

24<sup>th</sup> Annual Report  
2012-13



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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## VISESH INFOTECNICS LTD.

### BOARD OF DIRECTORS

Mr. Peeyush Aggarwal	Chairman
Mr. S.N. Sharma	Director
Mr. Adesh Jain	Director
Mr. Vipin Garg	Whole Time Director
Mr. Karun Jain	Executive Director
Mr. Anil Jindal	Additional Director

### COMPANY SECRETARY

Ms. Sonia Arora

### 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  
ICICIBANK  
AXIS BANK

### REGISTERED 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. **Opentech Thai Network Specialists Co., Ltd. Thailand**  
8/5 Sukhumvit 28 Klongton, Bangkok, Thailand.

### BRANCH OFFICES

#### NOIDA

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

#### BANGALORE

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

#### GURGAON

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

#### MUMBAI

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



## NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Company will be held on 25<sup>th</sup> day of September 2013 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 31<sup>st</sup> March, 2013 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. Adesh Jain who retires by rotation and being eligible offers himself for re-appointment.
3. 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 bearing firm no. 000978N, 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

4. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:  
"RESOLVED THAT Mr. Anil Jindal who was appointed as an Additional Director of the company pursuant to the provision of the Section 260 of Companies Act, 1956 and hold office upto the date of forthcoming annual general meeting and in respect of whom the company has received a notice from a member under the provision of Section 257 of Companies Act, 1956, proposing the candidature of Mr. Anil Jindal for the office of director, be and is hereby appointed as director of the company, liable to retire by rotation."

Place: New Delhi

Dated: 14<sup>th</sup> August, 2013

By Order of the Board

Sd/-

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 21<sup>st</sup> September 2013 to 25<sup>th</sup> September 2013 (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.
7. Ms. Rita Dedhwal, Company Secretary and Compliance Officer of the Company resigned on June 3, 2013 and Ms. Sonia Arora was appointed as the Company Secretary and Compliance Officer of the Company w.e.f June 6, 2013.



## VISESH INFOTECNICS LTD.

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

#### **Adesh Jain, Independent Director**

Mr. Adesh Jain, aged 49 years, is a Bachelor of Commerce (Hon) and a Fellow Member of the Institute of Chartered Accountants of India. He is a Practicing Chartered Accountant with extensive experience of over two decades in the field of Finance and Taxation. Companies (other than Visesh) in which Mr. Adesh Jain holds directorship and committee memberships are as follows:

Name of the Companies	Nature of Interest	Committee Name & Position
1. B.P Capital Limited	Director	Audit Committee : Chairman Shareholder Grievance Committee : Member

#### **Anil Jindal, Additional Director**

Mr. Anil Jindal, aged around 52 years is a Fellow Member of the Institute of Chartered Accountants of India (ICAI) and has a vast experience of over 20 years as a practicing Chartered Accountant. He is also a Promoter Chairman of Park Mediclaim TPA Pvt. Ltd. Mr. Anil Jindal is also a member of Indian council of Arbitration (sponsored by Ministry of Commerce) and is presently a Secretary of Delhi Study Group, a National NGO. Mr. Anil Jindal holds directorship and committee memberships in none of the Companies (other than Visesh).

#### **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 fourth annual general meeting.

#### **ITEM NO. 4.**

Mr. Anil Jindal was appointed as an Additional Director of the company with effect from 21<sup>st</sup> January, 2013, pursuant to Section-260 of the Companies Act, 1956. Mr. Anil Jindal hold office of director upto the date of forthcoming Annual General Meeting. The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Anil Jindal for the office of director under the provisions of Section-257 of the Companies Act, 1956.

Your directors are of the view that company would immensely benefited by the expertise, and guidance of Mr. Anil Jindal and therefore recommend for approval, the resolution contained in Item No. 4 of this Notice convening Annual General Meeting.

None of the directors other than Mr. Anil Jindal is concerned with or interested in the passing of this resolution.

Place: New Delhi

Dated: 14th August, 2013

**By Order of the Board**  
**Sd/-**  
**Company Secretary**

**DIRECTOR'S REPORT**

Dear Members,

Your Directors have pleasure in presenting the Twenty Fourth Annual Report of Visesht Infotecnics Limited together with the Audited Accounts of the Company, for the year ended 31<sup>st</sup> March, 2013.

**FINANCIAL RESULTS**

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

(₹ in lacs)

PARTICULARS	2012-13 Standalone	2012-13 Consolidated	2011-12 Standalone	2011-12 Consolidated
Income from Operations	24,882.95	33,039.99	15,473.93	23,928.66
Other Income	9.88	9.91	67.60	67.60
Total Income	24,892.83	33,049.9	15,541.53	23,996.26
Total Expenditure	21,958.15	30,072.6	13,934.00	22,306.67
PBID & Tax	2,934.68	2,977.30	1607.52	1689.59
Interest	287.08	294.33	307.82	312.49
Depreciation	1353.06	1,353.06	1,184.30	1,184.30
Profit before Tax	1,294.54	1,329.91	115.40	192.80
Provision for Taxation	249.00	260.68	24.04	30.46
Deferred Tax	108.79	108.79	36.43	36.43
Profit After Tax (PAT)	936.75	960.42	54.25	125.25
Profit b/f from previous Yr.	4,193.85	4,264.84	4,139.60	4,139.60
Balance Carried to B/Sheet	5,130.60	5,225.26	4,193.85	4,264.84
Paid up Equity Share Capital	37,744.37	37,744.37	12,313.06	12,313.06
Reserve & Surplus	9684.73	10,401.27	12,359.29	12,838.71

**RESULTS OF OPERATIONS**

During the Financial Year 2012-13, the total revenue of the Company from operations on standalone basis stood at (₹) 24,882.95 Lacs as against (₹) 15,473.93 Lacs during the previous year, where as on consolidated basis the total income from operations for the fiscal Year ended March, 2013 stood at (₹) 33,039.99 Lacs as against (₹) 23,928.66 Lacs during the previous year. The total net profit after tax for the fiscal year ended March 2013 on standalone basis stood at (₹) 936.76 Lacs as compared to previous year net profit of (₹) 54.25 Lacs, where as on consolidated basis total net profit after tax for the fiscal year ended March 2013 stood at (₹) 960.42 Lacs as compared to previous year net profit of (₹) 125.25 Lacs.

**DIVIDEND**

Your Company requires capital to strengthen the business therefore the Board has decided to plough back the profits achieved during the year under review into the operations of the Company. Hence no dividend is recommended for the year ended March 31, 2013.



## VISESH INFOTECNICS LTD.

### SHARE CAPITAL

During the Current Year, 5,93,89,515 equity shares of ₹ 10/- each were allotted to the shareholders of Axis Convergence Pvt. Ltd on 26.09.2012 consequent upon the sanction of Scheme of merger by the Hon'ble High Court of Delhi vide its order dated 20.07.2012 leading to increase in Authorized Capital of the Company from ₹ 287.45 Crores to ₹ 343.135 Crores.

Pursuant to the Shareholder's Resolution passed in the Extra Ordinary General Meeting of the Company held on 22.02.2013, the Company had increased its Authorized Capital from ₹ 343.135 Crores to ₹ 377.50 Crores to accommodate issue of Bonus shares. Subsequently, the Company had allotted 34,31,30,605 Bonus Equity Shares of Re.1/-each (after subdivision) in the ratio of 1:10 in the Board Meeting held on 11.03.2013.

### SUBDIVISION OF SHARES

In order to improve the liquidity of Equity Shares of the Company in the Stock Markets with higher floating stock in absolute numbers and to make them more affordable for the small retail investors to invest in the Company, the Company sub-divided the denomination of its equity shares in terms of the resolution passed under section 94 (1) (d) of the Companies Act, 1956 at the Extra Ordinary General Meeting of the Company held on 21.12.2012. Pursuant to the sub-division of the Equity shares of the Company, each existing Paid-up Equity Share of the Company of the nominal value of ₹ 10/-each, stood sub-divided into Ten Equity shares of nominal value of Re.1/- each fully paid-up, with effect from the Record Date i.e. 04.01.2013.

### BONUS ISSUE

Considering the position of Reserves and Surplus of the Company, your Directors had pleasure in proposing the issue of shares by way of bonus shares in the proportion of one new equity share for every ten existing equity shares held i.e. in the ratio of 1:10 as per the provision for Capitalization of Reserves in the Articles of Association of the Company and in compliance with the Chapter IX of SEBI (ICDR) Regulations, 2009.

In terms of the resolution passed in the Extra Ordinary General Meeting of the Company held on 22.02.2013, the Company had allotted 34,31,30,605 Bonus Equity shares of the Company in the ratio of 1:10 i.e. 1(One) Bonus Equity Share for every 10 (Ten) Equity Shares held as on the Record date i.e. 08.03.2013.

Further, an aggregate of 150 (One Hundred and Fifty) new equity shares of the Company representing fractions in the bonus issue pertaining to 318 shareholders were allotted to 'Visesh Bonus Trust' for fractional shareholders, which will be sold at the Stock Exchange at suitable market price and the net sale proceeds after defraying the expenses of the sale be distributed to the 318 shareholders entitled to fractional shares in proportion to their fractional entitlements.

### IEPF A/C-INVESTOR EDUCATION & PROTECTION FUND

Your Company had transferred a sum of ₹ 340,597/- being the balance as standing in the "VISESH INFOTECNICS LIMITED-UNPAID DIVIDEND ACCOUNT" which had been remained unpaid or unclaimed for the period of seven years to Investor Education and Protection Fund (IEPF) as established by the Central Government in accordance with Section 205C of the Companies Act, 1956. Consequent to which, e-Form 1 INV was filed respectively with ROC on March 20, 2013.

### SUBSIDIARY

Your Company has Three wholly owned foreign subsidiary Companies namely:-

M/s Axis Convergence Ltd. (Incorporated in Mauritius), M/s Greenwire Network Ltd. (Incorporated in Hongkong), M/s Opentec Thai Network Specialists Ltd. (OTNS) (Incorporated in Thailand).



In terms of the General Circular No.2/2011 dated February 8, 2011, issued by Ministry of Corporate Affairs, Government of India, under Section 212(8) of the Companies Act, 1956, granting general exemption to companies from attaching financial statements of 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.

### **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 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.

### **BOARD OF DIRECTORS**

During the year, Mr. Anil Jindal had been appointed as an Additional Director of the Company in the Board Meeting held on 21.01.2013. As per the provisions of Section 260 of the Companies Act, 1956, he holds office upto the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received notice under Section 257 of the Act, proposing his appointment as Director of the Company. Resolutions seeking approval of the Members for the appointment of Mr. Anil Jindal as Director of the Company have been incorporated in the Notice of the forthcoming Annual General Meeting along with brief details about him.

