

TELESYS INFO - INFRA (I) LIMITED
(Formerly known as Telesys Software Limited)

ANNUAL REPORT
2010–2011

TELESYS INFO - INFRA (I) LIMITED

Board of Directors :	<ol style="list-style-type: none">1. Heerachand Surana, Chairman2. Y. Sathyakumar, Whole time Director3. Thavachithan Vaithylingam Palaniswamy, Director4. Pandian Kashi, Director5. Rajendhiran Jayaram6. C.S.Rajasekaran7. ChokkalingamRajasekaran Subramanian.
Auditors	Venkat & Rangaa Chartered Accountants No.13, Flat No.5, Majestic Apartments, First Floor, Soundarrajan Street, T.Nagar, Chennai – 600 017.
Bankers	Tamil Nadu Mercantile Bank, Mount Road Branch, Chennai – 600 002. Andhra Bank Sowcarpet, Chennai – 600 079. Punjab National Bank T. Nagar Branch, Chennai – 600 017.
Registered Office	New No. 72, Old No. 33, First Floor, Giri Road, T. Nagar, Chennai – 600 017.
Share Transfer Agents	Cameo Corporate Services limited, #1, Subramaniam Building, Club House Road, Mount Road, Chennai – 600 002. Ph.: (044) 28460390 (5 lines) Fax: (044) 28460129

TELESYS INFO - INFRA (I) LIMITED

Regd. Office: New No. 72, Old No. 33, First Floor, Giri Road, T. Nagar, Chennai – 600 017.

NOTICE

NINETEENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Company will be held at Nalvar Thirumana Maaligai, 136 (48) SRP Koil Street, Agaram, Chennai – 600 082 on Thursday, 30th September, 2011 at 9.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance Sheet as at 31.03.2011, the Profit & Loss account for the period from 01.04.2010 to 31.03.2011 and to consider the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Y.Sathya Kumar, Director who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Mr. Heerachand Surana, Director who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. Venkat & Rangaa, Chartered Accountants, the retiring auditor, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company at a remuneration to be fixed by the Board of Directors of the Company in consultation with them.

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-

Heerachand Surana
(Chairman)

Place: Chennai
Date : 03/09/2011

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

2. A PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED ATLEAST 48 HOURS BEFORE THE GENERAL MEETING AT THE REGISTERED OFFICE OF THE COMPANY.
3. THE REGISTER OF MEMBERS AND THE SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM THURSDAY, 23rd SEPTEMBER, 2011 TO THURSDAY, 30th SEPTEMBER, 2011 (BOTH DAYS INCLUSIVE) IN CONNECTION WITH THE ANNUAL GENERAL MEETING.
4. THE MEMBERS ARE REQUESTED TO INTIMATE TO THE REGISTRAR AND TRANSFER AGENTS, CAMEO CORPORATE SERVICES LIMITED, #1, SUBRAMANIAM BUILDING, CLUB HOUSE ROAD, MOUNT ROAD, CHENNAI - 600 002, CHANGE OF ADDRESS, IF ANY AT THE EARLIEST QUOTING THEIR REGISTERED FOLIO NUMBER.

TELESYS INFO - INFRA (I) LIMITED

Regd. Office: New No. 72, Old No. 33, First Floor, Giri Road, T. Nagar, Chennai – 600 017.

DIRECTORS REPORT

Your Directors are happy to present the Nineteenth Annual Report of your company together with the Audited Accounts of the Company for the financial year ended 31st March 2011.

FINANCIAL HIGHLIGHTS:

During the year under review, the company has incurred a loss of Rs.11,973,210/- as against a loss of Rs. 18,722,960/- during the previous year. The financial results of the company compared to the previous year are summarized as under:

Particulars	31.03.2011	31.03.2010 (Rs.)
Income	22,325,275.00	18,421,969.00
Profit / (Loss) before Depreciation and Tax	6,609,461.00	(10,839,197.00)
Less: Depreciation	265,592.00	1,471,376.00
Profit/ (Loss) Before Tax	6,343,869.00	(12,310,573.00)
Prior Period Expenditure	-	-
Provision for FBT	-	-
Provision for Taxation - Current	1,176,153.00	-
Provision for Deferred Tax – Asset	(621,463)	(337,362.00)
Profit/ (Loss) After Tax	5,789,179.00	(11,973,211.00)
Balance Brought Forward	(100,517,609.00)	(88,544,398.00)
Balance carried over to Balance Sheet.	(94,728,430.00)	(100,517,609.00)
EPS Basic & Diluted (Rs.)	0.27	(0.53)
Weighted Average No. of shares	23,235,250	23,235,250

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes & Commitments, which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report affecting the financial position of the company.

RESERVES:

The company does not propose to carry any amount to reserves during the financial year in view of the loss incurred by the company.

DIVIDEND:

Your directors do not recommend any dividend during this year.

DEPOSITS AND LOANS/ ADVANCES:

The Company has not accepted any public deposits during the financial year.

The particulars of loans/ advances and investment in its own shares by listed companies, their subsidiaries, associates etc. required to be disclosed in the annual accounts of the company pursuant to Clause 32 of the listing agreement with the company, are furnished separately.

MANAGEMENT DISCUSSION AND ANALYSIS

a) Economic Overview:

There was a global economic slow down in general during this year. The Market conditions were difficult. Due to economic conditions the main focus of the company was on conserving cost and creating efficiencies thereby enhancing value. Due to slow down considerable reductions were experienced in IT services spend all over.

b) Industry Structure, Development and Outlook

The growth in Software Services sector continued to be broad based despite of general recession. The management is also planning diversification in areas of Infrastructures Development, Power sector etc. to improve the performance of the company and in turn enhance shareholders value.

c) Business performance

During the year under review, the company has earned a Profit of RS:5,789,179/- as against previous year loss of Rs. 11,973,211/- . Though the company has earned profit during this year, the performance of the company is still expected to improve during the coming years with increasing efforts being made in the direction of improving the working efficiency of the company.

d) Segment Reporting

The company has two segments i.e. Software development & sales in India and infrastructure, real estate and allied activities. The company is expected to concentrate more activities in its new object of Infrastructure business activities in the coming years. The company is disclosing segment wise report as per Listing Agreement wherever required.

e) Internal Control System and its adequacy

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to strengthen controls where necessary.

f) Risk Management

Risk evaluation and management is an ongoing process in the company.

g) Human resources and Industrial relations

Your company continues to have cordial relations with its employees.

