

25th

ANNUAL REPORT

2011-2012

AASHEE INFOTECH LIMITED

(Formerly known as S. R. Oils & Fats Limited)

AASHEE INFOTECH LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Inder Kumar Bansal	:	Chairman-cum-Managing Director
Mr. Anil Jain	:	Director
Mr. Arun Kumar Jain	:	Director
Mr. Varun Sharma	:	Director

COMPANY SECRETARY

Mr. Chandra Kishor Jha

AUDITORS

M/s R P R P & Associates

Chartered Accountants

208, Sethi Bhawan, 7, Rajendra Place,
New Delhi-110008.

REGISTRAR AND TRANSFER AGENTS

Beetal Financial & Computer Services Pvt. Ltd.

Beetal House, 3rd Floor,

99, Madangir, Behind Local Shopping Centre,
New Delhi-110062.

BANKERS

Bank of India

Dena Bank

REGISTERED OFFICE

308, Lusa Tower, Azadpur,
Delhi-110033

Website: www.aasheefotech.com

Investors Helpdesk

Ph. 011-27671990

E-mail: investors@aasheefotech.com

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NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Company will be held on Saturday, the 29th Day of September, 2012 at 3:00 PM. at Registered Office 308, Lusa Tower, Azadpur, Delhi-110033, to transact the following business:

ORDINARY BUSINESS:

- To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:
"RESOLVED THAT the audited balance sheet as at 31st March 2012 and statement of profit and loss for the year ended on that date, together with the directors' report and auditors' report thereon as presented to the meeting, be and the same are hereby, approved and adopted".
- To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:
"RESOLVED THAT Mr. Anil Jain, Director who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company".
- To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:
"RESOLVED THAT the retiring auditors M/s. RPRP & Associates, Chartered Accountants, Delhi, having the firm registration no 006687N issued by the Institute of Chartered Accountants of India, be and are hereby re-appointed as auditors of the company to hold office from the conclusion of this annual general meeting till conclusion of the next Annual General Meeting on such remuneration as may be fixed in this behalf by the Board of Directors of the Company".

SPECIAL BUSINESS:

- To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Varun Sharma, who was appointed as an Additional Director with effect from April 24, 2012 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and in respect of whom a notice has been received from Member in writing, under section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company, who will be liable to retire by rotation".

By Order of the Board

Sd/-

Chandra Kishor Jha
Company Secretary

Place: Delhi
Date: 31.08.2012

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS STEAD AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
Proxy form should be lodged with the Company at the Registered Office at least 48 hours before the scheduled time of the meeting.
- Members are requested to intimate to the Company changes, if any, in their addresses along with Pin Code Numbers.
- The Explanatory Statement as per Section 173 (2) of the Companies Act, 1956 is annexed herewith.
- The statutory registers and relevant documents referred to in accompanying Notice are open for inspection at the Registered Office of the company on all working days (except Saturdays, Sundays and Holidays) between 11:00 A.M to 1:00 P.M upto the date of Annual General Meeting.
- The register of members and share transfer books of the company will remain close from September 26, 2012 to September 29, 2012 (Both days inclusive).

- Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.
- Members are requested to intimate to the Company the details, if any, required in relation to this Annual Report at least 10 days before the meeting to enable the management to keep the information ready.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM No. 4**

Mr. Varun Sharma was appointed as an Additional Director by the Board of Directors on 24th April 2012. As per the provisions of section 260 of the Companies Act, 1956, he holds office up to this Annual General Meeting of Company. The Company has received notice in the terms of section 257 of the Companies Act, 1956, proposing his appointment as a Director of the company, liable to retirement by rotation.

The Board feels that presence of Mr. Varun Sharma on the Board is desirable and would be beneficial to the Company.

Except, Mr. Varun Sharma, none of the Director are concerned or interested in this resolution.

By Order of the Board

Chandra Kishor Jha
Company Secretary

Place: Delhi
Date: 31.08.2012

DIRECTORS' REPORT

Dear Members,

M/s Aashee Infotech Limited

On behalf of the Board of Directors of your Company, it is our privilege to present the 25th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2012 and Auditor's Report thereon

Financial Highlights

The Profit & Loss Account of your Company on standalone basis shows a profit after tax Rs. 0.64 Lacs. The brief financial highlights are as below:

(Rs. In Lacs)

Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
Total Income	5921.28	1836.01
Profit before depreciation	1.29	8.46
Depreciation	.09	0.15
Profit after Depreciation	1.20	8.31
Profit before tax	1.20	8.31
Provision for Taxation (Current & Deferred)	0.56	0.01
Profit After Taxation	0.64	8.30
Balance brought forward from previous year	(351.16)	(359.46)
Balance carried forward to Balance sheet	(350.52)	(351.16)

Public Deposits

During the year, the Company has not invited/accepted any deposits under Section 58A of the Companies Act, 1956.

Dividend

In view of the fund needed for Business opportunities, your Directors do not recommend any Dividend for the Financial Year ended on 31st March, 2012.

MANAGEMENT DISCUSSION AND ANALYSIS**COMPANY OVERVIEW**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted

Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

INDUSTRY STRUCTURE AND DEVELOPMENTS

As the Economy of India is growing with a very fast pace. Each and every sector of the industry is growing including infrastructure and infotech sector. As you are aware that your company is in the Infotech sector, it has also the immense opportunities with the growing economy. The Company has adopted the infotech sector as its full fledge activity. The Company now has to grow at very fast pace.

OPPORTUNITIES AND THREATS

With the continuous technological advancements there shall be enormous opportunities in the hardware sector; it is poised to grow at much larger rate in the coming years. The China is penetrating every segment in Indian market due to which the margins are always under pressure.

RISKS AND CONCERNS

The competition is growing among manufacturers of computer hardware. There is competitive pressure on sales and margins are lowering year by year. The performance of the company is Further dependent on the performance of the economy as a whole.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Aashee Infotech Limited has ensured that adequate systems for internal control commensurate with its size and complexity are in place. These ensure that its assets and interest are carefully protected; checks and balances are place to determine the accuracy and reliability of accounting data. Well documented processes have been implemented throughout the organization to ensure that policies are promoted and adhered to. There are clear demarcation of roles and responsibilities at various levels of operations. The Internal Control System aims to make sure that the business operations function efficiently, applicable laws, rules, regulations, policies of the Company are followed and there is reliability of financial reporting. The Finance Department implements and monitors the internal control environment and compliance with statutory requirements. The internal audit function periodically performs audits of various processes and activities.

HUMAN RESOURCE

The Company considers its organizational structure to be evolving consistently over time while continuing with its efforts to follow good HR practices. Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices. Our Passion is to improve daily living and to create a workplace where every person can achieve his or her full potential. We encourage individuals to go beyond the scope of their work, undertake voluntary projects that enable them to learn, and contribute innovative ideas in meeting goals of the Company. The Company strongly believes that its intrinsic strength lies in the quality of its dedicated and motivated employee.

RISK MANAGEMENT

The IT Industry is subject to stringent customer requirements on information and data security, impact of rapid technological changes, financial exposures due to rapid exchange fluctuations and ever increasing regulatory compliance requirements. These factors demand for an robust risk management practice to be adopted by IT service providers.