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Adesh Jain, Director of the Company retire by rotation from the Board of Director and being eligible offers himself for re-appointment. 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 he is not disqualified under section 274(1)(g) of the Companies Act, 1956. Your Board recommends his re-appointment in the ensuing Annual General Meeting.





## VISESH INFOTECNICS LTD.

### 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. Your 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. Visesh 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 and 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 and D group, on time; all the time; resulting in maximizing stake holder'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 31.03.2013	Year ended 31.03.12
Foreign exchange earnings	194.86	202.45
Foreign exchange Outgo	49.33	39.21

**DIRECTOR'S RESPONSIBILITY STATEMENT**

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

- In the preparation of annual accounts, the applicable accounting policies and standards have been followed;
- 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 2012-13 and of the profit and loss of the Company for that period;
- 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;
- These annual accounts have been prepared on a 'going concern basis'.

**ACKNOWLEDGEMENT**

We thank our customers, vendors, investors & Bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. 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: May 30, 2013**

**Sd/-**  
**Peeyush Aggarwal**  
**Chairman**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per the Clause 49 of the Listing Agreement.

### ECONOMIC & INDIAN IT INDUSTRY

The global economic environment in calendar year 2012 continued to remain uncertain with signs of concern and slow growth (1%-2%) **(As per IMF)**. The global sourcing market reached a volume of USD 124-130 billion in 2012 with a growth of 9% over 2011, which was twice the growth rate of the global IT spend. While banking, financial services & insurance (BFSI) and manufacturing remained the largest verticals in terms of total share in IT spending, emerging verticals such as healthcare, retail, government and utilities were the drivers of incremental growth in 2012.

According to the **NASSCOM Strategic Review Report 2013**, the hardware market in India accounted for 40% of the domestic IT industry, with anticipated growth of 1.4% in fiscal 2013. The key components of the hardware industry are servers, desktops and laptops, storage devices, peripherals and networking equipment. Increased use of computing devices in education and consistent demand from enterprises are key factors driving the continued growth of this market. Additionally, the Government of India is promoting initiatives to provide low cost affordable computing, which is expected to also fuel growth.

The large North American IT market continues to expand at a faster pace (5%) than the economy. Investments by American corporations in innovation and digital technologies is driving the growth in technology spend. IT spend in emerging markets like Asia-Pacific continues to grow at a faster pace than in mature geographies on account of investments by corporations to bring their IT infrastructure on par with global standards.

Global IT services spending are set to recover, driven by improvements in macro-economic fundamentals. Uncertainties around IT budgets and technology investments are expected to clear out to a large extent in 2013. Gartner research predicts that the worldwide spending on IT services shall accelerate by 4.5% to \$918 billion in 2013 compared to 1.5% growth in 2012.

As per **NASSCOM**, the worldwide IT-BPO outsourcing market is valued at \$124-130 billion in 2012. India continues to be the leader in the IT-BPO outsourcing market, with a significant cost-advantage and a 52% market share. The Indian IT industry continues on its growth path, although growth has been a tad slower in FY2013 due to global economic uncertainties. **NASSCOM** estimates that Indian IT-BPO services exports shall grow by 12-14% to \$84-87 billion in FY2014, compared to 10% growth in FY2013.

The future of the IT services industry shall be defined by "Consumerisation of IT", with enterprises focusing on IT as a key differentiator to their businesses and service providers investing in a combination of services, products and platforms to create "transformative" business value for customers. Enterprises are likely to invest significantly in ecosystems built around SMAC technologies (Social media, Mobility, Big Data/Analytics and Cloud services). As these disruptive technology trends increasingly gain mainstream adoption, they are expected to offer a definitive fillip to global IT spending.

Indian IT service providers have been increasingly focusing on:

- Deepening vertical specialization and building deep domain expertise
- Broadening services portfolio
- Evolving newer business models, building non-linear revenue streams
- Augmenting global delivery models

### BUSINESS OVERVIEW

#### VISESH OPERATIONS & FUTURE OUTLOOK

Your Company provides end-to-end technology and technology related services on a broad range of Hardware & Software platforms. Your company's top priority is to capture growth opportunities by broadening its range of offerings in the realm of Information Technology. The Company has under its fold highly skilled and experienced software engineers, system Designers, Integrators and system Analyst to provide emphasis on quality customer



service. The Company has carved a niche for itself in the IT industry and has increased its business by acquiring some major domestic projects.

During the year your Company was declared as a "Solution Champ" recognizing the company's efforts in the field of Enterprise Software by DQ Channel in the 8<sup>th</sup> SP summit-2013.

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 'Aadhaar' which is Government of India's Unique Identification (UID) project is testimony of its strong domain expertise within a wide 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.

"InfraServe™" is the name of VIL Infrastructure Services Division, which designs, builds and manages IT infrastructure for its clients, through the effective deployment of Hardware, Software and Networking products from world renowned manufacturers. Visesh provides the entire range of Servers, Desktop and Notebook computers from HP, IBM, Acer & Sun Microsystems. VIL offer peripherals from Hewlett Packard, Samsung, Epson Corp. & Canon and Power Correction Equipment from APC. VIL also provide specialized data communication equipment such as Routers, Switches & Remote Access Servers from Cisco Systems, HP Procurve, Nortel Networks, 3Com and Allied Telesyn; Structured Cabling Systems from Systimax, AMP and Nexans; Wireless connectivity products from Cisco, SMC and NetGear; and storage solutions from HP, IBM, ADIC & EMC.

"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 clientele. Visesh also offers web-hosting solutions on VIL dedicated servers located at in server farms and data centres 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. VIL capabilities in design & upkeep of secure infrastructure with built-in redundancies and back-up data processes ensure the reliability and success of this service and also afford VIL an opportunity to leverage this infrastructure for VIL Managed Services and ASP offerings.

"BusinesSoft™" 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. Visesh BusinesSoft™ builds on the winning parameters of VIL clients processes and the best industry practices. "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 return on investments through cost-effective and faster deployment capabilities. "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.

The Company has entered into a new venture in the field of 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,



## VISESH INFOTECNICS LTD.

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.

Our success depends in large part upon our highly skilled software professionals and our ability to attract and retain such personnel. Due to the limited pool of available skilled personnel, we face strong competition to recruit and retain skilled and professionally qualified staff. Our talent acquisition philosophy is to recruit for attitude, train for skill and develop for leadership roles. We follow a role-based selection process and place high emphasis on cultural fit of the prospective staff members with our organizational values. We have a robust process to evaluate needs and acquire talent in tune with our business needs. Our talent acquisition is driven by the annual business plan (covering number of people needed by location and their levels and roles in the organization), which is monitored and continually adjusted based on business visibility on a monthly basis.

### **THREATS, RISKS & CONCERNS:**

IT Products revenues are impacted by seasonal changes that affect purchasing patterns among our consumers of desktops, notebooks, servers, communication devices and other products.

The IT products market is a dynamic and highly competitive market. In the marketplace, we compete with both global and the local providers. We are witnessing pricing pressures due to commoditization of manufactured products business and higher focus on Indian markets by leading global companies.

Nonetheless, we are favorably positioned due to our quality leadership, expertise in target markets and our ability to create client loyalty by delivering value to the customer.

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.

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 2012-2013, we identified our strategy pillars that will help us grow faster than the industry average as well generates 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.

The risk management process of your Company goes through a review annually in order to keep it aligned with the changing global risks. The risk management process of your Company is accessible to all units of operation across the country and the same is reviewed by the corporate risk office on regular basis.

### **SEGMENT WISE PERFORMANCE**

The company is mainly operating in three segments:

- \*IT Solutions & Products.
- \*IT enabled Services.
- \*Telecommunication.

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**

The human resources strategy enabled the Company to attract, integrate, develop and retain the best talent required for driving business growth. The sustained strategic focus to enhance employee capability, improve efficiency and groom future leaders has helped Visesh maintain its position in the IT industry.

The Company has created a performance driven environment where innovation is encouraged, performance is recognized and employees are motivated to realize their potential. Our relentless pursuit to connect with employees on a regular basis, communicate in an open and transparent manner, provide opportunities to learn and grow within the organization are yielding desired results as is evident from the high retention rates and the motivation and engagement levels of our employees. 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.

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.



## VISESH INFOTECNICS LTD.

### 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 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, 2013, the Board comprised of 6 (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 3 (Three) which is half of the total strength of the Board as required by the provisions of the Listing Agreement. The number of Non Executive Directors is 4 (Four) which is more than half 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 2012-13 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 Visesh 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	14	Yes	6	-	4
2.	Sh. S.N Sharma DIN 00336736	Director	Non- Executive Independent	12	Yes	4	2	2
3.	Sh. Adesj Jain DIN 00366638	Director	Non- Executive Independent	13	No	1	1	1
4.	Sh. Karun Jain DIN 00077035	Executive Director	Executive & Dependent	14	Yes	1	-	-
5.	Sh. Vipin Garg DIN 00157111	Whole Time Director	Executive Dependent	13	Yes	-	-	-
6.	Sh. Sunil Kumar Jain* DIN 00010695	Director	Non- Executive Independent	5	No	3	-	-
7.	Sh. Anil Jindal** DIN 00744123	Additional Director Independent	Non- Executive	2	NA	-	-	-

\* Mr. Sunil Kumar Jain, Director of the Company ceased to be the Director of the Company w.e.f. 12.09.2012

\*\*Mr. Anil Jindal was appointed as an Additional Director of the Company on 21.01.2013

**BOARD MEETINGS**

14 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:

April 28, 2012, May 15, 2012, July 25, 2012, August 14, 2012, September 03, 2012, September 12, 2012, September 26, 2012, November 12, 2012, November 21, 2012, December 21, 2012, January 03, 2013, January 21, 2013, February 14, 2013, March 11, 2013

**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, 2013, Audit Committee of the Company comprises of the following:

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

The Company Secretary acts as the Secretary to the Committee.

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

May 15, 2012, August 14, 2012, September 3, 2012, November 12, 2012, February 14, 2013

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.





## VIRESH INFOTECNICS LTD.

The constitution of the Remuneration Committee during the F.Y. ending March 31, 2013, 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 ₹ 16,81,596 /- (Rupees Sixteen Lacks Eighty One Thousand Five Hundred and Ninety Six Only) and to Mr. Vipin Garg, Whole Time Director of the Company during the financial year under review is ₹ 21,39,548/- (Twenty One Lacks Thirty Nine Thousand Five Hundred Forty Eight) .

### 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 Mas Services Ltd. viz. Registrar and Share Transfer Agent who attend to the share transfer formalities.

During the F.Y ending March 2013, Share Transfer committee comprises of following members:

Mr. Peeyush Aggarwal	Chairman
Mr. Adesh Jain	Member
Mr. Karun Jain	Member

The Company Secretary acts as the Secretary to the Committee.

