short-term provisions		
	Provision for Current Tax	3,045,701	7,547,475
	Provision for Leave Encashment	1,251,298	1,294,685
	Provision for Gratuity	1,255,604	1,358,103
	Total	5,552,603	10,200,263



SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31-03-2012

Note No. '6' - Fixed Assets

(Amount in ₹)

Description of Assets	Rate	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2011	Additions during the year	Adjustments/ Sales during the year	As at 31.03.2012	As at 01.04.2011	Depreciation during the year	Adjustments/ Sales during the year	As at 31.03.2012	W.D.V. as at 31.03.2012	W.D.V. as at 31.03.2011
A. Tangible											
Building	1.63%	20,682,581	-	-	20,682,581	2,630,330	337,126	-	2,967,456	17,715,125	18,052,251
Computers and Peripherals	16.21%	38,943,454	345,408	-	39,288,862	21,465,243	6,285,584	-	27,750,827	11,538,035	16,716,890
Office Equipments	4.75%	13,995,778	206,741	-	14,202,519	5,107,832	665,628	-	5,773,460	8,429,059	8,558,505
Vehicles	9.50%	6,745,230	53,700	-	6,798,930	2,440,763	607,441	-	3,048,204	3,750,726	3,018,072
Furniture & Fixtures	6.33%	19,098,229	14,642	-	19,112,871	10,466,842	1,191,706	-	11,658,548	7,454,323	7,392,146
Sub Total (A)		99,465,272	620,491	-	100,085,763	42,111,010	9,087,485	-	51,198,495	48,887,268	53,737,864
B. Intangible											
Goodwill	10.00%	2,800,000	-	-	2,800,000	2,520,000	280,000	-	2,800,000	-	280,000
Software & Industrial Property Rights	10.00%	1,030,300,288	120,000,000	-	1,150,300,288	428,726,322	109,062,816	-	537,789,138	612,511,150	601,573,966
Sub Total (B)		1,033,100,288	120,000,000	-	1,153,100,288	431,246,322	109,342,816	-	540,589,138	612,511,150	601,853,966
Total (A + B)		1,132,565,560	120,620,491	-	1,253,186,051	473,357,332	118,430,301	-	591,787,633	661,398,418	655,591,830
Capital Work in Progress (Including Advance on Capital Account)		826,014,755	100,000,000	120,000,000	806,014,755	-	-	-	-	806,014,755	826,014,755
IT - Park - Advance		858,283,670	654,402,636	-	1,512,686,306	-	-	-	-	1,512,686,306	858,283,670
Total		1,684,298,425	754,402,636	120,000,000	2,318,701,061	-	-	-	-	2,318,701,061	1,684,298,425

Note:

The Company has developed or customized various Computer software in House. The Company has source code for all these software and has all the rights over the product. However there is no formal registration of IPR. The Company has shown these software under the sub-head "Software and IPR". Under the head "Intangible" in its financial Statements, and the same is certified by the management.



VISESH INFOTECNICS LTD.

(Amount in ₹)

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
7	Non-current investments		
	Investment in wholly owned Foreign Subsidiary Companies		
	Opentec Thai Network Specialists Ltd. (OTNS)	-	4,154,658
	Others		
	Veom Infotech Pvt. Ltd.	45,000	-
	Investment of Subsidiaries cos	3,362	
	Total	48,362	4,154,658
8	Long Term Loans and Advances		
	Deposited With Income Tax Authorities	11,882,297	13,888,995
	Other loans and advances	20,482,010	18,677,185
	Advance to Suppliers	7,110,167	-
	Advance to Staff	304,827	923,439
	Total	39,779,301	33,489,619

Notes:

Other Loans & Advances, Advance to suppliers subject to balance confirmation and reconciliation

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
9	Inventories		
	Stock in trade	10,275,952	538,631
	Total	10,275,952	538,631
10	Trade Receivables		
	Trade Receivable Less Than Six Month	692,352,222	549,694,000
	Other Trade Receivables	35,612,138	38,844,390
	Total	727,964,360	588,538,390