DIRECTORS

Shri Heera chand Surana and Shri Y.Satya Kumar , Directors of the company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers themselves for reappointment.

AUDITORS:

M/s. Venkat & Rangaa, Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment. A written certificate pursuant to section 224(1B) has been obtained that their appointment if made will be within the limits specified therein. The Audit Committee in its meeting have recommended the reappointment of the Auditors.

AUDITORS REPORT:

There are no reservations, qualifications or adverse remarks contained in the Auditors Report.

CORPORATE GOVERNANCE:

Your Company has always striven to incorporate appropriate standards for good corporate governance. The company's philosophy of Corporate Governance is aimed at exhibiting maximum transparency to the investors by providing them with more information. This is done not only with the information that are to be revealed under mandatory provisions but also with those information which according to the Management and the Board are relevant to the investors and other Statutory Authorities to whom these Reports are addressed to. It has taken adequate steps to ensure that all mandatory provisions of corporate governance as prescribed under the amended listing agreements of the stock exchanges, with which the company is listed are complied with.

A separate report on Corporate Governance is produced as a part of the Annual Report of the Company.

The Auditors of the Company have certified that conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement are complied with by the Company and their Certificate is annexed to the Report on Corporate Governance.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information regarding conservation of energy and technology absorption as required under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to your company. There were no foreign exchange earnings and outgo during the financial year.

PARTICULARS OF EMLPOYEES U/S 217(2A) OF THE ACT:

None of the employees have received remuneration in excess of the sum prescribed u/s 217(2A) of the Companies Act, 1956.

GOING CONCERN:

The Directors consider on the basis of current financial results, future projections and infrastructure available that the company has adequate resources to continue the operational existence in the foreseeable accounts and therefore, the accounts have been prepared on a going concern basis.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors hereby declare:-

- (i) that in preparation of accounts, applicable accounting standards have been followed or where departure has been made, explanation relating to material departures;
- (ii) that directors have selected such accounting policies and applied them and made judgements and estimates that are reasonable and prudent to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- (iii) that Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- (iv) that the directors had prepared Annual Accounts on a Going Concern basis.

COMPANY SECRETARY:

The appointment of Whole time Company Secretary is under consideration of the Company. The company has been availing services of practicing company secretary from time to time to ensure compliance of the provisions of the applicable acts and statutes. Also the Annual Return of the Company is being certified by practicing company secretary from year to year and the company is also taking certifications from them for Stock Exchange Compliances.

CAUTIONARY STATEMENT:

Statements in the Management discussion and analysis describing the company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand/supply and prices conditions in the domestic and overseas markets in which the company operates/ going to operate, changes in government regulations, tax laws and other statutes and other incidental factors.

ACKNOWLEDGEMENT

Your directors wish to place on record their deep appreciation of the dedication and commitment of employees to the growth of your company during the year. Your directors also express their sincere gratitude to the bankers, consultants, customers, Auditors and the shareholders for their continued patronage and cooperation.

FOR AND ON BEHALF OF THE BOARD

Sd/-

Sd/-

(Heerachand Surana) (Y. Sathyakumar)
Chairman & Director Whole time Director

Date: 03/09/2011

Place: Chennai

STATEMENT AND REPORTS ON CORPORATE GOVERNANCE

A. MANDATORY REPORTS ON CORPORATE GOVERNANCE

I. Company's Philosophy on Corporate Governance:

Your Company has always striven to incorporate appropriate standards for good corporate governance. The company's philosophy of Corporate Governance is aimed at exhibiting maximum transparency to the investors by providing them with more information. This is done not only with the information that are to be revealed under mandatory provisions but also with those information which according to the Management and the Board are relevant to the investors and other Statutory Authorities to whom these Reports are addressed to. It has taken adequate steps to ensure that all mandatory provisions of corporate governance as prescribed under the amended listing agreements of the stock exchanges, with which the company is listed are complied with.

II. Board of Directors :

Composition and Category

The Board has 6 Directors, comprising of three Executive Directors and three Non-Executive Independent Directors as on 31st March, 2011. The Executive Directors are involved in the day to day management of the Company and non-executive including the independent directors bring external and wider perspective and independence to the decision making. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors generally met with the requirements of Clause 49(1)(A) of the Listing Agreement.

None of the directors is a member in more than 10 committees or acting as a Chairman of more than five committees across all companies in which they are directors.

The composition of the Board of Directors, the number of other Directorship and Committee positions held by the Director, of which the Director is a member/ Chairman as on March 31, 2011 are as under:



Name	Designation	Category	No. of Board Meetings attended during 2010-2011 out of Nine	Whether attended the last AGM	No. of Directorships in public companies	No. of other Board committees (Other than Telesys Info Infra (India) Limited) in which he/she is member/ chairperson
Heerachand Surana	Chairman and Director	Promoter and Executive	Eight	Yes	2	Nil
Y. Sathyakumar	Whole time Director	Professional and Executive	Eight	Yes	Nil	Nil
Thavachithan Vaithyalingam Palaniswamy	Director	Non-Executive and Independent	Eight	Yes	Nil	Nil
Pandian Kashi	Director	Non-Executive and Independent	Eight	Yes	Nil	Nil
Rajendhiran Jayaram	Director	Professional Non-Executive Independent	Eight	Yes	Nil	Nil
Chockalingam Rajasekaran Subramanian	Director	Non-Executive Independent	Eight	Yes	NIL	NIL

III. Board Agenda :

Meetings are governed by a structured Agenda and a Board member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board members at least 4-5 working days in advance. An indicative list of the information usually placed before the Board is as under:

- Annual Budgets and updates thereon.
- Capital expenditure proposals if any and review of their implementation.
- Quarterly, Half yearly and Annual Results.
- Business performance and steps for improvement.

- Legal proceedings involving the Company.
- Minutes of meetings of Audit Committee, Remuneration Committee and Shareholders Committee.
- Materially important show cause notices, non-compliances, if any, etc.
- Other relevant information pertaining to the Company including information detailed in Clause 49 of the Listing Agreement.

IV. Board Meetings :

During the financial year ended 31st March, 2011 Eight Board meetings were held i.e. on 2nd April 2010, 30th April 2010, 3rd June 2010, 31st July, 2010, 04th September 2010, 29th October, 2010, 31st January, 2011 and 28th March 2011. The gap between two Board meetings did not exceed four months. The attendance of the directors at the Board Meetings and the Last Annual General Meeting held on 30.09.2009 are given in the table hereinabove.