### D. INVESTOR GRIEVANCES COMMITTEE

As on March 31, 2013, Investor Grievances Committee comprises of following members:

Mr. Peeyush Aggarwal	Chairman
Mr. Adesh Jain	Member
Mr. Karun Jain	Member

The Company Secretary acts as the Secretary to the Committee.

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, 2013, 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
29-09-2012	Auditorium, Bipin Chandra Pal Memorial Trust, A-81, Chittranjan Park, New Delhi-110019	10:00 A.M	4
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



## 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.viseshinfo.com](http://www.viseshinfo.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 endeavor 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.viseshinfo.com](http://www.viseshinfo.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. FINANCIAL YEAR

Financial year	: 1 <sup>st</sup> April to 31 <sup>st</sup> March
Financial year (during period under review)	: 1 <sup>st</sup> April, 2012 to 31 <sup>st</sup> March, 2013
First Quarter	: 1 <sup>st</sup> April, 2012 to 30 <sup>th</sup> June, 2012
Second Quarter	: 1 <sup>st</sup> July, 2012 to 30 <sup>th</sup> September, 2012
Third Quarter	: 1 <sup>st</sup> October, 2012 to 31 <sup>st</sup> December, 2012
Fourth Quarter	: 1 <sup>st</sup> January, 2013 to 31 <sup>st</sup> March, 2013



## VISESH INFOTECNICS LTD.

### II. REGISTRAR & SHARE TRANSFER AGENTS (RTA)

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

### III. 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)

### IV. WITH EFFECT FROM 28<sup>TH</sup> AUGUST, 2000 THE SHARES OF VISESH INFOTECNICS LIMITED ARE TRADED IN DE-MAT FORM ONLY:

ISIN Code No: INE861A01058

**\*The GDRs of the Company admitted on official list of Singapore Stock Exchange on 26<sup>th</sup> December, 2007.**

ISIN Code for Visesh GDRs: US92829H1086

### V. 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@viseshinfo.com

### VI. COMPLIANCE OFFICER

Ms. Rita Dedhwal, Company Secretary.

### VII. 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 2012 to March 2013	National Stock Exchange			Bombay Stock Exchange		
	High	Low	No. of shares traded	High	Low	No. of shares traded
April 2012	3.95	3.00	1,22,164	4.10	3.00	3,93,818
May 2012	3.95	3.00	1,04,747	3.99	3.00	2,06,618
June 2012	3.75	2.85	1,50,375	3.95	2.50	4,45,196
July 2012	3.65	2.95	2,00,435	3.50	2.91	5,09,067
August 2012	3.90	3.15	3,21,597	3.90	3.17	4,17,873
September 2012	6.60	3.20	1,82,726	6.90	3.20	6,33,946
October 2012	11.75	6.90	11,88,536	12.31	7.00	33,07,371
November 2012	19.90	11.40	18,68,050	19.85	11.31	21,38,907



Financial Year April 2012 to March 2013	National Stock Exchange			Bombay Stock Exchange		
	High	Low	No. of shares traded	High	Low	No. of shares traded
December 2012	29.60	19.30	28,51,126	29.50	18.65	24,30,156
January 2013	32.60	2.60	3,93,44,159	32.45	2.60	5,59,65,648
February 2013**	2.50	1.95	1,79,28,267	2.54	1.98	6,23,38,660
March 2013**	2.20	1.75	46,29,779	2.33	1.76	1,28,60,051

\*\* On January 3, 2013, Company Sub-divided its Equity Shares from nominal value of Rs10/- per Equity Share to Re.1/- per equity share.

#### VIII. 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 31<sup>st</sup> March, 2013:

Total Issued Capital	No. of Shares	% to total shareholding
NSDL (Demat Form)	1,59,85,97,575	42.35%
CDSL (Demat Form)	1,71,42,77,399	45.42%
Physical Form	46,15,61,681	12.23%
<b>TOTAL</b>	<b>3,77,44,36,655</b>	<b>100%</b>

#### IX. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH 2013:

Shareholding of Nominal Value of ₹	No. of shareholders	% to total no. of shareholders	Amount in ₹	% to total shareholding
Upto 5000	11630	72.579	16879842	0.447
5,001-10,000	1892	11.807	12113686	0.321
10,001-20,000	1217	7.595	15482041	0.410
20,001-30,000	401	2.502	9564603	0.253
30,001-40,000	153	0.955	5239089	0.139
40,001-50,000	98	0.612	4369719	0.116
50,001-1,00,000	239	1.492	15715420	0.416
1,00,001 and above	394	2.459	3695072255	97.897
<b>TOTAL</b>	<b>16024</b>	<b>100</b>	<b>3774436655</b>	<b>100</b>

#### X. SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH 2013

Category	No. of Shares	% of total
A. Promoters	1779468293	47.145
B. Non-Promoter holding	46796750	1.240
i. Bank's Mutual Funds, Insurance Companies, Foreign Institutional Investors (central/state govt.) institution/non govt. institutions)		
ii. Private corporate bodies	1698809377	45.008
iii. Indian public	180644461	4.786
iv. NRI's/OCB's	3461158	0.092
v. Foreign Investor	58998764	1.563
vi. Clearing member	6257852	0.166
<b>TOTAL</b>	<b>3774436655</b>	<b>100</b>



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## VISESH INFOTECNICS LTD.

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### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

#### The Members of Visesh Infotecnics Ltd.

We have examined the compliance of conditions of Corporate Governance by Visesh Infotecnics Ltd. for the financial year ended 31<sup>st</sup> March, 2013, 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 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/-  
Deepak Gupta  
Partner  
M. No. 081535

Place: New Delhi  
Date: May 30, 2013

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### 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 2012-13. This code of conduct is available on the Company's website.

Place: New Delhi  
Date: May 30, 2013

Sd/-  
Peeyush Aggarwal  
Chairman

**AUDITOR'S REPORT**

**To**  
**THE MEMBERS**  
**Visesh Infotecnics Limited**  
**New Delhi**

We have audited the attached Balance Sheet of Visesh Infotecnics Limited as at March 31, 2013 and also Statement of Profit and Loss 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 on financial statements, 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/-).
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 Statement of Profit & Loss referred to by this report are in agreement with the books of Accounts.
  - iv) In our opinion, the Balance Sheet and Statement of Profit and 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, 2013;
    - (b) In the case of Statement of Profit and 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 : 30.05.2013**

**for RMA & Associates**  
**Chartered Accountants**  
**FRN No. 000978N**  
**Sd/-**  
**Deepak Gupta**  
**Partner**  
**M. No. 081535**



### ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our report of even date to the members of VIRESH INFOTECNICS LIMITED for the year ended 31.03.2013.)

- (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) As informed, the Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (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) (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 Rs. 5.00 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.
- (vi) In our opinion and according to the information and explanation given to us, the Company has not taken deposit of 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.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
- (ix) (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 ₹ 5,104,827/- related to A.Y. 2005-06 against this ₹ 4,000,000/- deposited under protest with Income-tax Authorities, b) ₹ 1,245,589/- related to A.Y. 2006-07, and c) ₹ 43,851,395/- related to A.Y. 2008-09 against this ₹ 15,00,000/- deposited under protest with Income-tax Authorities. d) In respect of A.Y. 2009-2010 Income tax demand is ₹ 27,487,250/- e) ₹ 2,73,06,810/- related to A.Y. 2010-11. 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, A.Y. 2009-10 and A.Y. 2010-11 appeals are pending before the Commissioner of Income Tax (Appeals) XIX, New Delhi.

- (x) 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.
- (xi) 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. The Company has outstanding dues to financial institutions during the financial year under audit and The Company did not have any outstanding debentures during the year.
- (xii) 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.
- (xiii) 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.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) 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.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanation given to us, the company has not made preferential allotment of shares to parties companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us during the period the company has not issued any Debentures.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting 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 : 30.05.2013**

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

**Sd/-**  
**Deepak Gupta**  
**Partner**  
**M. No. 081535**





## VIRESH INFOTECNICS LTD.

### BALANCE SHEET AS AT MARCH 31, 2013

(Amount in ₹)

PARTICULARS	Note No.	As at 31.03.2013	As at 31.03.2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share Capital	1(a)	3,774,436,655	1,231,306,050
(b) Reserves and Surplus	2	986,472,662	1,235,928,527
(c) Money Received Against Share Warrant	1(b)	-	1,588,470,000
<b>2. Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	309,348,656	325,176,751
(b) Deferred Tax Liabilities		148,510,297	137,631,455
<b>3. Current Liabilities</b>			
(a) Short Term Borrowings		16,770	-
(b) Trade Payables		116,010,610	79,642,779
(c) Other Current Liabilities	4	104,147,829	46,305,513
(d) Short-term provisions	5	30,150,271	4,911,739
<b>TOTAL</b>		<b>5,469,093,750</b>	<b>4,649,372,814</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets	6		
(i) Tangible Assets		40,478,209	48,887,268
(ii) Intangible Assets		715,649,614	612,511,150
(iii) Capital Work-in-Progress		2,971,014,755	2,318,701,061
(b) Non-Current Investments	7	617,530,195	617,530,195
(c) Long-Term Loans and Advances	8	35,207,503	35,964,830
<b>2. Current Assets</b>			
(a) Inventories	9	-	10,275,952
(b) Trade Receivables	10	680,610,620	638,502,532
(c) Cash and Bank Balances	11	362,240,292	357,295,649
(d) Short-Term Loans & Advances	11(a)	16,938,337	3,396,987
(e) Other Current Assets	12	29,424,225	6,307,191
<b>TOTAL</b>		<b>5,469,093,750</b>	<b>4,649,372,814</b>
Notes on Financial Statements	1 to 25		
Significant Accounting Policies	26		

As per our Report of even date

For RMA & Associates  
Chartered Accountants  
FRN No. 000978N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
**DEEPAK GUPTA**  
PARTNER  
M.No. 081535