As a prudent business practice, Aashee Infotech Limited has established a robust risk management framework comprising of practices related to developing risk strategy, identification, assessment and monitoring of risks to our business objectives. The Company's Risk Management framework focuses on minimizing impact of risks on our business objective and enables us to leverage on the opportunities effectively. Our risks objectives address risks associated with the economy, regulatory environment, business environment, competition, interest rates, operations, etc.

The Management presents the Risk Assessment and Minimization Procedures to the Audit Committee and Board on a quarterly basis.

FUTURE OUTLOOK

There are immense opportunities in the IT segment. But due to lower margins in the items of trading the attainment of real growth, in term of profit, can take a longer time.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

Discussion on financial performance with respect to operational performance

Your Company profit before tax of Rs. 1.20 Lacs in the current year which is lower as compare to Rs.8.31 Lacs in the previous year. This reduction of profit is arise due to paid of Rs. 10.75 Lacs towards the Re-instatement fee for Revocation of Suspension of the securities with Bombay Stock Exchange (BSE).

Material development in Human Resources / Industrial Relation front, including number of people employed:

The Human resource are satisfied with and having good relationship with the Management.

Corporate Governance & Corporate Social Responsibility

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Report of Corporate Governance along with a certificate of compliance form the Secretarial Auditors are attached hereto and form part of this Report. With a view to strengthen the Corporate Governance framework, the Ministry of Corporate Affairs has incorporated certain provisions in the Companies Bill 2009. The Ministry of Corporate Affairs has also issued a set of voluntary Guidelines on Corporate Governance and Corporate Social Responsibility in December 2009 for adoption by companies.

The Guidelines broadly outline conditions for appointment of directors, guiding principles to remunerate directors, responsibilities of the Board, Risk Management, rotation of audit partner, audit firms and conduct of Secretarial audit and other Corporate Governance and Corporate Social Responsibility related disclosures. Your Company has by and large complied with various requirements and is in the process of initiating appropriate action for other applicable requirements.

Corporate Governance is also related to innovation and strategy as the organization's ideas of innovation and strategies are driven to enhance stakeholder satisfaction.

Code of Conduct

In terms of Clause 49 of the Listing Agreement, the Company has formulated a Code of Conduct for its Senior Management Employees including the Managing Director and the Whole-time Director. All the Senior Managerial Personnel, including the Managing Director and the Whole-time Director, have given their consent to adhere to the Code of Conduct to the Compliance Officer of the Company. As per the requirement of the Listing Agreement, the Code of Conduct is also available on Company's website www.aasheefinfotech.com.

The Company has also formulated a 'Code of Internal Procedures and Conduct for Prevention of Insider Trading in the Shares of the Company' as per the provisions of SEBI (Prohibition of Insider Trading Regulations) 1992, as amended from time to time, providing guidelines to the designated employees while dealing in the Shares of the Company.

Directors

In accordance with the provisions of the Section 260 of the Companies Act, 1956 and as per the Articles of Association of the Company, the Board of Directors of the Company, in its meeting held on April 24, 2012 has appointed Mr. Varun Sharma as the Additional Director on the Board of the Company.

The Company has received notice under Section 257 of the Companies Act, 1956, from members proposing the candidatures of Mr. Varun Sharma as Director of the Company. Requisite approval for his respective

appointment as Director of the Company has been sought at the ensuing Annual General Meeting and the Board recommends his appointment for the considerations of the members of the Company.

During the year, Mr. Kamal Gupta resigned from the Board of Directors of the Company with effect from July 19, 2012. The Board placed on record its deep sense of appreciation for the services rendered by Mr. Kamal Gupta as Member of the Board.

Articles of Association of the Company provide that at least two-third of our Directors shall be subject retirement by rotation. One-third of these retiring Directors must retire from office at each Annual General Meeting of the Shareholders. The Retiring Directors are eligible for re-election. Mr. Anil Jain retires by rotation and being eligible offer himself for re-appointment at the ensuing Annual General Meeting.

Auditors

M/s R P R P & Associates, Chartered Accountants, Delhi, the statutory auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from the Auditors, wherein they have consented to act as the Auditors and have confirmed that they are eligible and qualified to be appointed as Auditors pursuant to the Sections 224(1B) and 226 of the Companies Act, 1956.

Personnel

Your Company has talented and dedicated professional employees to achieve the Company's goal. To retain and develop these employees, human resources group has been working with an objective to enhance employee competence through various initiatives and maximizing employee contribution towards the organizational goals.

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not applicable to the Company since there is no such an employee who fulfill the requirement of that section.

Energy, Technology Absorption, Foreign Exchange Earnings & Outgo

Pursuant to Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988

	Current Year 2011-2012	Previous Year 2010-2011
A. Conservation of Energy	Nil	Nil
B. Technology Absorption	Nil	Nil
C. Foreign Exchange Earnings & Outgo	Nil	Nil

Directors' Responsibility Statement

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

- that in the presentation of the annual accounts for the financial year ended March 31, 2012, the applicable accounting standards have been followed;
- that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are made reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- that the directors had prepared the annual accounts for the financial year ended March 31, 2012 on a going concern basis.

Listing of Shares

Company's equity shares are listed at Bombay Stock Exchange Limited (BSE), Delhi Stock Exchange Limited (DSE), Ludhiana Stock Exchange Limited (LSE), Ahmedabad Stock Exchange Limited (ASE). The Company

has also paid its upto date listing fees to all the stock exchanges. BSE has nation-wide trading terminal and therefore provide full liquidity to investors.

Revocation of Suspension:

The Company Suspension of Securities has been revoked by Bombay Stock Exchange Ltd. (BSE) vide their Notice No. 20120120-22 dated January 20, 2012. Now the shares of the company are freely traded at Bombay Stock Exchange online trading system w.e.f January 27, 2012

Acknowledgement

The Directors are thankful to the Bankers, Customers, Dealers, and Vendors for their valuable support and assistance.

The Directors wish to place on record their appreciation of the very good work done, dedication and sincerity by all the employees of the Company at all levels during the year review.

The Company will make every effort to meet the aspirations of its shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

For and on behalf of the Board

Inder Kumar Bansal
Chairman

Place: Delhi

Date: 31.08.2012

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY

The Company believes in adopting best practices in the area of corporate governance and follows the principles of full transparency and accountability by providing information on various issues concerning the Company's business and financial performance to its shareholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. It is firmly believed that good governance practices would ensure efficient conduct of the affairs of the Company and help the Company achieve its goal of maximizing value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming leader in Internet Software & Services.

The Company has adopted a Code of Conduct for Directors & Senior Management. This Code is available on the Company's website.

The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges.

The Board considers itself as the Trustee of its Shareholders. During the period under review, the Board continued its pursuit by adopting and monitoring of corporate strategies, prudent business plans, major risks and ensuring that the Company pursues policies and procedures to satisfy its social, legal and ethical responsibilities.

2. BOARD OF DIRECTORS

Composition of Board:

The Board of Directors have an optimum combination of Executive and Non-Executive Directors. As on 31st March 2012, the Board comprised four Directors out of which one is Executive Director and rest three are Non-Executive Directors. The company is professionally managed and its Board of Directors comprises of professionally qualified Directors, who have rich experience in diversified fields.