V. Committees of the Board

The Board of Directors has constituted 3 Committees of the Board viz.

- _ Audit Committee
- _ Remuneration Committee
- _ Shareholders Committee and

The Board determines the terms of reference of these Committees from time to time. Meetings of these Committees are convened by the respective Committee Chairman / Company Secretary. At each Board Meeting, minutes of these Committees are placed before the Directors for their perusal and noting.

a) AUDIT COMMITTEE :

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

TERMS OF REFERENCE:

The terms of Reference of the Audit Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreements as well as in Section 292A of the Companies Act, 1956 and inter-alia includes:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and for approval of payment to statutory auditors for any other services rendered by the statutory auditors.
3. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b. Any Changes in accounting policies and practices and reasons for the same.

- c. Major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings.
- d. The Going concern assumption.
- e. Compliance with accounting standards.
- e. Compliance with listing and other legal requirements relating to financial statements
- f. Disclosure of any related party transactions i.e. transaction of the company of material nature with promoters of the management and their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large.
- g. Qualifications in the draft audit report.

4. Reviewing, with the management, the quarterly financial statements before submission to the board for approval, performance of statutory and internal auditors, the structure and adequacy of the internal control systems.

5. Reviewing adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit and discussing with internal auditors any significant findings and follow up there on.

6. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

7. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

8. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

9. Reviewing the Company's financial and risk management policies.

10. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee, inter alia, reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor.

In fulfilling the above role the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Audit Committee while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) issued by the Institute of Chartered Accountants of India. Compliance of the 'AS' as applicable to the Company has been ensured in the financial statements for the year ended March 31, 2011.

Constitution:

The Audit Committee comprises of three directors of whom two are Non-Executive Independent Directors and one is Professional Executive Director. The Audit Committee is constituted in accordance with the provisions of Clause 49(IIA) of the Listing Agreement and Section 292A of the Companies Act, 1956. All these directors possess requisite knowledge of Accounts, finance and applicable laws. One of the members acts as Chairman of the Committee Meetings. The Auditors are also invited to the Meetings wherever required. The quorum for the Audit Committee Meetings is two members. The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

The composition of the Audit Committee is as follows as on 31st March 2011:

1. Chockalingam Rajasekaran Subramanian -Chairman
2. Thavachithan Vaithyalingam Palaniswamy
3. Y. Sathyakumar

Meetings and Attendance:

The Audit Committee met 4 (four) times during the year ended 31st March, 2011 i.e. on

30th April, 2010, 31st July, 2010, 29th October, 2010 and 31st January, 2011.

The gap between two meetings did not exceed four months. The Audit Committee also met prior to finalization of accounts for the year ended 31st March, 2011. And all the committee members have attended all the four meetings.

The then Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the Shareholders queries.

b) REMUNERATION COMMITTEE :

TERMS OF REFERENCE AND REMUNERATION POLICY:

The Remuneration Committee has been constituted to recommend and review the remuneration packages of the Managing Director, Whole time Directors and to formulate a broad policy for

management remuneration. The remuneration policy as outlined by the committee aims at recognizing and rewarding performances and achievements, while fixing the remuneration of Directors their contribution by way of their professional approach. This policy is in tune with national and international practices.

Constitution:

The Remuneration Committee comprises of three directors all of whom are Non-Executive Independent Directors. The Chairman of the Remuneration Committee is a Non-Executive Independent Director nominated by the Board.

The Committee consists of 3 (three) directors :

1. Thavachithan Vaithyalingam Palaniswamy -Chairman
2. Pandian Kashi
3. Chockalingam Rajasekaran Subramanian with effect from 5th November 2009

Meetings and Attendance:

The Remuneration Committee met once during the year i.e. on

29th October, 2010.

And all the directors have attended the meeting.

No Remuneration or Sitting fees has been paid to the Directors of the Company including the Whole time Director.

The Shareholdings of directors in the Company as on 31st March, 2011 are:

Heerachand Surana: **NIL** Equity Shares
Y. Sathyakumar: **NIL** Equity Shares
Thavachithan Vaithyalingam Palaniswamy: **NIL** Equity Shares
Pandian Kashi: **NIL** Equity Shares
Rajendhiran Jayaram: **NIL** Equity Shares
Chockalingam Rajasekaran Subramanian: **NIL** Shares

c) SHAREHOLDERS COMMITTEE:

The Board of Directors have constituted a Committee of Directors which functions as Shareholders/ Investors Grievance Committee, consisting of three Directors all of whom are Non-Executive Independent directors, Chaired by a Non-Executive Independent Director.

Role:

The terms of reference of the Shareholders Committee are as under:

1. To specifically look into the redressal of Shareholders Grievances pertaining to :
 - _ Transfer/ transmission/ transposition of shares.
 - _ Consolidation/splitting of shares/ folios.

- _ Issue of share certificates for lost, subdivided, consolidated, rematerialized, defaced etc.
- _ Dematerialisation of shares.
- _ Recommend measures to improve the level of investor services.

The company and the Registrar and Share Transfer Agents Cameo Corporate Services Limited attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. The Minutes of the Shareholders committee are noted by the Board of Directors at their meetings.

Constitution:

The Committee consists of 3 (three) directors :

1. Pandian Kashi-chairman
2. Thavachithan Vaithyalingam Palaniswamy
3. Chockalingam Rajasekaran Subramanian.

Meetings and Attendance:

The Shareholders Committee met 4 (four) times during the year i.e. on

30th April, 2010, 31st July, 2010, 29th October, 2010 and 31st January, 2011.

And all the directors have attended all the four meetings.

NAME AND DESIGNATION OF THE COMPLIANCE OFFICER:

SHRI Y. SATHYAKUMAR, DIRECTOR

Tel No. : 044 – 24662518

Fax No. : 044 – 42312518

Email ID : telesyss@yahoo.com

DETAILS OF INVESTORS COMPLAINTS RECEIVED AND ADDRESSED:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	3	3	0

No Investors grievances remained unattended/ pending for more than 30 days as on 31st March, 2011.