Notes;

Trade Receivables subject to balance confirmation and reconciliation

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
11	Cash and cash equivalents		
	Balances with scheduled banks	2,815,999	3,711,014
	Cash in hand	4,013,136	242,051
	Others (FDRs with Banks)	3,250,000	7,028,847
	Balances with foreign bank - Banco Efisa	350,977,439	350,977,439
	Total	361,056,574	361,959,351

The funds raised by the Company from GDR issue during F.Y. 2007-08 were kept in fixed deposit account with Banco Efisa, Lisbon, Portugal, as the said amount was to be deployed in terms of INFORMATION MEMORANDUM of the GDR issue. During the F.Y. 2008-09, the Bank in Portugal, Banco Efisa wrongly debited an amount of USD 8,883,210.75 out of the balance lying in the Company's Account with the Bank. The Company has denied and disputed this debit and had initiated legal action under criminal jurisprudence of Portuguese Law. During the criminal investigation, several new facts/documents have come to our knowledge and based on the evaluation



of new facts/documents by Barristers, Senior Advocates and investigation carried out of in India, London and Portugal; your Company has initiated a strong civil action for recovery of USD 8,883,210.75, alongwith interest, against Banco Efisa and its Holding Company, wherein the Portuguese advocates confirm that the chances of recovery are very high. A criminal complaint against the conniving accused for siphoning off the above said amount had been filed and the matter is presently under investigation.

(Amount in ₹)

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
12	Other Current Assets		
	Security Deposits	857,147	3,449,177
	Prepaid Expenses	5,138,003	5,146,322
	Preliminary Expenses	35,298	39,220
	Other Current Assets	1,262,590	-
	Total	7,293,038	8,634,719

Notes:

- 1 Preliminary Expenses have been written off on the basis as provided under section 35D of the Income Tax Act 1961 as amended from time to time.

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
13	Revenue from Operations		
	Income from Operation	2,392,865,798	1,767,511,608
	Total	2,392,865,798	1,767,511,608
14	Other Income		
	Miscellaneous Income	435	3,429,694
	Interest Received	6,759,392	4,749,338
	Total	6,759,827	8,179,032
15	Changes in inventories		
	Opening Stock	538,631	1,018,768
	Less: Closing Stock	10,275,952	538,631
	Total	(9,737,321)	480,137
16	Employee Benefits Expenses		
	Salaries and wages	20,447,280	10,076,971
	Director's Remuneration	3,223,754	1,787,404
	Contribution to provident and other funds	170,995	50,986
	Staff welfare	938,537	131,053
	Total	24,780,566	12,046,414
17	Finance Costs		
	Interest expenses	29,808,826	27,417,432
	Other borrowing costs	1,440,354	160,141
	Total	31,249,180	27,577,573



VISESH INFOTECNICS LTD.

(Amount in ₹)

NOTE NO	PARTICULARS	As at 31.03.2012	As at 31.03.2011
18	Other Expenses		
	Advertisement and Publicity	202,510	201,822
	AGM/Board meeting expenses	109,523	598,133
	Listing Fees	608,326	466,970
	Audit Fees	462,757	165,450
	Books & Periodicals	4,350	3,115
	Communication Expenses	1,004,680	556,736
	Conveyance	349,643	298,086
	Electrical Power & Water Expenses	1,009,711	205,759
	Entertainment Expenses	278,266	57,815
	Exchange Rate Fluctuation	135,448	-
	Freight And Cartage Expenses	634,114	156,895
	Insurance Premiums	201,370	280,718
	Lease rent on Capital Goods	-	190,482
	Legal & Professional Expenses	2,361,958	1,285,996
	Loss on Sale of Assets	-	1,872
	Miscellaneous expenses W/o	3,922	32,720
	Miscellaneous Expenses	53,159	51,362
	Printing & Stationery	301,971	232,301
	Rates & Taxes	235,161	450,194
	Rent Charges	10,703,991	1,919,488
	Repair & Maintanance	2,087,139	540,324
	Security Charge Expenses	367,776	210,129
	Subscription & Membership Fees	15,000	24,000
	Travelling & Tour-Directors	45,528	1,055,431
	Travelling & Tour-Others	1,708,804	303,893
	Vehicle Running & Maintenance	361,981	230,553
	Total	23,247,087	9,520,244