Non-Executive Directors' compensation and disclosures:

No remuneration or sitting fees was being paid to the Non Executive Directors'. No stock options were granted to Non Executive Directors or Independent Directors during the year under review.

Meeting of Board of Directors

There were 13 (thirteen) Board Meetings held during the year ended March 31, 2012. These were on 20.04.2011, 02.05.2011, 06.05.2011, 26.07.2011, 11.08.2011, 20.08.2011, 06.09.2011, 28.10.2011, 01.11.2011, 11.11.2011, 01.12.2011, 16.01.2012 & 30.01.2012. The periodicity between two Board

Meetings was within the maximum time gap as prescribed in the Listing Agreement/ Companies Act, 1956.

The last Annual General Meeting (AGM) was held on September 30, 2011. None of the Directors of the Board serve as Members of more than 10 committees nor do they Chairman more than 5 committees as per the requirements of the Listing Agreement.

Code of Conduct

As a part of Company's constant endeavour to set a high standard of conduct for its employees, it has formulated "The Code of Conduct for Board Members and Senior Management Personnel" in compliance with the provisions of Clause 49 of the Listing Agreement. The Code lays down guidelines and advises the Board and the Senior Management Personnel on procedures to be followed, disclosures to be made and to follow ethics as per the rules of the Company. The purpose of this Code is to ensure an ethical and transparent process in managing the affairs of the Company and promote ethical conduct. The Code has been circulated to all the members of the Board and Senior Management Personnel and the compliance of the same is affirmed by them annually. The Company Secretary has been appointed as the Compliance Officer under this Code. The code of Conduct is also available on the Company's website www.aasheefotech.com.

3. 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 terms of reference of the Audit Committee is broadly as under:

- ✓ 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.
- ✓ Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- ✓ Reviewing the financial statements and draft audit report, including quarterly / half yearly financial information.
- ✓ Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices;
 - Major accounting entries based on exercise of judgment by management;
 - Qualifications in draft audit report;
 - Significant adjustments arising out of audit;
 - Compliance with accounting standard;
 - Compliance with stock exchange and legal requirements concerning financial statements;
 - Any related party transactions as per Accounting Standard 18.
 - Reviewing the Company's financial and risk management policies.
 - Disclosure of contingent liabilities.
 - Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
 - Discussion with internal auditors of any significant findings and follow-up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - Reviewing compliances as regards the Company's Whistle Blower Policy.
 - Mandatory review of following information:

- ❖ Management discussion and analysis of financial condition and results of operations;
- ❖ Statement of significant related party transactions, submitted by management;
- ❖ Management letters / letters of internal control weaknesses issued by Statutory Auditors and;
- ❖ Appointment, removal and terms of remuneration of Internal Auditor.

During the year ended March 31, 2012, five Audit Committee Meetings were held on 06.05.2011, 30.06.2011, 11.08.2011, 11.11.2011, 30.01.2012.

Mr. Rajesh Girotra, Chairman of the Audit Committee was present at the last Annual General Meeting held on September 30, 2011.

The composition of the Audit Committee and the attendance of the Members in the meetings are as under:

Name of the Directors	Category	Profession	No. of Meetings attended
Mr. Rajesh Girotra	Director (Chairman)	Chartered Accountant	5
Mr. Anil Jain	Director (Member)	Chartered Accountant	5
Mr. Arun Jain	Director (Member)	Business	5

Mr. Chandra Kishor Jha, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee. In addition to the above, the Committee meetings were also attended by the Statutory Auditors and other Executive of the Company as and when required.

4. SHARE TRANSFER-CUM-SHAREHOLDERS GRIEVANCE COMMITTEE

The "Shareholders Grievance Committee" looks in to redressing investor's grievances/complaints such as non-receipt of notices, annual reports, dividends, and share transfers related works. During the year ended March 31, 2012, seven meetings of the Committee were held on 03.05.2011, 18.08.2011, 10.09.2011, 10.10.2011, 01.12.2011, 23.01.2012 & 21.03.2012.

The composition of the Committee and attendance of the members at the meeting are as under:

Name of the Directors	Category	No. of Meetings attended
Mr. Arun Jain	Director (Chairman)	7
Mr. Anil Jain	Director (Member)	7
Mr. Rajesh Girotra	Director (Member)	5

Number of Shareholders complaints received during the year ended March 31, 2012 was Nil.

Number of pending share transfer as on March 31, 2012 was Nil.

The Company has designated an E-mail ID: investors@aasheefotech.com exclusively for the purpose of receiving various queries, complaints etc. of the investors & to take necessary follow up action.

Mr. Chandra Kishor Jha, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

5. REMUNERATION & COMPENSATION COMMITTEE

Although this is a non-mandatory requirement, the Company has constituted a Remuneration & Compensation Committee for determining the remuneration of its directors. The "Remuneration & Compensation Committee" shall be deemed to be "Remuneration Committee" within the meaning of Clause 49 of the Listing Agreement, Schedule XIII of the Companies Act, 1956 and for all other purposes as may be required under any /all Acts, Rules, Regulations, Circulars etc. for the time being or as amended from time to time.

6. BRIEF PROFILE OF THE DIRECTOR PROPOSED TO BE RE-APPOINTED

Pursuant to Clause 49 (IV) (G) (i) of the Listing Agreement and as a matter of good Corporate Governance, a brief profile of the Directors proposed to be re-appointed at the forthcoming Annual General Meeting shall be given as hereunder for information to the shareholders:

➤ Mr. Anil Jain

Mr. Anil Jain is a Chartered Accountant having more than 25 years of

versatile experience & tremendous exposure in the concerned field. He joined the Board of **Aashee Infotech Limited** as a Director.

The Company has benefited a lot by the knowledge and expertise of Mr. Anil Jain. His tenure is liable to be retire by rotation at the forthcoming Annual General Meeting, and being eligible, he offers himself for re-appointment. The Board of Directors has already recommended for his re-appointment.

Shareholding in the Company

Mr. Anil Jain holds 3.04% of total shares of Aashee Infotech Limited.

7. Means of Communication

- (i) The Unaudited/ Audited Financial Results have been published in a Hindi National Newspaper and an English National Newspaper. The results were sent to the Stock Exchanges on quarterly basis. Details of publication of Financial Results are given below:

Period	Name of Newspaper
Audited Financial Results for the year ended 31.03.2012	The Money Maker (English) & Dainik Mahalaxmi Bhagayodaya (Hindi)
Unaudited Financial Results for the Quarter ended on 31.12.2011	The Pioneer (English) & Veer Arjun (Hindi)
Unaudited Financial Results for the Quarter ended on 30.09.2011	The Pioneer (English) & Veer Arjun (Hindi)
Unaudited Financial Results for the Quarter ended on 30.06.2011	The Pioneer (English) & Veer Arjun (Hindi)

The audited yearly / unaudited quarterly results of the Company are also displayed on the website of the Company at www.aasheefotech.com as per the requirements of the Clause 54 of the Listing Agreement the website of the Company is regularly updated.