VI. GENERAL BODY MEETINGS :

Location and time, where last three Annual General Meetings were held is given below:

General Body Meeting	Date	Venue	Time	Special Resolutions passed at AGM
AGM for the year 2010	29.09.2010	Nalvar Thirumana Maaligai, 136 (48) SRP. Koil Street, Agaram, Chennai – 600 082	9.30 A.M.	NO
AGM for the year 2009	30.09.2009	Nalvar Thirumana Maaligai, 136 (48) SRP. Koil Street, Agaram, Chennai – 600 082	9.30 A.M.	YES
AGM for the year 2008	30.09.2008	Nalvar Thirumana Maaligai, 136 (48) SRP. Koil Street, Agaram, Chennai – 600 082	9.30 A.M.	No

VII. SUBSIDIARIES : NIL

VIII. CODE OF CONDUCT:

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated to the Directors and members of the Senior Management and they have affirmed compliance with the same.

IX. PREVENTION OF INSIDER TRADING :

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992 as amended from time to time. This code is applicable to all Directors/Officers/Designated Employees. The code ensures the prevention of dealing in company's shares by persons having access to unpublished price sensitive information.

X. DISCLOSURES :

There are no materially significant transactions made by the company with its promoters, the directors or the management, their subsidiaries or relatives etc. which require separate disclosure. In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956. The trading in securities of the Company was suspended by BSE from 31st December, 2007 on account of some non-compliances of listing agreement clauses. However, the company complied with all the provisions of the listing agreement upto date and paid the reinstatement fees. The suspension of trading is not revoked by the BSE till date. The Company has complied with the mandatory requirements relating to strengthening the responsibilities of Audit Committee, improving the quality of financial disclosures, including related party transactions and periodical review by the Board and its constituted committees. The Company has adopted the non-mandatory requirements with regard to setting up of a remuneration committee.

MEANS OF COMMUNICATION :

- (i) The Board of Directors of the company approves and takes on record the quarterly and yearly financial results in the proforma prescribed by Clause 41 of the Listing Agreement within one month of the close of the respective period.
- (ii) The approved financial results are forthwith sent to the listed stock Exchanges and are published in the leading national English Newspaper namely Trinity Mirror (English daily). In addition the same is published in local language (Tamil) newspaper namely Makkal Kural (Tamil daily) within forty-eight hours of approval thereof. The same are not sent to the shareholders separately.
- (iii) Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the company.
- (iv) The Company has not made presentations to Institutional Investors or to Analysts.
- (v) Company's Email ID: telesyss@yahoo.com

XI. GENERAL SHAREHOLDERS INFORMATION :

Registered Office : New No. 72, Old No. 33, First Floor, Giri Road, T. Nagar,
Chennai – 600 017. (w.e.f. 03.07.2008)

Number of AGM : 19th AGM

Date : 30TH SEPTEMBER, 2011

Day : FRIDAY

Time : 9.30 A.M.

Venue : Nalvar Thirumana Maaligai, 136 (48) SRP. Koil Street, Agaram,
Chennai – 600 082

Financial year : 1ST April, 2010 to 31st March, 2011

Book Closure date: 23rd SEPTEMBER, 2011 TO 30TH SEPTEMBER, 2011 (BOTH DAYS
INCLUSIVE)

Dividend payment: Not Applicable

LISTING ON STOCK EXCHANGES:

The Bombay Stock Exchange Limited, Mumbai.

LISTING FEES : The company has paid listing fees upto the financial year 2011-2012.

REGISTRAR AND TRANSFER AGENTS:
CAMEO CORPORATE SERVICES LIMITED,
#1, SUBRAMANIAM BUILDING,
CLUB HOUSE ROAD,
MOUNT ROAD,
CHENNAI – 600 002.

SHARE TRANSFER SYSTEM:

The share transfers in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt by the Registrar and Transfer Agent so long as the documents have been clear in all respects. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository participants. The company as per SEBI Guidelines offers the facility of transfer cum demat. There are no pending share transfers and requests for demat as on 31st March, 2011. In compliance with the Listing Agreement with the Stock Exchanges, a Practising Company Secretary carries out an Audit of the System of Transfer and a certificate to that effect is issued.

SHARE PRICES:

Stock Code: 532315

Market Price Data:

High, low (based on the closing prices) and number of shares traded during each month in the financial year 2010-2011 on the Bombay Stock Exchange Limited and Performance of Share Price of the Company in Comparison to the BSE Sensex is not available as the trading in securities of the Company was suspended by BSE from 31st December, 2007.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report is included in the Directors Report and forms part of the Annual Report.

XII. COMPLIANCE CERTIFICATE OF THE AUDITORS :

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed to the Directors Report and Management Discussion and Analysis. The certificate from the Statutory Auditors will be sent to the listed Stock Exchanges alongwith the Annual Reports of the Company.

XIII. CHIEF EXECUTIVE OFFICER CERTIFICATE :

The Chief Executive Officer have certified to the Board as required under Clause 49(v) of the Listing Agreement and the same is annexed to and forms part of this report.

SHARE HOLDING PATTERN AS ON 31ST MARCH, 2011

Category	Shares	%.
A. Promoters Holdings		
1. Promoters		
Indian Promoters	1325000	5.7025
Foreign Promoters	---	---
2. Persons Acting in concert	---	---
Sub-Total	1325000	5.7025
B. Non Promoters Holdings		
3. Institutional Investors		
a) Mutual Funds and UTI	--	--
b) Banks, Financial Institutions, Insurance Companies, (Central/ State Govt/ Institutions/ Non-Government Institutions) City Union Bank	100	0.0004
c) FIIs	--	--
Sub-Total	100	0.0004
4. Others		
a) Bodies Corporate	11430856	49.20
b) Clearing members & Trusts	3000	0.013
c) Indian Public	10172539	43.78
d) NRI/OCBs	7453	0.032
e) Any other (Please Specify)	---	---
HUF	296302	1.275
Shares in Transit		
Forfeited Shares		
Foreign National		
Sub-Total	21910150	94.30
Grand Total	23235250	100.00

DISTRIBUTION SCHEDULE AS ON 31.03.2011

No. of Equity Shares Held	No. of Shareholders	%	No. of Shares Rs.	%
Upto 5000	25339	91.2590	32544210	14.0063
5001 – 10000	1126	4.0553	9968620	4.2903
10001 – 20000	624	2.2473	10244830	4.4091
20001 – 30000	208	0.7491	5453900	2.3472
30001 – 40000	89	0.3205	3285090	1.4138
40001 – 50000	133	0.4790	6438630	2.7710
50001 – 100000	145	0.5222	11504450	4.9512
100001 and above	102	0.3673	152912770	65.8106
Total	27766	100.0000	232352500	100.0000

Dematerialisation of Shares and Liquidity:

The company's shares are available for trading on both the depositories in India viz., National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31st March, 2011 the details of shares in demat mode and in physical mode are as under :

No. of shares in Physical mode : 15178710
No. of shares in dematerialized mode CDSL : 2624287
NSDL : 5432253

Under the Depository system the International Securities Identification Number (ISIN) allotted to the Company's Shares is **INE042B01012**

Outstanding GDRs/ADRs/ Warrants : Nil

SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:

As stipulated by SEBI, a qualified practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total listed and paid up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Company Registration details

The Company is registered in the State of Tamilnadu. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74999TN1992PLC023621.