Note 19 Disclosure under Accounting Standard 20-Earning Per Share

PARTICULARS	As at 31.03.2012	As at 31.03.2011
Earning Per Share		
Basic		
Net Profit after tax as per Profit & Loss to Equity Shareholders	12,524,530	10,954,266
Net Profit before exceptional items	12,524,530	10,954,266
Weighted Average number of Equity Shares used as denominator for calculating EPS	123,130,605	63,741,090
Earning Per Share	0.10	0.17
Earning Per Share (before exceptional items)	0.10	0.17
Par Value per Share	10	10



(Amount in ₹)

PARTICULARS	As at 31.03.2012	As at 31.03.2011
<u>Diluted</u>		
The diluted earning per share has been computed by dividing the Net profit after tax available for Equity Shareholders by the weighted average number of equity shares, after giving diluted effect of the outstanding warrants and convertible bonds for the respective period		
Net Profit after tax as per Profit & Loss to Equity Shareholders	12,524,530	10,954,266
Weighted Average number of Equity Shares used as denominator for calculating EPS	178,130,605	86,657,757
Earning Per Share	0.07	0.13
Par Value per Share	10	10



Statement under Section 212 of the Companies Act, 1956 relating to Subsidiary Company as on 31/03/2012

S.No	Particulars	Axis Convergence Inc	Greenwire Network Ltd.	Opentech Thai Network Specialist Co. Ltd.
1.	Name of the Subsidiary Co. Address of the Subsidiary Co.	Axis Convergence Inc Level 2, MaxCity Building, Remy Ollier Street, Port Louis, Mauritius	Greenwire Network Ltd. Block-A, 15/F Hillier Commercial Building, 65-67 Bonham Strand East, Sheung Wan, Hong Kong	Opentech Thai Network Specialist Co. Ltd. 8/5, Sukhumvit Soi 28(Banasarn), Klongton Sub-District, Klongtoey District, Bangkok
2.	Financial Year ended as on date	31/03/2012	31/03/2012	31/12/2011
3.	Shares of Subsidiary Company held on the report date and extent of holding Equity Shares Extent of Holding	 20000 100%	 20000 100%	 129995 99.99%
4.	Changes in % of Holding in Subsidiary since last closing of subsidiary co.	NIL	NIL	NIL
5.	Changes in following since last date of closing: Fixed Assets, Investments, Money lent, Money borrowed	 NIL NIL NIL NIL	 NIL NIL NIL NIL	 NIL NIL NIL NIL
6.	Profits/(Losses) of subsidiary co. dealt within the books of accounts of Holding Company since acquisition in Profit & Loss Account Current Year Previous Year	 NIL NIL	 NIL NIL	 NIL NIL
7.	Profits/(Losses) of subsidiary co. not dealt within the books of accounts of Holding Company since acquisition in Profit & Loss Account Current Year Previous Year	 10,761,567 NIL	 2,809,292 NIL	 NIL NIL



S.No	Particulars	Axis Convergence Inc	Greenwire Network Ltd.	Opentech Thai Network Specialist Co. Ltd.
8.	Additional information on Subsidiary Companies			
	Share Capital	807,160	559,360	12,020,515
	Reserves & Surplus	41,093,346	6,137,955	(12,101,345)
	Total Current Liabilities	15,545,164	29,210,603	1,356,688
	Total Assets	57,445,670	35,907,918	1,275,858
	Investments (except in case of investment in Subsidiary)	NIL	NIL	3,362
	Turnover	402,994,116	442,478,645	NIL
	Profit Before Taxation	10,949,593	3,262,129	8,538,684
	Provision for Taxation	188,026	452,838	NIL
	Profit After Tax	10,761,567	2,809,292	8,538,684