- (ii) Half yearly results are not sent to the shareholders. Annual Report and Financial Statements are sent to all the shareholders at their addresses registered with the Company/RTA.
- (iii) Code of Conduct is available on the Company's Website www.aasheefotech.com
- (iv) Management Discussion and Analysis (MD&A) form part of the Annual Report to the Shareholders of the Company

8. GENERAL BODY MEETINGS

(I) Annual General Meeting (AGM) Details

The last three Annual General Meetings were held as per details below:

Year	Day	Date	Time	No. of Special Resolution passed at AGM	Venue
2011	Friday	September 30	4:30 P.M	1	308, Lusa Tower, Azadpur, Delhi-110033
2010	Wednesday	September 29	11:00A.M	1	308, Lusa Tower, Azadpur, Delhi-110033
2009	Tuesday	September 29	11:00 A.M	-	308, Lusa Tower, Azadpur, Delhi-110033

(II) Postal Ballot

No Special resolution was put through Postal Ballot in the last Annual General Meeting. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through Postal Ballot.

9. DISCLOSURES

(a) Related Party Transactions:

There have been no materially significant related party transactions with the Company's promoters, directors, management or their relatives which may have a potential conflict with the interests of the Company. Members may refer to Disclosures of transactions with related parties i.e. Promoters,

Directors, Relatives, or Management made in the Balance Sheet in Notes to the Accounts.

(b) Compliance with Regulations:

The Company has complied fully with the requirements of the regulatory authorities on capital markets. There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty been imposed on the Company by the stock exchanges, SEBI or any other statutory authority.

(c) Accounting Standards:

The Company has followed the Accounting Standards laid down by the Companies Act, 1956.

(d) Subsidiary:

The Company does not have any holding or subsidiary company.

(e) Risk Management:

The audit committee regularly reviews the risk management strategy of the Company to ensure the effectiveness of risk management policies and procedures.

(f) Auditors Certificate on Corporate Governance:

The Secretarial Auditors of the Company have furnished the requisite certificate to the Board of Directors as required by clause 49 of the Listing Agreement.

(g) Secretarial Audit

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

(h) Prohibition of Insider Trading:

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has constituted a comprehensive Code of Conduct for its Senior Management, Staff, and relevant business associates. The code lays down guidelines, which advise them on procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

10. GENERAL SHAREHOLDERS INFORMATION

(A) 25th Annual General Meeting

Date : 29th September, 2012

Time : 3:00 P.M

Venue : 308, Lusa Tower, Azadpur, Delhi-110033

(B) Date of Book Closure

The Company's Register of Members and Share Transfer Books will remain close from Wednesday 26th September, 2012 to Saturday 29th September, 2012 (both days inclusive)

(C) Financial Calendar

1st April to 31st March

(D) Registered Office

308, Lusa Tower, Azadpur, Delhi-110033 (INDIA)

(E) Stock Exchanges

Shares of the Company are listed on Bombay Stock Exchange Limited (BSE), Delhi Stock Exchange Limited (DSE), Ludhiana Stock Exchange Limited (LSE) & Ahmedabad Stock Exchange Limited (ASE)

The Listing fees for financial Year 2011-12 (up to 31.03.2013) of all these stock Exchanges have been Paid.

(F) Stock/Script Code:

Trading Symbol of BSE	:	AASHEE
Bombay Stock Exchange Ltd	:	519319
Delhi Stock Exchange Ltd	:	19365
Ahmedabad Stock Exchange Ltd	:	51940

Ludhiana Stock Exchange Ltd. : SFAT

(G) Market Price Data:

The Company's shares with corresponding sensex at Bombay Stock Exchange Ltd. (BSE), showing performance of the company's shares price vis-a vis BSE Sensex (closing)

(H) Registrar and Share Transfer Agents :

M/S BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD., BEETAL HOUSE, 3rd Floor, 99 Madangir, New Delhi - 110 062 are the Registrars and Share Transfer Agents of the Company w.e.f September 1, 2011.

(I) Share Transfer System:

(i) The Share Transfer Committee meets as often as possible to approve transfers and related matters as may be required by the Registrars and share Transfer Agents.

(ii) All matters connected with the share transfer, dividends and other matters are being handled by the STA located at the address mentioned elsewhere in this report.

(iii) Shares lodged for transfers are normally processed within ten days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within seven days. Grievances received from investors and other miscellaneous correspondence relating to change of address, mandates, etc.

(iv) Certificates are being obtained and submitted to Stock Exchanges, on half-yearly basis, from a Company Secretary-in-practice towards due compliance of share transfer formalities by the Company within the due dates, in terms of Clause 47(C) of the Listing Agreement with Stock Exchanges.

(v) Certificates have also been received from a Company Secretary-in-practice and submitted to the Stock Exchanges, on a quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 1996

(vi) The Company, as required under Clause 47(f) of the Listing Agreement, has designated the following e-mail IDs, namely investors@asheefinfotech.com/chandrakishor@asheefinfotech.com for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.

(vii) Shareholders are, therefore, requested to correspond with the STA for transfer / transmission of shares, change of address and queries pertaining to their shareholding, dividend, etc., at their address given in this report

(J) Dematerialization of Shares:

The shares of the Company are permitted for trading on dematerialized form only. The Company's shares are available for trading in the depository system of both NSDL and CDSL. As on March 31, 2012, Number of 1314070 equity shares of 10/- each forming 35.46 % of the share capital of the Company stands dematerialized. The ISIN with NSDL and CDSL is **INE 847M01011**.

(K) Shareholding Pattern as on March 31, 2012

Category	No. of shareholders	No. of Shares (Face value of Rs. 10/-each)	No. of shares in demat form	% of shareholding
Promoters	3	816720	816720	22.04
Body Corporate	21	123520	43970	3.33
NRI/OCBs/Clearing Members/Trust	0	0	0	0
Bank/Financial Institutions	1	200000	0	5.40
Indian Public	2998	2565480	453380	69.23
Total	3023	3705720	1314070	100.00

(L) Distribution Schedule of Shareholding as on March 31, 2012:

No. of Shareholders	% to Total	Shareholding of Nominal Value of Rs.	No. of Shares	Amount in Rs.	% to Total
2363	78.17	Up to 5000	4,60,800	46,08,000	12.44
350	11.58	5001 to 10000	3,18,400	31,84,000	8.59
171	5.66	10001 to 20000	2,75,900	27,59,000	7.44
67	2.22	20001 to 30000	1,75,200	17,52,000	4.73
5	0.17	30001 to 40000	18,200	1,82,000	0.49
6	0.20	40001 to 50000	26,800	2,68,000	0.72
29	0.96	50001 to 100000	2,32,000	23,20,000	6.26
32	1.06	100001 & ABOVE	21,98,420	2,19,84,200	59.33
3023	100.00		37,05,720	3,70,57,200	100.00

(M) Address for Correspondence:

The shareholders may address their communication/ suggestion/ grievances/ queries to our Share Transfer Agent:

BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.

BEETAL HOUSE, 3rd Floor,

99 Madangir, New Delhi - 110 062,

Ph:- 011-29961281-83, Fax:- 011-29961284,

Email: beetalrta@gmail.com

Website: www.beetalfinancial.com

11. CEO and CFO Certification

The chairman & Managing Director of the Company has given the certification on financial reporting and internal controls to the Board in terms of Clause 49(V). The Chairman & Managing Director also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of Listing Agreement.