Address for Correspondence :

Regd. Office:

New No. 72, Old No. 33,
First Floor, Giri Road,
T. Nagar,
Chennai – 600 017.

Registrar And Transfer Agents:

Cameo Corporate Services Limited,
#1, Subramaniam Building,
Club House Road, Mount Road,
Chennai – 600 002.

In terms of Clause 47(f) of the Listing Agreement of Stock Exchanges, investors may please use the following exclusive e-mail id for redressal of Investor requests/complaints:-

E-mail : investorcomplaintstelesys@yahoo.com.

Factory Location : Nil

FOR AND ON BEHALF OF THE BOARD

Sd/-

Sd/-

(Heerachand Surana) (Y. Sathyakumar)
Chairman & Director Whole time Director

Date : 03/09/2011

Place: Chennai

DECLARATION REGARDING COMPLIANCES BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a code of conduct for the members of the Board and Senior Management Personnel. I confirm that the company has, in respect of the financial year ended 31st March, 2011, received from the members of the Board and Senior Management Team of the Company, a declaration of compliance with the code of conduct as applicable to them.

Sd/-

Y. Sathyakumar
Whole time Director

Place : Chennai
Date : 03-09-2011

AUDITORS CERTIFICATE REGARDING COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

REGISTRATION NO. OF THE COMPANY : 18-023621

NOMINAL CAPITAL : RS. 25,00,00,000/-

**TO
THE MEMBERS OF TELESYS INFO - INFRA (I) LIMITED
CHENNAI**

We have examined all the relevant records of M/s. **TELESYS INFO - INFRA (I) LIMITED** for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with BSE for the financial year ended on 31st March, 2011. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs 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 applicable mandatory conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement and the company has adopted the non-mandatory requirements with regard to setting up of a remuneration committee.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Registrar and Share Transfer Agents of the Company have maintained records to show Investors' Grievances against the Company and have certified that as on 31st March, 2011 there were no investor grievances remaining unattended / pending for a period exceeding one month.

For M/s. Venkat & Rangaa, Chartered Accountants

Sd/-

(S. Mohanrajan)
Partner
Membership No. 206393

Date : 03.09.2011

Place : Chennai

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CERTIFICATION BY CEO/CFOs issued pursuant to revised Clause 49 of the Listing Agreement.

The Board of Directors
TELESYS INFO - INFRA (I) LIMITED
CHENNAI.

Re : Financial Statements for the year 2010 – 11 - Certification by CEO

I, Y. Sathyakumar, Whole time Director of M/s. **TELESYS INFO - INFRA (I) LIMITED, CHENNAI** on the basis of review of the financial statements and the Cash Flow Statement for the financial year ending 31st March, 2011 and to the best of my knowledge and belief, hereby certify that :

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year ended 31st March, 2011 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. Based on my observance and on the basis of submission received through sub-certification process, I certify that internal controls for financial reporting are established, maintained and are effective considering the nature and size of the business. Further, no deficiencies have been observed in design or operation of such internal controls for the period covered by this report.
5. We further certify that :
 - (a) There have been no significant changes in internal control during this year.
 - (b) There have been no significant changes in accounting policies during this year.
 - (c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems.

Sd/-
(Signature of the Certifying Authority)
Y. Sathyakumar
(Whole time Director)

Date : 03.09.2011
Place : Chennai

**AUDITORS' REPORT TO THE MEMBERS OF
TELESYS INFO-INFRA (I) LIMITED**

We have audited the attached Balance Sheet of Telesys Info-Infra (I) Limited (formerly known as Telesys Software Limited) ("the Company") as at 31st March 2011 and the Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditor Report) Order, 2003, as amended by the Companies (Auditors Report) Amendment Order, 2004 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, ("the Act") we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the annexure referred to 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 purpose of our audit.
 - (ii) In our opinion, the Company has kept proper books of account as required by Law so far as appears from our examination of those books
 - (iii) The Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of accounts.
 - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of the written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 from being appointed as a Director in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956; and
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the

Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- i. in the case of the balance sheet, of the state of Affairs of the Company as at 31st March 2011; and
- ii. in the case of the Profit & Loss Account of the Profit of the company for the year ended on that date.
- iii. In the case of the cash flow statement, of the cash flows for the year ended on that date. The Cash Flow Statement has been prepared by the company in accordance with the requirements of Clause 32 of the listing agreements entered into with the Stock Exchange.

FOR VENKAT & RANGAA
Chartered Accountants
F.No.004597 S

Sd/-
S. Mohanraajan
Partner
M No. 206393

Place: Chennai
Date:10.06.2011

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in our report to the members of M/s. Telesys Info-Infra (I) Limited (formerly known as Telesys Software Limited) ("the Company") for the year ended 31st March 2011.

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) All the assets have been physically verified by the management during the year and there is regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) During the year no sale of any of the fixed assets was effected by the Company.
2. The Company does not have any inventory. Accordingly paragraph 4(ii) of the order is not applicable.
3. The Company has neither taken nor granted any loans, secured and unsecured to/from companies, firms and other parties listed in the register maintained under section 301 of the Companies Act 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. The Company has not entered into any contracts or arrangements attracting provisions of Section 301 of the Companies Act, 1956. Accordingly, clause 4 (v) of the order is not applicable.
6. The Company has not accepted any deposits from the public and hence provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975 are not applicable. Accordingly, clause 4(vi) of the order is not applicable.
7. In our opinion the Company has an internal audit system commensurate with its size and nature of its business.
8. The Company has not been required by the Central Government to maintain cost records under Section 209 (1) (d) of the Companies Act, 1956. Accordingly, clause 4 (viii) of the order is not applicable.
9. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues such as Income Tax, Sales Tax, Education Cess and other material statutory dues applicable to it.
b) According to the information and explanations given to us there are no disputed amounts payable in respect of Income Tax, Sales Tax, Education Cess were in arrears as at 31st March, 2011 for a period of more than six months from the date they become payable.