Sd/-  
**PEEYUSH AGGARWAL**  
CHAIRMAN

Sd/-  
**KARUN JAIN**  
EXECUTIVE DIRECTOR

Sd/-  
**VIPIN GARG**  
WHOLE TIME DIRECTOR

Place : New Delhi  
Dated : 30.05.2013

Sd/-  
**RITADEHWAL**  
COMPANY SECRETARY

# VIRESH INFOTECNICS LTD.



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

PARTICULARS	Note No.	As at 31.03.2013	As at 31.03.2012
<b>INCOME :</b>			
I. Revenue from Operations	13	2,488,295,493	1,547,393,037
II. Other Income	14	988,045	6,759,392
III. <b>Total Revenue (I + II)</b>		<b>2,489,283,539</b>	<b>1,554,152,429</b>
iv. <b>EXPENDITURE</b>			
Purchases of Stock-in-Trade & Services		2,133,584,219	1,365,522,184
Changes in Inventories	15	10,275,952	(9,737,321)
Employee's Benefit Expenses	16	26,171,167	24,780,566
Finance Costs	17	28,708,986	30,782,168
Depreciation and Amortization Expenses		135,306,337	118,430,301
Other Expenses	18	25,783,772	12,834,752
<b>Total Expenses</b>		<b>2,359,830,434</b>	<b>1,542,612,650</b>
V. <b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>129,453,105</b>	<b>11,539,779</b>
VI. Exceptional Items		-	-
VII. <b>Profit before Extraordinary Items and Tax (V - VI)</b>		<b>129,453,105</b>	<b>11,539,779</b>
VIII. Extraordinary Items		-	66,593
IX. <b>Profit before Tax (VII- VIII)</b>		<b>129,453,105</b>	<b>11,473,186</b>
X. <b>Tax Expenses</b>			
(1) Current Tax		24,899,526	2,404,837
(2) Deferred Tax		10,878,842	3,643,285
XI. <b>Profit for the year</b>		<b>93,674,737</b>	<b>5,425,064</b>
XII. <b>Earnings per equity share of face value of ₹ 1 each</b>			
(1) Basic		0.02	0.03
(2) Diluted		0.02	0.03
Notes on Financial Statements	1 to 25		
Significant Accounting Policies	26		

As per our Report of even date

For RMA & Associates  
Chartered Accountants  
FRN No. 000978N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
**DEEPAK GUPTA**  
PARTNER  
M.No. 081535

Sd/-  
**PEEYUSH AGGARWAL**  
CHAIRMAN

Sd/-  
**KARUN JAIN**  
EXECUTIVE DIRECTOR

Sd/-  
**VIPIN GARG**  
WHOLE TIME DIRECTOR

Place : New Delhi  
Dated : 30.05.2013

Sd/-  
**RITADEHWAL**  
COMPANY SECRETARY



## VIRESH INFOTECNICS LTD.

### CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	129,453,105	11,473,186
<b>Adjustment for :</b>		
Depreciation and Amortisation	135,306,337	118,430,301
Misc. Expenses Written off	3,922	3,922
Leave Encashment	184,926	61,965
Gratuity	154,079	147,338
Income Tax	-	(2,404,837)
Interest & Other Costs	28,708,986	30,782,168
Prior Period Expenses	-	66,593
Interest Received	(981,376)	(6,759,210)
Loss on sale of Fixed Assets	843,660	-
<b>Operating Profit Before Working Capital Changes</b>	<b>293,673,639</b>	<b>151,801,426</b>
(Increase)/Decrease in Current Assets	(68,490,521)	(57,097,191)
Increase/(Decrease) in Current Liabilities & Provisions	94,226,917	27,143,459
<b>Net Cash from Operating Activities (A)</b>	<b>319,410,035</b>	<b>121,847,694</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets & Advances on capital Account	(231,428,604)	(740,136,941)
Sale of Fixed Assets	545,282	-
Change in Capital WIP	(652,313,694)	-
Interest Received	981,376	6,759,210
Purchase of Investment	-	(613,375,537)
Long term Loans & Advances	757,327	(6,648,941)
<b>Net Cash Outflow in Investing Activities (B)</b>	<b>(881,458,313)</b>	<b>(1,353,402,209)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Equity Shares	611,530,000	593,895,150
Issue of Convertible Warrants	-	647,687,500
Increase / ( Decrease) in Long Term Borrowings	(15,828,096)	16,090,349
Interest Paid	(28,708,986)	(30,782,168)
<b>Net Cash inflow from Financing Activities (C)</b>	<b>566,992,919</b>	<b>1,226,890,831</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>4,944,640</b>	<b>(4,663,684)</b>
<b>Cash and Cash Equivalent as at 01/04/2012</b>	<b>357,295,649</b>	<b>361,959,333</b>
<b>Cash and Cash Equivalent as at 31/03/2013</b>	<b>362,240,289</b>	<b>357,295,649</b>

**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.

As per our Report of even date

For RMA & Associates  
Chartered Accountants  
FRN No. 000978N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
**DEEPAK GUPTA**  
PARTNER  
M.No. 081535

Sd/-  
**PEEYUSH AGGARWAL**  
CHAIRMAN

Sd/-  
**KARUN JAIN**  
EXECUTIVE DIRECTOR

Sd/-  
**VIPIN GARG**  
WHOLE TIME DIRECTOR

Place : New Delhi  
Dated : 30.05.2013

Sd/-  
**RITADEHWAL**  
COMPANY SECRETARY


**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013**

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
1	<b>Share Capital</b>		
	Equity Share Capital		
	<b>Authorised Share capital</b>	<b>3,775,000,000</b>	<b>2,874,500,000</b>
	3,77,50,00,000 Equity Share of ₹ 1/- each (Previous Year 28,74,50,000 equity share of ₹ 10/- each)		
(a)	<b>Issued Subscribed &amp; Paid Up Share Capital</b>	<b>3,774,436,655</b>	<b>637,410,900</b>
	(3,77,44,36,655 Equity Shares of ₹ 1/- each Includes 93,09,524 Equity Shares Consequent to issue of 46,54,762 GDR vide information Memorandum dated December 4, 2007)		
	Issue of Equity Shares Pending for Allotment refer point no. 3 below	-	593,895,150
	<b>Issued Subscribed &amp; Paid Up Share Capital</b>	<b>3,774,436,655</b>	<b>1,231,306,050</b>
(b)	Money received against convertible warrants convertible into equity shares	-	1,588,470,000

**Notes:**

- The Company has only one class of equity shares having a par value of ₹ 1/- 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 allotted 5,93,89,515 equity shares fully paid up of ₹ 10/- each to the shareholders of Transferor Company.
- In terms of resolutions passed under section 81(1A) of the Companies Act, 1956, the Board allotted 22,00,00,000 equity shares of ₹ 10/- each to Promoter & Non Promoter Category on conversion of convertible warrants.
- Pursuant to the approval received from the shareholders in the Extraordinary General Meeting of the Company held on 21.12.2012 for subdivision of shares, the Board of Directors had fixed 4th January, 2013 as the record date for the purpose of subdivision of denomination of Equity Shares in such a manner that each existing Equity Share of nominal value of ₹ 10/- each had been subdivided into Ten (10) Equity Shares of nominal value of ₹ 1/- each.
- Pursuant to the approval received from Shareholders in the Extraordinary General Meeting of the Company held on 22.02.2013 for issue of Bonus Shares, the Board of Directors of the Company in their meeting held on March 11, 2013 allotted 34,31,30,605 Bonus Equity Shares in ratio of 1:10 i.e. 1 (One) Bonus Equity Shares for every 10 (Ten) Equity Shares held.

**The Details of Shareholders holding more than 5% shares:**

Name of Shareholders	31 March 2013		31 March 2012	
	No. of Shares	% held	No. of Shares	% held
Mr. Peeyush Aggarwal	786,750,193	20.844	21,379,425	34
Omkam Capital Markets Pvt. Ltd.	341,000,000	9.034	-	-
Omkam Global Capital Pvt. Ltd.	299,200,000	7.927	-	-
Omkam Securities Markets Pvt. Ltd.	242,000,000	6.412	-	-
Ms Seema Aggarwal	-	-	6,887,434	11



## VIRESH INFOTECNICS LTD.

The reconciliation of the number of shares outstanding is set out as below

PARTICULARS	31st March, 2013 No. of Shares	31st March, 2012 No. of Shares
Equity Shares at the beginning of the year	1,231,306,050	63,741,090
Add: Shares issued pursuant to Scheme of Amalgamation	-	59,389,515
Add: Shares issued on conversion of convertible warrants	2,200,000,000	-
Add: Shares issued as Bonus Shares (1:10)	343,130,605	-
Equity Shares at the end of the year	3,774,436,655	123,130,605

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>2</b>	<b>Reserves and Surplus</b>		
	Capital Reserves	51,457,116	51,457,116
	Securities Premium Reserves	899,102,506	899,102,506
	General Reserve	35,913,040	285,368,905
	<b>Total</b>	<b>986,472,662</b>	<b>1,235,928,527</b>
<b>3</b>	<b>LONG-TERM BORROWINGS</b>		
	<b>Secured</b>		
	Working Capital Loan from Allahabad Bank	90,993,143	99,428,764
	Loans from Other Banks	69,791,111	82,726,578
	Vehicle Loan	-	207,007
	<b>Unsecured</b>		
	Others	148,564,402	142,814,402
	<b>Total</b>	<b>309,348,656</b>	<b>325,176,751</b>

**Notes:**

Working Capital Loans from Allahabad Bank and Loans from Other Banks are secured by way of charge on movable and immovable properties of the Company.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>4</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Interest Payable	997,942	4,658,083
	Advance from customer	50,472,169	35,546,941
	Unpaid Dividends	-	340,597
	Other Payables	52,677,718	5,759,892
	<b>Total</b>	<b>104,147,829</b>	<b>46,305,513</b>

**Notes:**

Amount of Rs.340,597/- in the Unpaid Dividend Account of the Company maintained with HDFC bank, has been transferred to Investor Education and Protection Fund (IEPF) as per Section 205C of the Companies Act, 1956.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>5</b>	<b>SHORT-TERM PROVISIONS</b>		
	Provision for Income Tax	27,304,364	2,404,837
	Provision for Employees Benefits - Leave Encashment	1,436,224	1,251,298
	Provision for Employees Benefits - Gratuity	1,409,683	1,255,604
	<b>Total</b>	<b>30,150,271</b>	<b>4,911,739</b>



**SCHEDULES of Depreciation as per Schedule XIV of Companies Act, 1956**

**Note No. '6' - Fixed Assets**

(Amount in ₹).