12. COMPLIANCE OFFICER

The Board had Designated Mr. Chandra Kishor Jha, Company Secretary as a Compliance Officer of the Company.

Compliance Officer

Aashee Infotech Limited

308, Lusa Tower, Azadpur,

Delhi-110033.

E-mail: chandrakishor@asheefinfotech.com

Phone: 011-27671990

Fax: 011-27673889

13. NON-MANDATORY REQUIREMENTS**(I) Non-executive Chairman:**

The Company does not have non-executive chairman and no expenses are being incurred & reimbursed in this regard.

(II) Shareholder Rights:

The quarterly and half yearly results are not being sent to the personal address of shareholders as the quarterly performance and financial results of the Company are published in the Newspaper having wide circulation in India The quarterly/ half-yearly/ annual financial results are also posted on the website of the Company www.asheefinfotech.com and also available at www.bseindia.com

(III) Whistle Blower Policy:

The Board has approved the Whistle Blower Policy, a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The mechanism also provide for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

During the year under review no personnel has been denied access to the audit committee.

DECLARATION

I hereby confirm that all the Board Members and senior management personnel of the company have affirmed their compliance of the 'Code of Conduct for Members of the Board and Senior Management' for the year ended 31st March 2012 in term of Clause 49(I)(D)(ii) if the Listing Agreement with the Stock Exchanges.

Place: Delhi
Date: 31.08.2012

Inder Kumar Bansal
Chairman & Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Aashee Infotech Limited

We have examined all relevant records of Aashee Infotech Limited ('the Company') for the purpose of certifying of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Stock Exchanges for the financial year ended 31st March, 2012. We have obtained all the information and explanations, which are to the best of our knowledge and belief, were necessary for the purposes of certification.

The compliance of the condition of Corporate Governance is in responsibility of the management. Our examination has been limited to a review of the procedure and implementations thereof. This certificate is neither an assurance as the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

Place: Delhi
Date: August 31, 2012

For A.K. POPLI & CO.
Company Secretaries

A K POPLI
Prop.
CP No. 2544

AUDITORS' REPORT

The Members,

AASHEE INFOTECH LIMITED

We have examined the attached Balance Sheet of AASHEE INFOTECH LIMITED as at 31st March, 2012 and profit and loss account and Cash flow for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

- We conducted our audit in accordance with the auditing standards generally accepted in India those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes, assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our Opinion
- We draw your attention to Notes of accounts point no. 2.2 that company has accumulated losses of 3,50,51,709.55/- which is not less than 50%

of its net worth. However, the company has not incurred cash losses neither during the year nor in previous year.

- As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of subsection (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said order and report that:
- Further to our Comments in the annexure referred to in Paragraph 2 above we report that:
 - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the Purpose of our audit.
 - 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.
 - The balance sheet and profit & loss account dealt with by this report are in agreement with the books of accounts.
 - In our opinion, the Balance Sheet comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - On the basis of the written representation received from Directors, taken on record by the Board of Directors, none of the Directors are disqualified under section 274(1) (g) of the Companies Act, 1956 from being appointed as a Director as on 31st March, 2012
 - In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with accounting policies and notes thereon, attached to Balance Sheet give the information required by the Companies Act, 1956 in manner so required and give a true and fair view
 - In the case of the Balance Sheet, of the state of the company's affairs as at 31st March, 2012.
 - In the case of Profit and Loss Account, of the profit of the year ended on that date.
 - In case of Cash Flow Statement, of the cash flows for the year ended on that date.

For R P R P & ASSOCIATES

Chartered Accountants

FRN No. 006687N

PARTNER : RAJESH SINGLA
M.NO. : 085393
DATE : 06/07/2012
PLACE : DELHI

ANNEXURE REFERRED TO IN PARAGRAPH (2) OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF AASHEE INFOTECH LIMITED FOR THE YEAR ENDED ON 31st MARCH 2012.

- The company has maintained proper records of fixed assets showing full particulars including quantitative details and situation of fixed Assets.
 - The fixed assets were physically verified by the management at reasonable intervals. There is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets.
 - As per the information and explanation given to us none of the fixed assets have been disposed off during the year.
- As explained to us the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
 - In our opinion and according to the information and explanations given by us the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of

its business.

- c) On the basis of our examination of the inventory, we are of the opinion that the company is maintaining proper records of inventory. As explained to us, no material discrepancies have been noticed on physical verification of stocks as compared to book records.
3. The company has not taken/ granted any loans, secured or unsecured loans, to / form companies, firms, or, other parties covered in the register maintained under section 301 of the Act. Accordingly, clause (iii) (b), (c), (d), (e), (f), and (g) are not applicable to the company.
4. In our opinion and according to the information and explanations provided to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for purchase of inventory and for sale of inventory. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
5. a) According to the information and explanations given to us, the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanations given to us, the transactions entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding during the year to rupees five lakh in respect of any party have been made at a price which are reasonable having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year and hence the provision of section 58A of Companies Act, 1956 and rule made there under do not apply.
7. The company has yet to introduce an internal audit system.
8. According to the information and explanation given to us the central govt. has not prescribed for the maintenance of cost record u/s 209(1) (d) of the companies act.
9. a) In our opinion and according to the information and explanations given to us the company is regular in depositing undisputed statutory dues including Investor education and Protection fund, income tax, sales tax, service tax, custom duty, excise duty, cess, and any other statutory dues with appropriate authorities.
b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty were outstanding as at 31st March 2012 for a period of more than six months from the date of they become payable.
10. The accumulated losses of the company at the end of year is of Rs. 3,50,51,709.55 which are not less than 50% of its net worth. Further the company has not incurred cash loss in current financial year as well as in immediately preceding financial year.
11. No dues of financial institution were outstanding as at the beginning of the financial year and no fresh loans has been received from any financial institution during the year under consideration.
12. As per information and explanations provided to us the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the company is not a chit fund or a nidhi / mutual, benefit fund/ society. Therefore, the provision of clause 4(XIII) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
14. In our opinion and according to the information and explanations given to us, in respect of dealing in shares proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares have been held by the company in its own name.
15. As per information and explanations provided to us the company has not given any guarantee for loans taken by others from banks or

financial institutions.