10. In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has not availed any loan from financial institution, banks or debentures holders and hence the question of default in repayment doesn't arise.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly clause 4(xii) of the order is not applicable.
13. In our opinion, the Company is not a Chit Fund or a Nidhi/ Mutual Benefit Fund/ Society. Therefore, the provision of clause 4(xiii) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
14. The Company is not dealing or trading in Shares, Securities, Debentures and other Investment. The Investments in Shares, Securities, Debentures and other forms of Investments were held in the name of the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans from Banks or Financial Institutions. Accordingly Paragraph 4(xv) of the Order is not applicable.
16. According to the information and explanations given to us, we report that the Company has not raised any Term Loan during the Year.
17. According to the information and explanations given to us, we report that the Company has not raised any Short Term or Long Term funds during the Year.
18. According to the information and explanations given to us, during the year the Company has not made any preferential allotment of Shares to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, during the period covered by this audit report, the Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For VENKAT & RANGAA
Chartered Accountant
F No 004597S
Sd/-
S.Mohanraajan
Partner
M.No. 206393

Place: Chennai
Date: 10.06.2011

Profit and Loss Account for the year ended March 31, 2011

PARTICULARS	SCH	As on 31/03/2011	As on 31/03/2010
		Rs	Rs
INCOME			
Sales and Service Income		102,000	292,000
Other Income	10	22,223,275	18,129,969
		22,325,275	18,421,969
EXPENDITURE			
Decrease in Inventories		-	-
Software Development Expenses	11	1,552,350	1,953,424
Purchases	12	-	14,183,500
Operating & Administrative Expenses	13	14,163,464	13,124,242
Depreciation		265,592	1,471,376
		15,981,406	30,732,542
PROFIT/(LOSS) BEFORE TAX		6,343,869	(12,310,573)
Provision for Taxation-Current		1,176,153	-
Provision For Deferred Tax - Asset		(621,463)	(337,362)
PROFIT/(LOSS) AFTER TAX		5,789,179	(11,973,211)
		5,789,179	(11,973,211)
Add: Balane brought forward		(100,517,609)	(88,544,398)
Balance carried to Balance sheet		(94,728,430)	(100,517,609)
Earnings Per Share - Basic & Diluted (Rs.)		0.27	(0.53)
Weighted Average Number of Shares		23,235,250	23,235,250
Notes to Accounts	14		

For and behalf of the Board

As per our Report of Even data
for Venkat & Rangaa
Chartered Accountants

Sd/- Sd/-
Y.Sataya Kumar Heera Chand Surana
Director Director

Sd/-
S.Mohanraajan
Partner
Membership No.206393

Place : Chennai
Date: 10.06.2011

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BALANCE SHEET AS AT 31.03.2011

Particulars	Sch	As at March 31, 2011 Rs	As at March 31, 2010 Rs
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share capital	1	232,352,500	232,352,500
Reserves & Surplus	2	34,949,500	34,949,500
LOAN FUNDS			
Secured Loans		-	-
Unsecured Loans		-	-
Deffered Tax Liability (Net)		46,160	667,623
		267,348,160	267,969,623
APPLICATION OF FUNDS			
FIXED ASSETS	3		
Gross Block		4,389,238	76,098,500
Less: Depreciation		1,234,814	70,777,512
Net Block		3,154,424	5,320,988
INVESTMENTS	4	28,615,000	8,590,199
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories		-	-
Sundry Debtors	5	170,544	2,170,544
Cash And Bank Balances	6	462,001	5,116,625
Loans and Advances	7	208,956,327	193,553,147
Sub Total		209,588,872	200,840,317
Less: CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	8	62,145,014	41,962,091
Provisions	9	6,593,552	5,337,399
NET CURRENT ASSETS		140,850,306	153,540,827
Miscellaneous Expenditure (To the Extent not written off or adjusted)	0	-	-
Profit & Loss Account		94,728,430	100,517,609
		267,348,160	267,969,623
Significant Accounting Policies & Notes to Accounts	14		

For and behalf of the Board

As per our Report of Even data
for Venkat & Rangaa
Chartered Accountants

Sd/- Sd/-
Y.Sataya Kumar Heera Chand Surana
Director Director

Sd/-
S.Mohanraajan
Partner
Membership No.206393

Place : Chennai
Date: 10.06.2011

Schedules forming part of Accounts

Particulars	As at March 31, 2011 Rs	As at March 31, 2010 Rs
SCHEDULE 1 SHARE CAPITAL Authorized	Rs	Rs
25000000 (PY 25000000) Equity Shares of Rs.10/- each	250,000,000	250,000,000
Issued and Subscribed & Paid Up:-	232,352,500	232,352,500
23235250 (PY 23235250) Equity Shares of Rs.10/- each		
	232,352,500	232,352,500
SCHEDULE 2 RESERVES & SURPLUS		
Share Premium	34,949,500	34,949,500
	34,949,500	34,949,500
SCHEDULE 3 FIXED ASSETS (Separate Statement Attached)		
SCHEDULE 4 INVESTMENT Quoted Investments - Fully Paid		
i) Sharpre Infotech India Limited Cost of 1183933 (P.Y 1183933) Equity Shares of Face Value Rs 10/each	1,760,000	1,760,000
ii) SMR Universal Softech Limited Cost of 1052400 (P.Y1052400) Equity Shares of Face Value Rs 10/each	-	2,017,239
iii) Sambhav Infra (I) Limited Cost of 894500 (P.Y894500) Equity Shares of Face Value Rs 10/each	1,920,815	1,920,815
Non Quoted Investments - Fully Paid		
iv) Parque Foods & Exports Limited Cost of 198300(P.Y.198300) Equity Shares of Face Value Rs 10 each	244,514	244,514
v) Pentagaon Global Solutions Limited Cost of 880275(P.Y.880275) Equity Shares of Face Value Rs 10 each	840,131	840,131
vi) Chenitan Color Chem Pvt Ltd Cost of Nil(P.Y.123000) Equity Shares of Face Value Rs.10 each	-	307,500
vii) Mardia Sons Holdings Pvt Ltd Share Application Money	7,533,660	-
viii) Sambhav Energy Limited Cost of 635520(P.Y.Nil) Equity Shares of Face Value Rs.10 each	8,915,880	-