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2012	Additions/ Adjustment	Deductions/ Adjustments	As at 31.03.2013	As at 01.04.2012	For the year	Deductions/ Adjustments	As at 31.03.2013
<b>A. TANGIBLE ASSETS :</b>								
Building	20,682,581	-	-	20,682,581	2,967,456	337,126	-	17,715,125
<b>Plant &amp; Machinery</b>								
- Computers and Peripherals	39,288,862	1,016,762	7,122,515	33,183,109	27,750,827	5,569,238	7,122,515	11,538,035
- Office Equipments	14,202,519	342,532	800,588	13,744,463	5,773,460	679,869	546,253	8,429,059
Vehicles	6,798,930	-	1,592,346	5,206,584	3,048,204	645,898	453,819	3,750,726
Furniture & Fixtures	19,112,871	69,310	-	19,182,181	11,658,548	1,212,670	-	7,454,323
<b>Sub Total (A)</b>	<b>100,085,763</b>	<b>1,428,604</b>	<b>9,515,449</b>	<b>91,998,918</b>	<b>51,198,495</b>	<b>8,444,802</b>	<b>8,122,587</b>	<b>48,887,268</b>
<b>B. INTANGIBLE ASSETS</b>								
Goodwill	2,800,000	-	-	2,800,000	2,800,000	-	-	-
Software	1,150,300,288	230,000,000	-	1,380,300,288	537,789,138	126,861,536	-	612,511,150
<b>Sub Total (B)</b>	<b>1,153,100,288</b>	<b>230,000,000</b>	<b>-</b>	<b>1,383,100,288</b>	<b>540,589,138</b>	<b>126,861,536</b>	<b>-</b>	<b>612,511,150</b>
<b>Total (A+ B)</b>	<b>1,253,186,051</b>	<b>231,428,604</b>	<b>9,515,449</b>	<b>1,475,099,206</b>	<b>591,787,633</b>	<b>135,306,337</b>	<b>8,122,587</b>	<b>661,398,418</b>
Capital Work in Progress (Including Advances on Capital Account)	806,014,755	250,000,000	285,000,000	771,014,755	-	-	-	806,014,755
IT - Park - Advances	1,512,686,306	687,313,694	-	2,200,000,000	-	-	-	1,512,686,306
<b>Total</b>	<b>3,571,887,112</b>	<b>1,168,742,298</b>	<b>294,515,449</b>	<b>4,446,113,961</b>	<b>591,787,633</b>	<b>135,306,337</b>	<b>8,122,587</b>	<b>2,980,099,479</b>

**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" under the head "Intangible" in its financial statements and the same is certified by the management. Capital WIP includes various software product underdeveloped / developed. During the year, the Company has transferred software product worth Rs. 5.50 Crores to Software Division (Purchase Account) and sold in the same year.



## VIRESH INFOTECNICS LTD.

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>7</b>	<b>NON-CURRENT INVESTMENTS</b>		
	<b>In Equity Shares of Subsidiary Companies</b>		
	Axis Convergence Inc.	403,985,905	403,985,905
	Greenwire Network Limited	201,479,237	201,479,237
	Opentec Thai Network Specialists Co., Ltd. (OTNS)	12,020,053	12,020,053
	<b>Others</b>		
	Veom Infotech Pvt. Ltd.	45,000	45,000
	<b>Total</b>	<b>617,530,195</b>	<b>617,530,195</b>
<b>8</b>	<b>LONG TERM LOANS AND ADVANCES</b>		
	Advance with Tax Authorities	12,774,470	11,882,297
	Other Loans and Advances	22,433,033	24,082,533
	<b>Total</b>	<b>35,207,503</b>	<b>35,964,830</b>

**Notes:**

Other Loans & Advances subject to balance confirmation and reconciliation.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>9</b>	<b>INVENTORIES</b>		
	Stock in trade	-	10,275,952
	<b>Total</b>	<b>-</b>	<b>10,275,952</b>
<b>10</b>	<b>TRADE RECEIVABLES</b>		
	(Unsecured & Considered Good)		
	Over Six Months	33,460,500	35,612,138
	Others	647,150,120	602,890,394
	<b>Total</b>	<b>680,610,620</b>	<b>638,502,532</b>

**Notes:**

Trade Receivables subject to balance confirmation and reconciliation.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>11</b>	<b>CASH AND BANK BALANCES</b>		
	Balances with Banks	4,540,111	2,815,999
	Cash in hand	192,894	252,211
	Fixed Deposits with Banks	6,529,848	3,250,000
	Balances with Foreign Bank - Banco Efisa	350,977,439	350,977,439
	<b>Total</b>	<b>362,240,292</b>	<b>357,295,649</b>

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

## VIRESH INFOTECNICS LTD.



Portugal; your Company has initiated a strong civil action for recovery of USD 8,883,210.75, along with 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 31.03.2013	As at 31.03.2012
<b>11(a)</b>	<b>SHORT TERM LOANS &amp; ADVANCES</b>		
	Advances to Staff	81,233	304,827
	Advance to Suppliers	16,042,829	3,092,160
	Advance with Income Tax Authorities	814,275	-
	<b>Total</b>	<b>16,938,337</b>	<b>3,396,987</b>

### Notes:

Advance to suppliers subject to balance confirmation and reconciliation.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>12</b>	<b>OTHER CURRENT ASSETS</b>		
	Security Deposits	1,117,247	857,147
	Prepaid Expenses	5,183,949	5,138,003
	Miscellaneous Expenditure	22,368,964	35,298
	Interest accrued but not due	754,065	276,743
	<b>Total</b>	<b>29,424,225</b>	<b>6,307,191</b>

### Notes:

Miscellaneous Expenditure includes Preliminary Expenditure, 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 31.03.2013	As at 31.03.2012
<b>13</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Products & Services	2,488,295,493	1,547,393,037
	<b>Total</b>	<b>2,488,295,493</b>	<b>1,547,393,037</b>
<b>14</b>	<b>OTHER INCOME</b>		
	Miscellaneous Income	6,669	-
	Interest Received	981,376	6,759,392
	<b>Total</b>	<b>988,045</b>	<b>6,759,392</b>
<b>15</b>	<b>CHANGES IN INVENTORIES OF STOCK-IN-TRADE</b>		
	Opening Stock	10,275,952	538,631
	Less: Closing Stock	-	10,275,952
	<b>Total</b>	<b>10,275,952</b>	<b>(9,737,321)</b>
<b>16</b>	<b>EMPLOYEE'S BENEFITS EXPENSES</b>		
	Salaries and Wages	20,877,619	20,447,280
	Director's Remuneration	3,697,148	3,223,754
	Contribution to Provident and Other Funds	236,836	170,995
	Staff Welfare Expenses	1,359,564	938,537
	<b>Total</b>	<b>26,171,167</b>	<b>24,780,566</b>





## VIRESH INFOTECNICS LTD.

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>17</b>	<b>FINANCE COSTS</b>		
	Interest Expenses	26,718,562	29,808,826
	Bank Charges	1,990,424	973,342
	<b>Total</b>	<b>28,708,986</b>	<b>30,782,168</b>

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>18</b>	<b>OTHER EXPENSES</b>		
	Advertisement and Publicity	4,565,656	202,510
	AGM / Board Meeting Expenses	235,152	109,523
	Listing Fees	2,254,340	608,326
	Audit Fees	168,540	165,450
	Books & Periodicals	2,104	4,350
	Communication Expenses	1,595,102	1,004,680
	Conveyance Expenses	668,014	349,643
	Power, Fuel & Water Charges	1,050,741	1,009,711
	Business Promotion Expenses	201,063	278,266
	Exchange Rate Fluctuation	124,502	135,448
	Freight & Cartage	711,964	634,114
	Insurance Premium	172,210	201,370
	Legal & Professional Charges	1,635,678	1,962,160
	Loss on Sale of Fixed Assets	843,660	-
	Miscellaneous Expenses Written off	2,485,876	3,922
	Miscellaneous Expenses	28,622	53,159
	Printing & Stationery	387,306	301,971
	Rates & Taxes	629,798	235,161
	Rent Charges	1,735,545	2,094,462
	Repair & Maintenance Charges	672,792	981,438
	Security Service Charges	384,736	367,776
	Subscription & Membership Fees	11,658	15,000
	Travelling & Tour Expenses -Directors	1,559,810	45,528
	Travelling & Tour Expenses -Others	1,166,552	1,708,804
	Vehicle Running & Maintenance	369,370	361,981
	Customs Duties	158,761	-
	Prior Period Expenses	1,964,222	-
	<b>Total</b>	<b>25,783,772</b>	<b>12,834,752</b>



**Note 19 - Disclosure Under Accounting Standard 11- Transactions occurred in Foreign Currency.**

(Amount in ₹)

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>Import/Export in Foreign Currency</b>		
FOB Value of Export	19,486,235	20,245,270
Value of Imports	3,720,087	3,921,430
<b>Expenditure in Foreign Currency</b>		
Travelling and Conveyance	1,213,334	-
<b>Profit and (Loss) Foreign Exchange Fluctuation</b>		
Profit / (Loss) in Foreign Exchange Fluctuation	(124,502)	(135,448)

**Note 20 - 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 31.03.2013	As at 31.03.2012
<b>Contingent Liabilities not provided for :</b>		
a) Income Tax Demand	99,495,871	72,189,061
b) Letter of Credits	18,460,514	-
c) Bank Guarantee	-	2,960,000
	<b>117,956,385</b>	<b>75,149,061</b>

**Note 21 - Payment to auditors**

PARTICULARS	As at 31.03.2013	As at 31.03.2012
Audit Fee for		
- Statutory Audit	168,540	165,450



## VISESH INFOTECNICS LTD.

### Note 22 - Disclosure under Accounting Standard 17 - Segment Reporting

Segment Information				
Particulars	Business Segments			(Amount in ₹)
	IT Solutions & products	IT Enabled Services	Telecomm-unication	Total
Revenue	1,342,978,010 (1,528,047,326)	32,988,936 (13,120,863)	1,112,328,548 (6,224,848)	2,488,295,493 (1,547,393,037)
Inter-segment Revenue	-	-	-	-
<b>Total</b>	<b>1,342,978,010</b> <b>(1,528,047,326)</b>	<b>32,988,936</b> <b>(13,120,863)</b>	<b>1,112,328,548</b> <b>(6,224,848)</b>	<b>2,488,295,493</b> <b>(1,547,393,037)</b>
<b>Segment Result</b>	<b>273,609,385</b> <b>(155,305,052)</b>	<b>9,758,209</b> <b>(4,529,392)</b>	<b>25,158,560</b> <b>(26,185)</b>	<b>308,526,154</b> <b>(159,860,629)</b>
Interest				28,708,986 (30,782,168)
				279,817,168 (129,078,461)
Unallocable expenses (net)				151,352,109 (124,364,667)
<b>Operative Income</b>				<b>128,465,060</b> <b>(4,713,794)</b>
Other Income (net)				988,045 (6,759,392)
<b>Profit before tax</b>				<b>129,453,105</b> <b>(11,473,186)</b>
Tax Expense				35,778,368 (6,048,122)
<b>Net Profit for the year</b>				<b>93,674,737</b> <b>(5,425,064)</b>

#### 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 (including software)
  - 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 23 - RELATED PARTY DISCLOSURES

(Amount in ₹)

Description of Relationship	Names of Related Parties	Outstanding Balance as on 31st March 2013
Ultimate Holding Company	No	
Holding Company	No	
Subsidiary Companies	Axis Convergence Inc	-
	Greenwire network limited	-
	Opentec Thai Network Specialists Ltd.	-
Fellow Subsidiary Company	No	-
Key Management Personnel (KMP)	Mr Peeyush Kumar Aggarwal (Chairman)	143,198,466
	Mr. Karun Jain (Executive Director)	-
	Mr. Vipin Garg (Whole Time 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	-