16. Based on our the information and explanation given by the management, term loan were applied for the purpose for which the loans were obtained, thought idle/surplus funds which were not required for immediate utilization have gainfully invested in fixed deposit with scheduled banks.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. During the period covered by our audit report, the company has not issued any debentures.
20. Company has not raised any money by public issues during the year concerned.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For R P R P & ASSOCIATES
Chartered Accountants
FRN No. 006687N

PARTNER : Rajesh Singla
MEM.NO. : 085393
DATE : 06/07/2012
PLACE : NEW DELHI

AASHEE INFOTECH LTD
BALANCE SHEET AS AT 31ST MARCH 2012,

Particulars	Note No	2012	2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	39,129,860	39,129,860
(b) Reserves and Surplus	2.2	(22,308,658)	(22,372,710)
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Deferred tax liabilities (Net)	2.3	2,628	3,040
(4) Current Liabilities			
(a) Trade payables	2.4	42,687,044	14,631,689
(b) Short-term provisions	2.5	107,357	32,447
Total		59,618,231	31,424,327
II.Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	2.6	13,342	22,236
(2) Current assets			
(a) Trade receivables	2.7	40,524,244	24,307,148
(b) Cash and cash equivalents	2.8	15,950,655	144,608
(c) Short-term loans and advances	2.9	3,129,990	6,950,335
Total		59,618,231	31,424,327

Significant Accounting Policies and Notes to Accounts

1 & 2

As per our report attached
For R P R P & Associates
Chartered Accountants
Firm's Regn No.006687N

For and on behalf of the Board

Inder Bansal
Managing Director

Arun Jain
Director

Rajesh Singla
Partner
Membership No. 085393

Anil Jain
Director

Chandra Kishor Jha
Company Secretary

Place: New Delhi
Date: 06.07.2012

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

Particulars	Note No	2012	2011
I. Revenue from operations		592,119,469	183,601,279
II. Other Income	2.10	8,739	
III. Total Revenue (I +II)	(I + II)	592,128,208	183,601,279
IV. Expenses:			
Purchase of Stock-in-Trade		590,391,678	182,415,064
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	2.11	262,395	158,133
Financial costs	2.12	9,907	1,843
Depreciation and amortization expense	2.13	8,894	14,824
Re-instatement fees		1,075,425	-
Other expenses	2.14	259,596	180,114
Total Expenses		592,007,896	182,769,979
V. Profit before exceptional and extraordinary items and tax	(III - IV)	120,312	831,300
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)	(V - VI)	120,312	831,300
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)	(VII - VIII)	120,312	831,300
X. Tax expense:			
(1) Current tax		6,337	
(2) Deferred tax	2.3	(412)	1,259
(3) Net of previous year tax		50,335	
XI. Profit(Loss) from the period from continuing operations	(IX - X)	64,052	830,041
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)	(XII - XIII)	-	-
XV. Profit/(Loss) for the period (XI + XIV)	(IX+XIV)	64,052	830,041
XVI. Earning per equity share:	2.15		
(1) Basic		0.02	0.22
(2) Diluted		0.02	0.22
Significant Accounting Policies and Notes to Accounts	1 & 2		

As per our report attached
For R P R P & Associates
Chartered Accountants
 Firm's Regn No.006687N

Rajesh Singla
Partner
 Membership No. 085393

Place: New Delhi
Date: 06.07.2012

For and on behalf of the Board

Inder Bansal
Managing Director

Arun Jain
Director

Anil Jain
Director

Chandra Kishor Jha
Company Secretary

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

Particulars	2012	2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) before tax & Extraordinary items	120,312	831,300
Adjustments for:		
Depreciation	8,894	14,824
Interest & Finance Expenses	9,907	1,843
	18,802	16,667
Operating Profit before working capital Changes	139,113	847,967
Adjustments for:		
(Increase) Decrease in Inventory	-	-
(Increase) Decrease in Trade Receivables	(16,217,096)	(11,510,488)
(Increase) Decrease in Short term Loan & Advances	3,820,345	(3,900,000)
Increase (Decrease) in Trade Payables	28,055,355	14,561,914
Increase (Decrease) in Provision	18,237	32,447
Cash generated from operations	15,676,841	(816,127)
Less: Direct Taxes Paid	-	31,841
Less: Prior Period Expenses Paid during the year	-	-
Cash Flow before exceptional & extraordinary items.	15,815,955	31,841
-- Exceptional Items.	-	-
Net cash generated from operating activities	15,815,955	31,841
B. CASH FLOW FROM INVESTING ACTIVITIES	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(9,907)	(1,843)
Net Cash used in Financing activities	(9,907)	(1,843)
Net increase/ (Decrease) in cash & cash equivalents	15,806,047	29,998
Opening Cash and Cash Equivalents	144,608	115
Closing Cash and Cash Equivalents	15,950,655	30,113
Cash & cash equivalents includes		
Cash in hand	27,362	91,212
With Scheduled Bank		
Current Accounts	15,923,293	53,396
	15,950,655	144,608

(NOTE : Figures in brackets denotes negative balances)

Cash Flow Statement has been prepared under the Indirect Method as set out in AS-3 "Cash Flow Statement".

As per our report attached
For R P R P & Associates
Chartered Accountants
 Firm's Regn No.006687N

For and on behalf of the Board

Rajesh Singla
Partner
 Membership No. 085393

Inder Bansal
Managing Director

Arun Jain
Director

Anil Jain
Director

Place: New Delhi
Date: 06.07.2012

Chandra Kishor Jha
Company Secretary

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and comply with the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The Company follows accrual basis of accounting. The accounting policies applied are consistent with those used in previous year.

1.2 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported accounts of revenue and expenses for the years presented. Actual results could differ from these estimates.

1.3 REVENUE RECOGNITION

Revenue from operations is recognized on accrual basis.

1.4 FIXED ASSETS

Fixed assets are stated at cost of acquisitions or construction less accumulated depreciation and Impairment loss, if any. Cost includes purchase price and all other Attributable costs of bringing the assets to working condition for intended use. Financing costs relating to borrowed funds attributable to acquisition or construction of fixed assets, which takes substantial period of time to get ready for its intended use are also included, for the period till such asset is put to use.

1.5 DEPRECIATION

Depreciation on fixed assets is provided on written down value method at the rates specified in schedule XIV to the Companies Act, 1956. On additions and disposals depreciation is provided for from/upto the date of addition/disposal.

1.6 INVENTORIES

Stock in trade is valued at lower of the cost or net realizable value. Cost is determined on the basis of FIFO (first in first out) method and comprises of the purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authority). Stock Of shares is valued at cost

1.7 PROVISION FOR RETIREMENT BENEFITS

The accounting standard 15 Employees benefit is applicable on the company but no provision is made for any benefits for employees because none of the employee completed service of 5 Years.

1.8 TAXES ON INCOME

Current Tax

Provision for current tax is made in accordance with the provision of Income Tax Act, 1961.

Deferred Tax

In accordance with the Accounting Standard -22 "Accounting for Taxes on income" Issued by the ICAI of India, Deferred Tax Liability/Asset arising from timing difference between book and income tax profit is accounted for at the current rate of tax to the extent these differences are expected to crystallize in the later years. However, in case of brought forward losses or unabsorbed depreciation Deferred Tax Assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

The carrying amount of deferred tax assets/liabilities are reviewed at each balance sheet date. The company writes down the carrying amount of deferred tax assets/liability to the extent that it is no longer reasonably certain, that sufficient future taxable profit will be available against which deferred tax assets can be realized.

1.9 TRANSACTION IN FOREIGN CURRENCY

- i. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- ii. Monetary items denominated in foreign currencies at the period end are restated at period end rates.
- iii. Non monetary foreign currency items are carried at cost.
- iv. Any income or expenses on account of exchange difference either on settlement or on transaction is recognized in the profit and loss account.

1.10 EARNING PER SHARE

Basic earnings per share is calculated by dividing the net Profit & Loss for the period attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders: Share split: and reverse share split (consolidation of shares).

1.11 IMPAIRMENT OF ASSETS

At each balance sheet date, the company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre discount rate that reflect the current market assessment of the time value of money and the risks specific to the asset. The impairment loss as determined above is expensed off.