Particulars	As at March 31, 2011	As at March 31, 2010
ix) Chinthamani Bio Ltd Share Application Money	5,000,000	-
x) Integre Engineer Pvt Ltd Share Application Money	100,000	-
xi) Wonder Securities Ltd Share Application Money	1,500,000	-
xii) Sameer Financial Services Pvt Ltd Cost of 4000 (P.Y.4000) Equity Shares of Face Value Rs.10 each	100,000	100,000
xiii) Sameer Financial Services Pvt Ltd - Share Application Money	700,000	1,400,000
	28,615,000	8,590,199
SCHEDULE 5		
SUNDRY DEBTORS		
(Unsecured)		
(a) Debts Outstanding for a Period Exceeding Six Months		
Considered Good	170,544	2,170,544
Considered Doubtful	-	-
(b) Others		
Considered Good	-	-
Considered Doubtful	-	-
	170,544	2,170,544
Less : Provision for Doubtful Debts	-	-
	170,544	2,170,544
Directors or Other Officers	-	-
	170,544	2,170,544
SCHEDULE 6		
CASH AND BANK BALANCES		
Cash on Hand	18,562	557,417
Bank Balance -		
- With Scheduled Banks on Current Accounts	443,439	4,559,209
- In Fixed Deposit	-	-
- Others	-	-
	462,001	5,116,625

Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE 7		
LOANS AND ADVANCES		
<i>(Unsecured considered good unless otherwise stated)</i>		
<i>Advances recoverable in cash or in kind or for value to be received</i>		
(a) Debts Outstanding for a Period Exceeding Six Months		
Considered Good	155,840,068	101,204,631
Considered Doubtful	-	-
(b) Others		
Considered Good	25,721,118	89,788,945
Considered Doubtful	-	-
	181,561,186	190,993,576
Less: Provision for doubtful Debts	-	-
	181,561,186	190,993,576
Advance for Property	18,950,000	-
Advance for Software	3,737,010	-
Sales Tax Deposit	20,000	-
Rent Deposit	25,000	-
Tax Deducted At Source		
Opening Balance	30,41,902.00	
Add: Additions During the Year	<u>16,21,229.00</u>	
	4,663,131	2,559,571
	208,956,327	193,553,147
Note:		
Advances recoverable in cash or kind or for value to be received include Intercompany deposits		
	-	-
SCHEDULE 8		
CURRENT LIABILITIES		
(a) Total Outstanding Dues to SSIs		
	-	-
(b) Total Outstanding Dues to Creditors other than SSIs		
	62,145,014	41,962,091
	62,145,014	41,962,091

TELESYS INFO-INFRA (I) LIMITED

Schedules forming part of Accounts
SCHEDULE 3 : FIXED ASSETS

WDV METHOD

Descriptions	Gross Block				Depreciation / Amortization				Net Block	
	As at 01.04.2010	Additions	Deletions	As at 31.03.2011	Upto 01.04.2010	For the period	Deletion	Upto 31.03.2011	As at March 31, 2011	As at March 31,2010
Computers,Softwares & Peripherals	71,709,262	-	71,709,262	-	69,597,071	211,219	69,808,290	0	(0)	2,112,191
Office Equipments	1,543,444	-	-	1,543,444	1,156,010	53,892	-	1,209,902	333,542	387,434
Vehicles	26,288	-	-	26,288	24,431	481	-	24,912	1,376	1,857
	73,278,994	-	71,709,262	1,569,732	70,777,512	265,592	69,808,290	1,234,814	334,918	2,501,482
Building Under Construction	2,819,506	-	-	2,819,506	-	-	-	-	2,819,506	2,819,506
	76,098,500	-	71,709,262	4,389,238	70,777,512	265,592	-	1,234,814	3,154,424	5,320,988

Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE 9		
PROVISSIONS		
Provision for Taxation	4,521,947	3,345,794
Advance Received	1,953,000	1,953,000
Proviission for Expenses	118,605	38,605
	6,593,552	5,337,399
SCHEDULE 10		
OTHER INCOME		
Interest Received (Less : CY Tds Rs.14,49,879/-	17,385,239	12,264,469
Sale of Shares	4,838,036	878,000
Sale of Land	-	4,987,500
	22,223,275	18,129,969
SCHEDULE 11		
SOFTWARE DEVELOPMENT EXPENSES		
Salaries Allowances & Incentives	1,310,400	1,858,579
Staff Welfare-Employees	142,950	94,845
Cost of Software Packages & Computer Maintanance	99,000	-
	1,552,350	1,953,424
SCHEDULE 12		
PURCHASES		
Purchases of Shares	-	11,500,000
Purchases of Land	-	2,683,500
	-	14,183,500

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Particulars	As at March 31, 2011	As at March 31, 2010
SCHEDULE 13		
OPERATING AND ADMINISTRATIVE EXPENSES		
Travelling & Conveyance	1,027,590	281,541
Rent	114,000	114,000
Rates & Taxes	11,638	50,000
Electricity	86,135	74,434
Postage & Courier	94,590	68,963
Printing & Stationary	167,595	107,929
Repairs & Maintenance		
Building	179,350	4,219
Machinery	-	-
Advertisement & Marketing Expenses	9,000	11,000
Telephone Charges	61,855	45,813
Roc Fees	4,600	19,000
Loss on sale of Shares - Short Term	-	10,875,200
Loss on sale of Assets	1,426,973	-
Maintenance Charges	78,000	66,000
Auditors Fees	38,605	38,605
Miscellaneous Expenses	149,000	90,846
Bank Charges	4,015	8,303
Donation	-	100,000
Brokerage & Commission Paid	1,050,000	-
NSDL Fees	33,090	34,297
Listing Fees	33,090	36,641
Share Transfer Agent Fees	-	30,840
Security Transaction Tax	9,143	-
Consultancy Charges	140,000	940,610
Bad Debts	9,237,720	-
Legal Fees	7,000	-
Business Promotion Exp	200,475	126,001
	14,163,464	13,124,242

For and behalf of the Board

Sd/- Sd/-
Y.Sataya Kumar Heera Chand Surana
Director Director

As per our Report of Even data
for Venkat & Rangaa
Chartered Accountants
Sd/-
S.Mohanraajan
Partner
Membership No.206393

Place : Chennai
Date: 10.06.2011

SCHEDULE-14

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

I Significant Accounting Policies

1. Basis of preparation of Financial Statements:

The Financial Statements have been prepared in accordance with the generally accepted accounting principles on accrual basis and comply with the accounting standards referred to in section 211 (3C) of the Companies Act, 1956 as adopted consistently by the company. The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

2. Revenue Recognition:

Revenue from software development is recognized at the time of invoicing them to customers. The sale of Shares is accounted on transfer and sale of Land is accounted on registration of sale deed.