- Your Company has three Foreign Subsidiary Companies as on March 31, 2012.
- Axis Convergence Inc and Greenwire Network Limited are 100% subsidiaries of Vises Infotecnics Limited.
- The figures of Opentech Thai Network Specialist Co. Ltd. are for the period from January 01, 2011 to December 31, 2011.
- The Annual accounts for 2011-12 for all subsidiaries are available at Company's Registered Office. Any investor either of the Holding Company or the subsidiary company can seek any information at any point of time by making a request in writing to the Company Secretary of the company at 508, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001 to obtain a copy of the financial statements of the subsidiary companies.
- The consolidated financial statements in terms of Clause 32 of the Listing Agreement and in terms of Accounting Standard 21 as prescribed by Companies (Accounting Standards) Rules, 2006 issued by Ministry of Corporate Affairs vide Notification No. G.S.R.739(E) dated December 07, 2006 also form part of this Annual report.

For M/s. RMA & Associates
Chartered Accountants
FRN No. 000978N

Sd/-
PANKAJ CHANDER
PARTNER
M.No. 089065

Sd/-
PEEYUSH AGGARWAL
CHAIRMAN

Sd/-
KARUN JAIN
EXECUTIVE DIRECTOR

Sd/-
VIPIN GARG
DIRECTOR

Place : New Delhi
Dated : 03/09/2012

Sd/-
RITADEHWAL
COMPANY SECRETARY



VISESH INFOTECNICS LTD.

Registered Office: 508 Arunachal Building, 19 Barakhamba Road,
Connaught Place New Delhi-110 001

ATTENDANCE SLIP: 23rd Annual General Meeting

To be handed over at the entrance of the meeting venue.

Name of the attending member (in block letters) _____

Name of the proxy (in block letters to be filled in by Proxy attending instead of the member) _____

No. of shares held: _____ Ledger Folio No. _____

Dp. ID No.* _____ Client ID: * _____

I hereby record my presence at the Annual General Meeting on Saturday, 29th day of September 2012 at 10:00 a.m. at Auditorium, at Bipin Chandra Pal Memorial Trust A-81, Chittranjan Park, New Delhi-110019.

Member's Signature

Proxy's Signature

Shareholders/proxies are requested to bring the attendance slip with them. Duplicate slips will not be issued.
*Applicable for investors holding shares in electronic form.

ABOVE SIGNATURE(S) SHOULD TALLY WITH THE SPECIMEN SIGNATURE(S) REGISTERED WITH THE COMPANY

----- Tear Here -----



PROXY FORM

VISESH INFOTECNICS LTD.

Registered Office: 508 Arunachal Building, 19 Barakhamba Road,
Connaught Place New Delhi-110 001

I/We _____ resident of _____ being a member/Members of Vivesh Infotecnics Ltd. hereby appoint _____ resident of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting on Saturday, 29th day of September 2012 at 10:00 a.m. at Auditorium, at Bipin Chandra Pal Memorial Trust, A-81, Chittranjan Park, New Delhi-110019.

No. of shares held: _____ Ledger Folio No. _____

Dp. ID No.* _____ Client ID:* _____

Signature: _____

Date: _____



Note: The Proxy form duly signed by the member(s) across Rs. 1/- revenue stamp should reach the Company's registered office not less than 48 hours before the meeting i.e. latest 27th of September 2012 before 10.00 a.m. Proxy need not be a member of the company.

*Applicable for investors holding shares in electronic form.

** EATABLES, BRIEF CASES AND HAND BAGS WILL NOT BE ALLOWED TO BE CARRIED INSIDE THE MEETING HALL