**Note: Related Parties have been identified by the management**

Particulars	Omkam Global Capital Private Limited	Omkam Securities Private Limited	Omkam Communications Private Limited
Sale of goods	-	-	-
Purchase of Goods	-	-	-
Share Application Money Received	169,000,000	96,400,000	232,500,000
Share Application Money refunded	-	-	-

## Note 24 - EARNING PER SHARE (EPS)

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>Basic</b>		
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	93,674,737	5,425,064
Weighted Average number of Equity Shares used as denominator for calculating EPS	3,774,436,655	123,130,605
Earnings per Share	0.02	0.04
Face Value per Equity Share	1	10
<b>Diluted</b>		
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	93,674,737	5,425,064
Weighted Average number of Equity Shares used as denominator for calculating EPS	3,774,436,655	178,130,605
Earnings per Share	0.02	0.03
Face Value per Equity Share	1	10



## VIRESH INFOTECNICS LTD.

### Note 25 - DEFERRED TAX

PARTICULARS	As at 31.03.2013	As at 31.03.2012
Depreciation as per Companies Act, 1956	135,306,337	118,430,301
Depreciation as per Income Tax Act, 1961	168,836,441	129,148,998
Timing Difference B/w Depreciation as per Companies Act and Income Tax Act	33,530,104	10,718,697
Deferred Tax Liability / (Asset) Net	10,878,842	3,643,285

**NOTE-26****SIGNIFICANT ACCOUNTING POLICIES****A. Basis of Accounting & Preparation of Financial Statements**

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

**B. Use of Estimates**

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

**C. Own Fixed Assets**

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**D. Leased Assets**

Operating Leases: Rentals are expensed with reference to lease terms and other considerations.

**E. Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion. The cost of intangible assets comprises its purchase price, including any imports 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.

**F. Depreciation and Amortisation**

Depreciation on fixed assets is provided to the extent of depreciable amount on straight line method (SLM) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life.

Intangible Assets are amortised over a period of 10 years considering the useful life of the underlying assets on Straight Line Basis.

**G. Impairment of Assets**

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

**H. Foreign Currency Transactions**

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference
- (c) Non monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.



### **I. Investments**

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

### **J. Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, charges in bringing them to their respective present location and condition.

### **K. Revenue Recognition**

Revenue from Fixed Price Software Contracts is recognised principally on the basis of completed Milestones as specified in the contracts.

Software Development and Services are recognised on time basis as per 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.

### **L. Employee Benefits**

(a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

(b) Post employment and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

### **M. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

### **N. Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

### **O. Provisions, Contingent Liabilities and Contingent Assets**

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

P. The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

**AUDITOR'S REPORT**

**To**  
**The Board of Directors of**  
**Visesh Infotecnics Limited**

1. We have audited the attached Consolidated Balance Sheet of VIRESH INFOTECHNICS LIMITED (the Company) as at 31st March 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated Financial Statements are the responsibilities of the Company's management and have been prepared by the management on the basis of separate financial statement and other financial information regarding subsidiary. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of its subsidiaries included in the consolidated financial statements. These financial statements and other financial information have been audited /reviewed by other auditors whose report have been furnished to us, and our opinion on the consolidated financial statement to the extent they have been derived from such financial statement is based solely on the report of other auditors.
4. A) In our opinion the Consolidated Financial Statement have been prepared by the company management in accordance with the requirements of Accounting Standard (AS)-21, "Consolidated Financial Statements", Accounting Standard(AS)-23, Accounting of Investment in Associates in Consolidated Financial Statements" notified by the Companies (Accounting Standard) Rules,2006,  
B) Based on our audit as foresaid, and on consideration of Audit reports of separate Financial Statements and to the best of our information and according to the explanations given to us, we are of the opinion that the said Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India :-
  - I. In the case of Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
  - II. In the case of Consolidated Statement of Profit and Loss, of the consolidated results of the operations of the Group for the year ended on that date ; and
  - III. In the case of Consolidated Cash Flow Statement, of the consolidated cash flow of the group for the year ended on that date.

**Place : New Delhi**  
**Dated : 30.05.2013**

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

**Sd/-**  
**Deepak Gupta**  
**Partner**  
**M. No. 081535**





## VIRESH INFOTECNICS LTD.

### CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

(Amount in ₹)

PARTICULARS	Note No.	As at 31.03.2013	As at 31.03.2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1(a)	3,774,436,655	1,231,306,050
(b) Reserves and Surplus	2	1,040,127,244	1,283,871,053
(c) Money Received against Share Warrant	1(b)	-	1,588,470,000
<b>2. Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	309,348,656	325,176,751
(b) Deferred Tax Liabilities		148,510,297	137,631,455
<b>3. Current Liabilities</b>			
(a) Short Term Borrowings		1,005,113	-
(a) Trade Payables		175,429,029	124,284,995
(b) Other Current Liabilities	4	104,670,699	47,134,886
(c) Short-Term Provisions	5	31,119,209	5,552,603
<b>TOTAL</b>		<b>5,584,646,902</b>	<b>4,743,427,793</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets	6		
(i) Tangible Assets		40,478,209	48,887,268
(ii) Intangible Assets		715,649,614	612,511,150
(iii) Capital Work-in-Progress		2,971,014,755	2,318,701,061
(b) Goodwill		616,910,728	616,910,728
(c) Non-Current Investments	7	48,589	48,362
(d) Long-Term Loans and Advances	8	35,207,503	36,105,571
<b>2. Current Assets</b>			
(a) Inventories	9	-	10,275,952
(b) Trade Receivables	10	791,803,949	727,964,360
(c) Cash and Bank Balances	11	364,784,732	361,056,574
(d) Short Term Loans & Advances	11(a)	17,081,121	3,396,987
(e) Other Current Assets	12	31,667,702	7,569,781
<b>TOTAL</b>		<b>5,584,646,902</b>	<b>4,743,427,793</b>
Notes on Financial Statements	1 to 20		
Significant Accounting Policies	21		

As per our Report of even date

For RMA & Associates  
Chartered Accountants  
FRN No. 000978N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
**DEEPAK GUPTA**  
PARTNER  
M.No. 081535

Sd/-  
**PEEYUSH AGGARWAL**  
CHAIRMAN

Sd/-  
**KARUN JAIN**  
EXECUTIVE DIRECTOR

Sd/-  
**VIPIN GARG**  
WHOLE TIME DIRECTOR

Place : New Delhi  
Dated : 30.05.2013

Sd/-  
**RITADEHWAL**  
COMPANY SECRETARY

# VIRESH INFOTECNICS LTD.



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

PARTICULARS	Note No.	As at 31.03.2013	As at 31.03.2012
<b>INCOME :</b>			
I. Revenue from Operations	13	3,303,999,292	2,392,865,798
II. Other Income	14	991,438	6,759,827
III. <b>Total Revenue (I + II)</b>		<b>3,304,990,731</b>	<b>2,399,625,625</b>
iv. <b>EXPENDITURE</b>			
Purchases of Stock-in-Trade & Service		2,935,402,757	2,192,376,167
Changes in Inventories	15	10,275,952	(9,737,321)
Employee's Benefit Expenses	16	26,171,167	24,780,566
Finance Costs	17	29,433,153	31,249,180
Depreciation and Amortization Expenses		135,306,337	118,430,301
Other Expenses	18	35,410,148	23,247,087
<b>Total Expenses</b>		<b>3,171,999,515</b>	<b>2,380,345,981</b>
V. <b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>132,991,216</b>	<b>19,279,644</b>
VI. Exceptional Items		-	-
VII. <b>Profit before Extraordinary Items and Tax (V - VI)</b>		<b>132,991,216</b>	<b>19,279,644</b>
VIII. Extraordinary Items		-	66,593
IX. <b>Profit before Tax (VII- VIII)</b>		<b>132,991,216</b>	<b>19,213,051</b>
X. <b>Tax Expenses</b>			
(1) Current Tax		26,069,965	3,045,701
(2) Deferred Tax		10,878,842	3,643,285
XI. <b>Profit for the year</b>		<b>96,042,409</b>	<b>12,524,065</b>
Less Minority Interest		(466)	(464)
XII. <b>VIL's Share in Profit</b>		<b>96,042,875</b>	<b>12,524,529</b>
XII. <b>Earnings per equity share of face value of ₹ 1/- each</b>			
(1) Basic		-	-
(2) Diluted		-	-
Notes on Financial Statements	1 to 20		
Significant Accounting Policies	21		

As per our Report of even date

For RMA & Associates  
Chartered Accountants  
FRN No. 000978N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
**DEEPAK GUPTA**  
PARTNER  
M.No. 081535

Sd/-  
**PEEYUSH AGGARWAL**  
CHAIRMAN

Sd/-  
**KARUN JAIN**  
EXECUTIVE DIRECTOR

Sd/-  
**VIPIN GARG**  
WHOLE TIME DIRECTOR

Place : New Delhi  
Dated : 30.05.2013

Sd/-  
**RITADEHWAL**  
COMPANY SECRETARY



## VIRESH INFOTECNICS LTD.

### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	132,991,216	19,213,051
<b>Adjustment for :</b>		
Depreciation and Amortisation	135,306,337	118,430,301
Misc. Expenses Written off	3,922	3,922
Leave Encashment	184,926	61,965
Gratuity	154,079	147,338
Income Tax Paid	(842,364)	(3,045,701)
Finance Cost	29,433,153	31,249,180
Prior Period Expenses	-	66,593
Interest Received	(991,438)	(6,759,827)
Loss on Sale of Fixed Assets	843,660	--
<b>Operating Profit Before Working Capital Changes</b>	<b>297,083,491</b>	<b>159,366,823</b>
(Increase)/Decrease in Current Assets	(91,345,693)	(147,821,609)
Increase/(Decrease) in Current Liabilities	109,684,960	73,261,180
<b>Net Cash from Operating Activities (A)</b>	<b>315,422,758</b>	<b>84,806,394</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets & Advances on Capital Account	(231,428,604)	(740,209,224)
Sale of Fixed Assets	545,282	-
Change in Capital WIP	(652,313,694)	-
Interest Received	991,438	6,759,827
Change in Investment	(227)	(48,362)
Goodwill (On consolidation)	-	(612,756,070)
Long term Loans & Advances	898,068	(6,289,682)
<b>Net Cash Outflow in Investing Activities (B)</b>	<b>(881,307,736)</b>	<b>(1,352,543,511)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Equity Shares	611,530,000	593,895,150
Issue of Convertible Warrants	-	647,687,500
Share Application Money Received	-	-
Increase / (Decrease) in Long Term Borrowings	(15,828,096)	16,090,349
Finance Cost	(29,433,153)	(31,249,180)
<b>Net Cash inflow from Financing Activities (C)</b>	<b>566,268,752</b>	<b>1,226,423,819</b>
<b>Foreign Currency Translation Reserve</b>	<b>3,344,384</b>	<b>40,410,539</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>3,728,158</b>	<b>(902,759)</b>
<b>Cash and Cash Equivalent as at 01/04/2012</b>	<b>361,056,574</b>	<b>361,959,333</b>
<b>Cash and Cash Equivalent as at 31/03/2013</b>	<b>364,784,732</b>	<b>361,056,574</b>

**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 Consolidated Cash Flow Statement notified by the Companies (Accounting Standards) Rules, 2006.
- These earmarked account balances with banks can be utilised only for the specific identified purposes.