1.12 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

Notes to Accounts**2.1 Share Capital**

Particulars	2012	2011
Share Capital		
<u>Authorised</u>		
1,50,000 (1,50,000) 10% Redemable Preference Shares of Rs. 10 Each	1,500,000	1,500,000
38,50,000 (38,50,000) Equity Shares of Rs. 10 each	38,500,000	38,500,000
	40,000,000	40,000,000
<u>Issued, Subscribed & Paid Up</u>		
1,50,000 (1,50,000) 10% Redemable Preference Shares of Rs. 10 Each	1,500,000	1,500,000
37,05,720 (37,05,720) Equity Shares of Rs. 10 each	37,057,200	37,057,200
Add: Share Forfeited	572,660	572,660
TOTAL	39,129,860	39,129,860

2.1.1 Change in Redemable Preference Share Capital during the year

Particulars	2012		2011	
	No. of Shares	Rs.	No. of Shares	Rs.
Shares outstanding at the beginning of the year	150,000	1,500,000	150,000	1,500,000
Shares issued during the year				
Shares bought back during the year				
Any other Movement (please specify)				
Shares outstanding at the end of the year	150,000	1,500,000	150,000	1,500,000

Company neither issued any Redemable Preference share capital nor bought back issued capital during the year.

2.1.2 Change in Equity Share Capital during the year

Particulars	2012		2011	
	No. of Shares	Rs.	No. of Shares	Rs.
Shares outstanding at the beginning of the year	3,705,720	37,057,200	3,705,720	37,057,200
Shares issued during the year				
Shares bought back during the year				
Any other Movement (please specify)				
Shares outstanding at the end of the year	3,705,720	37,057,200	3,705,720	37,057,200

Company neither issued any share capital nor bought back issued capital during the year.

2.1.3 Share holding more than 5%-

Name of Shareholder	Equity Shares			
	2012		2011	
	No. of shares held	% of Holding	No. of shares held	% of Holding
The Industrial Finance Corporation India Ltd.	200,000	5.40	200,000	5.40
Chaman Jain	321,400	8.67		
Chaman Lal Jain (HUF)	202,600	5.47		
Gaurav Jain	292,720	7.90		
Analog commercials Ltd.			237,000	6.40
SR Jain Enterprises Ltd.			413,500	11.16

2.2 Reserves & Surplus

Particulars	2012	2011
	Rs.	Rs.
Securities Premium	12,130,000	12,130,000
Add:- During the Year	-	-
Closing Balance	12,130,000	12,130,000
Investment Allowance Reserve (Utilised)	613,052	613,052
Closing Balance	613,052	613,052
Profit & loss account - Opening Balance	(35,115,762)	(35,945,803)
Add : Profit/ (Loss) for the year transferred from Statement of Profit & loss account	64,052	830,041
Closing Balance	(35,051,709.55)	(35,115,762)
Total	(22,308,658)	(22,372,710)

2.3 Deferred Tax Liability / Assets

Deferred Tax Liability has been created pursuant to AS-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The Net Deferred Tax Assets/ Liability arising during the year have been taken to the current year's Profit & Loss Account. The Net Deferred Tax Liability for the year is as under:

Particulars	2012	2011
Deferred Tax Liability (Assets)		
Depreciation Impact	(1334)	4,076
Net Deferred Tax Liability (Assets)	(412)	1,259

2.4 Trade Payable

Particulars	2012	2011
Sundry Creditors for Goods	32,812,474	14,631,689
Advances From Customer	9,874,570	-
Total	42,687,044	14,631,689

Trade payables are outstanding in the normal course of business of the company.

2.5 Short term provisions

Particulars	2012	2011
Provision for employees benefit		
Salary & Reimbursement	25,000	16,000
Others		
Audit Fees Payable	10,000	5,000
VAT Payable	66,020	10,925
Provision For Income Tax	6,337	-
Expenses Payable	-	500
Other Current Liabilities	-	23
Total	107,357	32,447

2.6 Fixed Assets - Tangible Assets

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS AT 01.04.2011	ADDITIONS / (DEDUCTION)	AS AT 31.03.2012	RATE OF DEPRECIATION	AS AT 01.04.2011	FOR THE YEAR	UPTO 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
Laptop	45,000	-	45,000	40%	22,764	8,894	31,658	13,342	22,236
Total Rs.	45,000	-	45,000		22,764	8,894.40	31,658	13,342	22,236

2.7 Trade Receivables

Particulars	2012	2011
Debts outstanding for a period exceeding six months		
Considered good	447,554.00	
Considered Doubtful		
Less: Provision for doubtful debts		
	447,554	-
Other Debts Unsecured		
Considered good	40,076,690	24,307,148
Considered Doubtful	-	-
Less: Provision for doubtful debts		
	40,076,690	24,307,148
Total	40,524,244	24,307,148

2.8 Cash & Cash Equivalents

Particulars	2012	2011
Balances with banks in current account:		
in Dena Bank	15,885,762	-
in Kotak Mahindra Bank	37,531	48,110
in OBC Bank	-	5,286
Cash on Hand	27,362	91,212
Total	15,950,655	144,608

Cash & cash equivalents comprises of Cash on hand, Cash at Bank and time deposits with the bank.

2.9 Short term loans & advances

Particulars	2012	2011
Loans and advances to related parties		
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful loans and advances	-	-
Others (specify nature)		
Secured, considered good		
Unsecured, considered good	3,008,427	6,950,335
Doubtful		
Less: Provision for doubtful loans and advances	-	
Advances to suppliers	121,563	
	3,129,990	6,950,335
Total	3,129,990	6,950,335

2.10 Other Income

Particulars	2012	2011
Miscellaneous Income	8,739	
Total	8,739	-

2.11 Employee Benefit

Particulars	2012	2011
Salary & Wages	262,395	158,133
Total	262,395	158,133

2.12 Financial Costs

Particulars	2012	2011
Interest & Finance Charges		
Other finance cost	9,907	1,843
Total	9,907	1,843

2.13 Depreciation and amortization

Particulars	2012	2011
Depreciation for the year	8,894	14,824
Total	8,894	14,824

2.14 Other Expenses

Particulars	2012	2011
Rent	60,000	60,000
Legal & Professional Charges	17,961	7,100
Listing Fee	39,311	33,091
Office Maintenance	76,754	8,520
Postage	13,835	12,125
General Expenses	34,075	43,029
Filing Fee	1,500	1,500
Printing & Stationery	11,160	9,750
Payment to Auditor	5,000	5,000
Total	259,596	180,114

2.15 Earning Per Shares

PARTICULARS	2012	2011
Net Profit (Loss) after Tax	64,052	830,041
Weight Average No. of Equity Shares	3,705,720	3,705,720
Basic Earnings per share	0.02	0.22
Diluted Earnings per share	0.02	0.22
-	3,769,772	4,535,761

2.16 PAYMENT TO AUDITORS

PARTICULARS	2012	2011
Statutory Audit	5,000	5,000
Other Matters	-	-
Company Law Matter	-	-
Total	5,000	5,000

2.17 Value of Imports on CIF basis

CIF Value	2012	2011
Trading Goods (Payment Basis)	NIL	NIL

2.18 Earning in Foreign currency

Exports	2012	2011
FOB Value of Exports	NIL	NIL

2.19 Disclosure of Foreign Exchange Transactions in terms of AS-11

Particulars	2012	2011
Exchange rate fluctuation differences included in the net profit/ (loss) for the period.	NIL	NIL

2.20 Related Party Transactions

The Management has identified the following Companies and Individuals as related parties of the Company for the year ended 31st March, 2012 as required by AS 18 – “Related Party Disclosure” issued by the Institute of Chartered Accountants of India:
List of related parties (As certified by the management)

Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives
Inder Bansal, Director Anil Jain, Director Kamal Gupta, Director Arun Kumar Jain, Director Varun Sharma, Director Chandra Kishor Jha, Secretary	Meena Bansal, Wife Anshu Jain, Wife Meenakshi Sharma, Wife	Jatalia Global Ventures Limited Jatalia Finance Company Limited Sambhav Agro Foods Private Limited Lusa Builders Private Limited Lusa Private Limited Three 'A' Associates Private Limited Paonta Finance & Deposits Private Limited RN Finance Limited

Details of transactions in the ordinary course of Business:

Particulars	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
Volume of Transactions				
Purchase of Goods			65678185	65678185
Sales of Goods			177226524	177226524
Balances at the end of the year				
Sundry Creditors			901662	901662

The names of the related parties and nature of the relationships where control exists are disclosed only when the transactions were entered into by the company with the related parties during the existence of the related party relationship.

2.21 Contingent Liabilities & Commitments (to the extent not provided for)

Contingent Liabilities not provided for Rs. NIL (Previous Year Rs. NIL)

Estimated amount of contracts remaining to be executed on capital account not provided for in the accounts Rs. NIL (Previous Year Rs. NIL)

2.22 The Company's securities have been admitted for dematerialisation with NSDL & CDSL vide ISIN Nos. INE 847M01011.

2.23 Reinstatement fees of Rs. 1075425/- has been paid for revoking the suspension of trading of securities at Bombay Stock Exchange.

2.24 No Dividend on Preference Shares and Equity Shares proposed by Directors due to accumulated losses.

2.25 In the opinion of the Board of Directors, current assets, Loans & advances are of the value at least equal to the amounts at which they are stated, if realized in the ordinary course of the business and provisions for all known liabilities have been made in the accounts.

2.26 Previous year's figures have been regrouped and rearranged wherever considered necessary.

2.27 All figures are in Indian rupees except number of shares and as stated otherwise.

In terms of our report of even date

For R P R P & Associates

Chartered Accountants

Firm's Regn No.006687N

Rajesh Singla

Partner

Membership No. 085393

Place: New Delhi

Date: 06.07.2012

For & on behalf of the Board

Inder Bansal
Managing Director

Arun Jain
Director

Anil Jain
Director

Chandra Kishor Jha
Company Secretary

AASHEE INFOTECH LIMITED

Regd Office :308, LUSA TOWER, AZADPUR, DELHI-110033

FORM OF PROXY

Regd. Folio No.....

I/We.....of.....in the district of.....being a member/members of the **ASHEE INFOTECH LIMITED**, hereby appoint Mr/Mrs/Miss.....of.....in the district of.....or failing him/her Mr/Mrs/Miss.....of.....in the district ofas my/our Proxy to vote for me/us on my/our behalf at the 25th Annual General Meeting of the Company will be held on Saturday, the 29th Day of September, 2012 at 3:00 PM. at Registered Office 308, Lusa Tower, Azadpur, Delhi-110033

Signed this.....day of.....2012

Folio No.....
DP ID
Client ID.....

Signature.....

Affix revenue stamp ₹ 1.00

Note : If a member is unable to attend the meeting, he/she may fill this form and send it to the Registered Office of the Company so as to reach atleast 48 hours before the time for holding the meeting./

AASHEE INFOTECH LIMITED

Regd Office : 308, LUSA TOWER, AZADPUR, DELHI-110033

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

Name and Address of the Member	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my presence at the 25th Annual General Meeting of the Company at the Registered Office of the Company, on **Saturday, the 29th day of September, 2012 at 03:00 P.M.** at Registered Office 308, Lusa Tower, Azadpur, Delhi-110033

Signature of the Shareholder	Signature of the Proxy

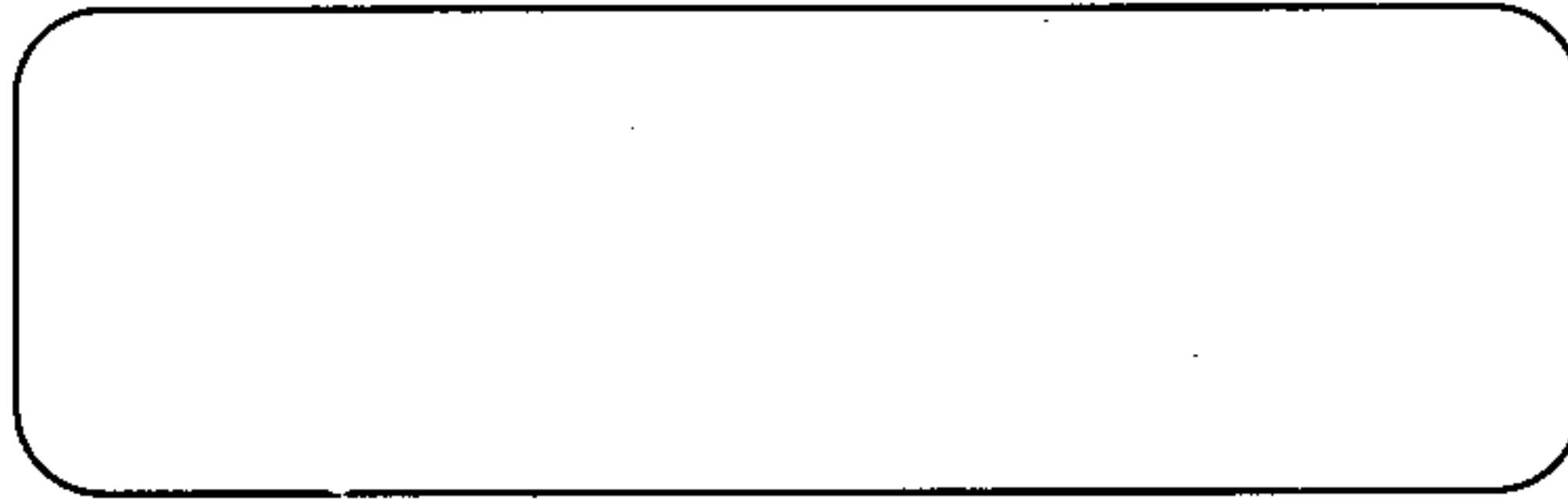
Note : 1. The copy of Annual Report may please be brought to the Meeting Hall.
2. Briefcase, Hand Bags etc. are not allowed inside the Meeting Hall.
3. Please note that no gifts will be distributed at the meeting.





BOOK-POST
(Printed Material)

To,



if undelivered please return to

AASHEE INFOTECH LIMITED

Regd Office : 308, LUSA TOWER, AZADPUR, DELHI-110033

Phone : 011-27671990 Fax : 011-27673889

<http://aasheefotech.com>