**As per our Report of even date**

**For RMA & Associates**  
Chartered Accountants  
FRN No. 000978N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**DEEPAK GUPTA**  
PARTNER  
M.No. 081535

Sd/-  
**PEEYUSH AGGARWAL**  
CHAIRMAN

Sd/-  
**KARUN JAIN**  
EXECUTIVE DIRECTOR

Sd/-  
**VIPIN GARG**  
WHOLE TIME DIRECTOR

Place : New Delhi  
Dated : 30.05.2013

Sd/-  
**RITADEHWAL**  
COMPANY SECRETARY



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>1</b>	<b>Share Capital</b>		
	Equity Share Capital		
	<b>Authorised Share Capital</b>	<b>3,775,000,000</b>	<b>2,874,500,000</b>
	3,77,50,00,000 Equity Share of ₹ 1/- each (Previous Year 28,74,50,000 equity share of ₹ 10/- each)		
(a)	<b>Issued Subscribed &amp; Paid up Share Capital</b>	<b>3,774,436,655</b>	<b>637,410,900</b>
	(3,77,44,36,655 Equity Shares of ₹ 1/- each Includes 93,09,524 Equity Shares Consequent to issue of 46,54,762 GDR vide information Memorandum dated December 4, 2007)		
	Issue of Equity Shares Pending for Allotment (refer point no. 3 below)	-	593,895,150
	<b>Issued Subscribed &amp; Paid up Share Capital</b>	<b>3,774,436,655</b>	<b>1,231,306,050</b>
(b)	Money received against convertible warrants convertible into equity shares	-	1,588,470,000
	<b>Convertible Warrant</b>	-	<b>1,588,470,000</b>

### Notes:

- The Company has only one class of equity shares having a par value of ₹ 1/- 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 allotted 5,93,89,515 equity shares fully paid up of ₹10/- each to the shareholders of Transferor Company.
- In terms of resolutions passed under section 81(1A) of the Companies Act, 1956, the Board allotted 22,00,00,000 equity shares of ₹ 10/- each to Promoter & Non Promoter Category on conversion of convertible warrants.
- Pursuant to the approval received from the shareholders in the Extraordinary General Meeting of the Company held on 21.12.2012 for subdivision of shares, the Board of Directors had fixed 4th January, 2013 as the record date for the purpose of subdivision of denomination of Equity Shares in such a manner that each existing Equity Share of nominal value of ₹ 10/- each had been subdivided into Ten (10) Equity Shares of nominal value of ₹ 1/- each.
- Pursuant to the approval received from Shareholders in the Extraordinary General Meeting of the Company held on 22.02.2013 for issue of Bonus Shares, the Board of Directors of the Company in their meeting held on March 11, 2013 allotted 34,31,30,605 Bonus Equity Shares in ratio of 1:10 i.e. 1 (One) Bonus Equity Shares for every 10 (Ten) Equity Shares held.

### The Details of Shareholders holding more than 5% shares:

Name of Shareholders	31 March 2013		31 March 2012	
	No. of Shares	% held	No. of Shares	% held
Mr. Peeyush Aggarwal	786,750,193	20.844	21,379,425	34
Omkam Capital Markets Pvt. Ltd.	341,000,000	9.034	-	-
Omkam Global Capital Pvt. Ltd.	299,200,000	7.927	-	-
Omkam Securities Markets Pvt. Ltd.	242,000,000	6.412	-	-
Ms Seema Aggarwal	-	-	6,887,434	11



## VIRESH INFOTECNICS LTD.

The reconciliation of the number of shares outstanding is set out as below

PARTICULARS	31st March, 2013 No. of Shares	31st March, 2012 No. of Shares
Equity Shares at the beginning of the year	1,231,306,050	63,741,090
Add: Shares issued pursuant to Scheme of Amalgamation	-	59,389,515
Add: Shares issued on conversion of convertible warrants	2,200,000,000	-
Add: Shares issued as Bonus Shares (1:10)	343,130,605	-
Equity Shares at the end of the year	3,774,436,655	123,130,605

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>2</b>	<b>Reserves and Surplus</b>		
	Capital Reserves	51,457,116	51,457,116
	Securities Premium Reserves	899,102,506	899,102,506
	General Reserve	71,212,697	318,300,890
	Foreign Currency Translation Reserve	18,354,925	15,010,541
	<b>Total</b>	<b>1,040,127,244</b>	<b>1,283,871,053</b>
<b>3</b>	<b>LONG-TERM BORROWINGS</b>		
	<b>Secured</b>		
	Working Capital Loan from Allahabad Bank	90,993,143	99,428,764
	Loans from Other Banks	69,791,111	82,726,578
	Vehicle Loan	-	207,007
	<b>Unsecured</b>		
	Others	148,564,402	142,814,402
	<b>Total</b>	<b>309,348,656</b>	<b>325,176,751</b>

**Notes:**

Working Capital Loans from Allahabad Bank and Loans from Other Banks are secured by way of charge on movable and immovable properties of the Company.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>4</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Interest Payable	997,942	4,658,083
	Advance from customer	50,472,169	35,546,941
	Unpaid Dividends	-	340,597
	Other Payables	53,200,588	6,589,265
	<b>Total</b>	<b>104,670,699</b>	<b>47,134,886</b>

**Notes:**

Amount of Rs.340,597/- in the Unpaid Dividend Account of the Company maintained with HDFC bank, has been transferred to Investor Education and Protection Fund (IEPF) as per Section 205C of the Companies Act, 1956.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>5</b>	<b>SHORT-TERM PROVISIONS</b>		
	Provision for Income Tax	28,273,302	3,045,701
	Provision for Employees Benefits - Leave Encashment	1,436,224	1,251,298
	Provision for Employees Benefits - Gratuity	1,409,683	1,255,604
	<b>Total</b>	<b>31,119,209</b>	<b>5,552,603</b>



**SCHEDULES of Depreciation as per Schedule XIV of Companies Act, 1956**

**Note No. '6' - Fixed Assets**

(Amount in ₹).

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2012	Additions/ Adjustment	Deductions/ Adjustments	As at 31.03.2013	As at 01.04.2012	For the year	Deductions/ Adjustments	As at 31.03.2013
<b>A. TANGIBLE ASSETS :</b>								
Building	20,682,581	-	-	20,682,581	2,967,456	337,126	-	17,715,125
<b>Plant &amp; Machinery</b>								
- Computers and Peripherals	39,288,862	1,016,762	7,122,515	33,183,109	27,750,827	5,569,238	7,122,515	11,538,035
- Office Equipments	14,202,519	342,532	800,588	13,744,463	5,773,460	679,869	546,253	8,429,059
Vehicles	6,798,930	-	1,592,346	5,206,584	3,048,204	645,898	453,819	3,750,726
Furniture & Fixtures	19,112,871	69,310	-	19,182,181	11,658,548	1,212,670	-	7,454,323
<b>Sub Total (A)</b>	<b>100,085,763</b>	<b>1,428,604</b>	<b>9,515,449</b>	<b>91,998,918</b>	<b>51,198,495</b>	<b>8,444,802</b>	<b>8,122,587</b>	<b>48,887,268</b>
<b>B. INTANGIBLE ASSETS</b>								
Goodwill	2,800,000	-	-	2,800,000	2,800,000	-	-	-
Software	1,150,300,288	230,000,000	-	1,380,300,288	537,789,138	126,861,536	-	612,511,150
<b>Sub Total (B)</b>	<b>1,153,100,288</b>	<b>230,000,000</b>	<b>-</b>	<b>1,383,100,288</b>	<b>540,589,138</b>	<b>126,861,536</b>	<b>-</b>	<b>612,511,150</b>
<b>Total (A+ B)</b>	<b>1,253,186,051</b>	<b>231,428,604</b>	<b>9,515,449</b>	<b>1,475,099,206</b>	<b>591,787,633</b>	<b>135,306,337</b>	<b>8,122,587</b>	<b>661,398,418</b>
Capital Work in Progress (including Advances on Capital Account)	806,014,755	250,000,000	285,000,000	771,014,755	-	-	-	806,014,755
IT - Park - Advances	1,512,686,306	687,313,694	-	2,200,000,000	-	-	-	1,512,686,306
<b>Total</b>	<b>3,571,887,112</b>	<b>1,168,742,298</b>	<b>294,515,449</b>	<b>4,446,113,961</b>	<b>591,787,633</b>	<b>135,306,337</b>	<b>8,122,587</b>	<b>2,980,099,479</b>

**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" under the head "Intangible" in its financial statements and the same is certified by the management. Capital WIP includes various software product underdeveloped / developed. During the year, the Company has transferred software product worth Rs. 5.50 Crores to Software Division (Purchase Account) and sold in the same year.



## VIRESH INFOTECNICS LTD.

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>7</b>	<b>NON-CURRENT INVESTMENTS</b>		
	<b>In Equity Shares of Subsidiary Companies</b>		
	Axis Convergence Inc	-	-
	Greenwire Network Limited	-	-
	Opentec Thai Network Specialists Co., Ltd. (OTNS)	-	-
	<b>Others</b>		
	Veom Infotech Pvt. Ltd.	45,000	45,000
	Investment of Subsidiaries Cos.	3,589	3,362
	<b>Total</b>	<b>48,589</b>	<b>48,362</b>
<b>8</b>	<b>LONG TERM LOANS AND ADVANCES</b>		
	Advance with Tax Authorities	12,774,470	12,023,038
	Other Loans and Advances	22,433,033	24,082,533
	<b>Total</b>	<b>35,207,503</b>	<b>36,105,571</b>

**Notes:**

Other Loans & Advances subject to balance confirmation and reconciliation.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>9</b>	<b>INVENTORIES</b>		
	Stock in trade	-	10,275,952
	<b>Total</b>	<b>-</b>	<b>10,275,952</b>
<b>10</b>	<b>TRADE RECEIVABLES</b>		
	(Unsecured & Considered Good)		
	Over Six Months	33,460,500	35,612,138
	Others	758,343,449	692,352,222
	<b>Total</b>	<b>791,803,949</b>	<b>727,964,360</b>

**Notes:**

Trade Receivables subject to balance confirmation and reconciliation.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>11</b>	<b>CASH AND BANK BALANCES</b>		
	Balances with Banks	7,084,551	6,576,924
	Cash in hand	192,894	252,211
	Fixed Deposits with Banks	6,529,848	3,250,000
	Balances with Foreign Bank - Banco Efisa	350,977,439	350,977,439
	<b>Total</b>	<b>364,784,732</b>	<b>361,056,574</b>

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, along with 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 31.03.2013	As at 31.03.2012
<b>11(a)</b>	<b>SHORT TERM LOANS &amp; ADVANCES</b>		
	Advances to Staff	81,233	304,827
	Advance to Suppliers	16,042,829	3,092,160
	Advance with Income Tax Authorities	957,059	-
	<b>Total</b>	<b>17,081,121</b>	<b>3,396,987</b>

**Notes:**

Advance to suppliers subject to balance confirmation and reconciliation.

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>12</b>	<b>OTHER CURRENT ASSETS</b>		
	Security Deposits	1,933,087	857,147
	Prepaid Expenses	5,183,949	5,138,003
	Miscellaneous Expenditure	22,368,964	35,298
	Interest accrued but not due	754,065	276,743
	Other Current Assets	1,427,637	1,262,590
	<b>Total</b>	<b>31,667,702</b>	<b>7,569,781</b>

**Notes:**

Miscellaneous Expenditure includes Preliminary Expensenditure, 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 31.03.2013	As at 31.03.2012
<b>13</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Products & Services	3,303,999,292	2,392,865,798
	<b>Total</b>	<b>3,303,999,292</b>	<b>2,392,865,798</b>
<b>14</b>	<b>OTHER INCOME</b>		
	Miscellaneous Income	10,062	435
	Interest Received	981,376	6,759,392
	<b>Total</b>	<b>991,438</b>	<b>6,759,827</b>
<b>15</b>	<b>CHANGES IN INVENTORIES OF STOCK-IN-TRADE</b>		
	Opening Stock	10,275,952	538,631
	Less: Closing Stock	-	10,275,952
	<b>Total</b>	<b>10,275,952</b>	<b>(9,737,321)</b>
<b>16</b>	<b>EMPLOYEE'S BENEFITS EXPENSES</b>		
	Salaries and Wages	20,877,619	20,447,280
	Director's Remuneration	3,697,148	3,223,754
	Contribution to Provident and Other Funds	236,836	170,995
	Staff Welfare Expenses	1,359,564	938,537
	<b>Total</b>	<b>26,171,167</b>	<b>24,780,566</b>





## VIRESH INFOTECNICS LTD.

(Amount in ₹)

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>17</b>	<b>FINANCE COSTS</b>		
	Interest Expenses	26,718,562	29,808,826
	Bank Charges	2,714,591	1,440,354
	<b>Total</b>	<b>29,433,153</b>	<b>31,249,180</b>

NOTE NO.	PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>18</b>	<b>OTHER EXPENSES</b>		
	Advertisement and Publicity	4,565,656	202,510
	AGM / Board Meeting Expenses	235,152	109,523
	Listing Fees	2,254,340	608,326
	Audit Fees	472,906	462,757
	Books & Periodicals	2,104	4,350
	Communication Expenses	1,595,102	1,004,680
	Conveyance Expenses	668,014	349,643
	Power, Fuel & Water Charges	1,050,741	1,009,711
	Business Promotion Expenses	201,063	278,266
	Exchange Rate Fluctuation	124,502	135,448
	Freight & Cartage	711,964	634,114
	Insurance Premium	172,210	201,370
	Legal & Professional Charges	2,112,431	2,361,958
	Loss on Sale of Fixed Assets	843,660	-
	Miscellaneous Expenses Written off	2,485,876	3,922
	Miscellaneous Expenses	28,622	53,159
	Printing & Stationery	387,306	301,971
	Rates & Taxes	629,798	235,161
	Rent Charges	10,345,863	10,703,991
	Repair & Maintenance Charges	907,731	2,087,139
	Security Service Charges	384,736	367,776
	Subscription & Membership Fees	11,658	15,000
	Travelling & Tour Expenses -Directors	1,559,810	45,528
	Travelling & Tour Expenses -Others	1,166,552	1,708,804
	Vehicle Running & Maintenance	369,370	361,981
	Customs Duties	158,761	-
	Prior Period Expenses	1,964,222	-
	<b>Total</b>	<b>35,410,148</b>	<b>23,247,087</b>



**Note 19 - EARNING PER SHARE**

(Amount in ₹)

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>Basic</b>		
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	96,042,875	12,524,529
Weighted Average number of Equity Shares used as denominator for calculating EPS	3,774,436,655	123,130,605
Earnings per Share	0.03	0.10
Face Value per Equity Share	1	10
<b>Diluted</b>		
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	96,042,875	12,524,529
Weighted Average number of Equity Shares used as denominator for calculating EPS	3,774,436,655	178,130,605
Earnings per Share	0.03	0.07
Face Value per Equity Share	1	10

**Note 20 - DEFERRED TAX**

(Amount in ₹)

PARTICULARS	As at 31.03.2013	As at 31.03.2012
Depreciation as per Companies Act, 1956	135,306,337	118,430,301
Depreciation as per Income Tax Act, 1961	168,836,441	129,148,998
Timing Difference B/w Depreciation as per Companies Act and Income Tax Act	33,530,104	10,718,697
Deffered Tax Liability / (Assets)	10,878,842	3,643,285

**NOTE-21****SIGNIFICANT ACCOUNTING POLICIES****A. Basis of Accounting & Preparation of Financial Statements**

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

**B. Use of Estimates**

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

**C. Own Fixed Assets**

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**D. Leased Assets**

Operating Leases: Rentals are expensed with reference to lease terms and other considerations.

**E. Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion. The cost of intangible assets comprises its purchase price, including any imports 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.

**F. Depreciation and Amortisation**

Depreciation on fixed assets is provided to the extent of depreciable amount on straight line method (SLM) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life.

Intangible Assets are amortised over a period of 10 years considering the useful life of the underlying assets on Straight Line Basis.

**G. Impairment of Assets**

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

**H. Foreign Currency Transactions**

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference
- (c) Non monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

**I. Investments**

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

**J. Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, charges in bringing them to their respective present location and condition.

**K. Revenue Recognition**

Revenue from Fixed Price Software Contracts is recognised principally on the basis of completed Milestones as specified in the contracts.

Software Development and Services are recognised on time basis as per 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.

**L. Employee Benefits**

- (a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.
- (b) Post employment and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

**M. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

**N. Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

**O. Provisions, Contingent Liabilities and Contingent Assets**

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

- P. The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.



## VIRESH INFOTECNICS LTD.

Statement under Section 212 of the Companies Act, 1956 relating to Subsidiary Company as on 31/03/2013

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 Specialists Co., Ltd.  8/5, Sukhumvit Soi 28(Banasarn), Klongton Sub-District, Klongtoey District, Bangkok
2.	Financial Year ended as on date	31/03/2013	31/03/2013	31/12/2012*
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	  2,195,232 1,07,61,567	  1,141,378 28,09,292	  NIL NIL

## VIRESH INFOTECNICS LTD.



S.No	Particulars	Axis Convergence Inc	Greenwire Network Ltd.	Opentech Thai Network Specialists Co., Ltd.
8.	Additional information on Subsidiary Companies			
	Share Capital	807,160	559,360	12,020,515
	Reserves & Surplus	46,146,198	7,771,556	(12,106,800)
	Total Current Liabilities	3,651,970	55,829,419	1,448,241
	Total Assets	50,605,328	64,160,335	1,361,956
	Investments (except in case of investment in Subsidiary)	NIL	NIL	3,589
	Turnover	238,089,455	577,614,344	NIL
	Profit Before Taxation	2,265,666	1,272,445	NIL
	Provision for Taxation	70,434	131,067	NIL
	Profit After Tax	2,195,232	1,141,378	NIL

1. Your Company has three Foreign Subsidiary Companies as on March 31, 2013.
2. Axis Convergence Inc and Greenwire Network Limited are 100% subsidiaries of Vires Infotecnics Limited.
3. The figures of OTNS are based on provisional financials for the period from January 1, 2012 to December 31, 2012.
4. The Annual accounts for 2012-13 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.
5. 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.

As per our Report of even date

**For RMA & Associates**  
**Chartered Accountants**  
FRN No. 000978N

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**DEEPAK GUPTA**  
PARTNER  
M.No. 081535

Sd/-  
**PEEYUSH AGGARWAL**  
CHAIRMAN

Sd/-  
**KARUN JAIN**  
EXECUTIVE DIRECTOR

Sd/-  
**VIPIN GARG**  
WHOLE TIME DIRECTOR

Place : New Delhi  
Dated : 30.05.2013

Sd/-  
**RITADEHWAL**  
COMPANY SECRETARY



## VISESH INFOTECNICS LTD.

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

### ATTENDANCE SLIP: 24<sup>th</sup> 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 Wednesday, 25<sup>th</sup> day of September 2013 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 the shareholders 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 Visesh 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 Wednesday, 25<sup>th</sup> day of September 2013 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: \_\_\_\_\_

Affix  
Re.1  
Revenue  
Stamp

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 23<sup>rd</sup> day of September 2013 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

If undelivered please return to :



**VIRESH INFOTECNICS LTD.**

An ISO 9001-2008 Company

Regd. Off: 508, Arunachal Building, 19 Barakhamba Road,

Connaught Place, New Delhi-110001

Ph: +91-11-47613300 Fax: +91-11-47613399 E-mail: [info@viseshinfo.com](mailto:info@viseshinfo.com)

Website: [www.viseshinfo.com](http://www.viseshinfo.com)



# VIRESH INFOTECNICS LTD.



An ISO 9001 : 2008 Company

Regd. Off.: 508, Arunachal Building, 19 Barakhamba Road,  
New Delhi-1, Ph.: 011-47613300 Fax : 011-47613399  
E-mail : info@viseshinfo.com

## FORM A

1.	Name of the Company	VIRESH INFOTECNICS LIMITED
2.	Annual financial statements for the year ended	MARCH 31, 2013
3.	Type of Audit observation	UN-QUALIFIED
4.	Frequency of observation	-
5.	To be signed by- <ul style="list-style-type: none"><li>• Mr. Karun Jain <b>Executive Director</b></li><li>• Mr. Sanjay Sharma <b>Head of Accounts &amp; Finance</b></li><li>• Mr. Deepak Gupta, Partner, M/s RMA Associates <b>Auditor of the company</b></li><li>• Mr. Adesh Jain <b>Audit Committee Chairman</b></li></ul>	   