3. Fixed Assets:

Fixed assets are stated at historical cost less accumulated depreciation.

4. Investments:

Investments are classified as long-term investments and current investments. Long-term investments are stated at cost and any decline other than temporary, in the value of such investments is charged to the Profit and Loss Account. Current investments are stated at lower of cost and market value. Investments are held in the name of the company. As on the date of the balance sheet all investments made by the Company are Long term investments only.

5. Depreciation:

Depreciation on fixed assets is provided on written down value basis at the rates prescribed in schedule XIV to the Companies Act, 1956. The Company has provided depreciation only on the assets utilized during the year.

6. Segment:

The Company has amended its main objects clause on 30.09.2009 and accordingly the name of the Company was also changed from Telesys Software Limited to Telesys Info Infra (India) Limited on 5th November 2009. Therefore the Company operates in two segments that is to say (1) Software Development and sale (2) Development of infrastructure and immovable properties and sale as stated in the Objects clause of Memorandum of Association. Hence, the income generated from sale of land considered as business income.

II Notes on Accounts

1. In compliance with the Accounting Standard – AS 22 relating to “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, the deferred tax asset has been created.
2. Employee Benefits: The Company is not adopting Accounting Standard (AS) 15 – “Employee Benefit” and no provisions made in books of account as the liability on account of gratuity as on 31.03.2011 is not material.

3. Related Party Disclosure:

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosure of transaction with the related parties are given below:

Name of the related party:

Name of the Company	Balance as on 31 st March, 2011	Maximum outstanding during the year
Nil	Nil	Nil

Key Management Personnel (KMP):

HeeraChand Surana, Chairman & Director
Y.Satya Kumar, Whole time Director

Disclosure of related party transaction:

Nature of transaction	Nature of Relationship	Amount
Directors Remuneration	KMP	NIL
Sitting Fees	KMP	NIL

4. Auditors' Remuneration:

	2010-11	2009-10
	Rs.	Rs.
Audit Fees	38,605	38,605
	-----	-----
	38,605	38,605
	-----	-----

5. Contingent Liability - Rs 33,06,184 relating to Income tax under appeal for the year 2005-06. The same is yet to be taken up the appellate authority.
6. Expenditure in Foreign Currency – Nil
7. CIF Value of imports-Capital Goods –Nil

- | | | |
|--|-------------|---------------|
| 8. Earnings Per Share: | 2010-11 | 2009-10 |
| Profit/ (Loss) after Tax as per Accounts | 51,67,716 | (1,23,10,573) |
| Weighted Average Number of | | |
| Equity Shares | 2,32,35,250 | 2,32,35,250 |
| EPS Basic & Diluted (Rs) | 0.27 | (0.53) |
9. Information pursuant to the provisions in part II of Schedule VI of the Companies Act, 1956 – Expenditure on employees drawing remuneration of Rs. 24 Lacs or more per annum when employed throughout the year or Rs. 2,00,000/- or more per month when employed for part of the year – Nil
10. As the Company is engaged in the development of software, it is not possible to give the quantitative details.
11. Previous year's figures have been regrouped or restated wherever necessary to conform to the current year's presentation.

**For Venkat & Rangaa
Chartered Accountants
F No 004597S**

Sd/- Sd/-
Y.Satyakumar Heera Chand Surana
Director Director

Sd/-
S Mohanraajan
Partner
Membership No.206393

**Place: Chennai
Date: 10.06.2011**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

PARTICULARS	(Rs.in Lakhs)	
	2010-2011	2009-2010
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/Loss After Tax And Extra Ordinary Items	51.68	(123.11)
Adjustment for:		
-Depreciation	2.66	14.71
-Miscellaneous expenses written off	-	-
- Loss on sale of Fixed Assets & Shares	-	-
Profit on sale of shares	-	-
Goodwill Written off	-	-
Provision for dimution in the value of investments	-	-
Operation Profit before Working Capital Changes	54.33	(108.39)
Adjustment for:		
-Trade Receivables & other assets	20.00	576.54
-Inventories	-	-
- Other Payables	214.39	96.72
Net Cash From Operating Activities	288.72	564.86
B: CASH FLOW FROM INVESTING ACTIVITIES:		
- Purchase of Fixed Assets	-	-
-Sale of Fixed Assets	19.01	-
Loans & Advances	(154.03)	(768.58)
- Pur of Investments	(200.25)	224.18
sale of investments	-	-
Net Cash used in Investing Activites	(335.27)	(544.41)
C: CASH FLOW FROM FINANCING ACTIVITIES:		
-Proceed From Issue Of Share Capital	-	-
Increase In Unsecured Loan	-	-
- Fees paid for Increase In Authorised Captial	-	-
- Other income	-	-
Net Cash From Financing Activies	-	-
D: NET INCREASE IN CASH AND CASH EQUIVALENTS	(46.55)	20.46
E.Cash & Cash equivalents at the beginning of the year	51.17	30.71
F.Cash and Cash Equivalents at the end of the year	4.62	51.17

Place: Chennai
Date: 10.06.2011

Sd/-
Heera Chand Surana
Director

Sd/-
Y.Satyakumar
Director

AUDITOR CERTIFICATE

We have examined the attached cash flow statement of Telesys Info-Infra (I) Limited (the Company) for the year ended 31st March 2011. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement and is based on and in agreement with the Corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even data to the members of the Company.

Place: Chennai
Date: 10.06.2011

Venkat & Rangaa
Chartered Accountants
Sd/-
S.Mohanraajan (Partner)
Membership No. 206393

Balance Sheet Abstract and Company's General Business Profile
as per Part IV
Schedule VI of the Companies Act, 1956.

I. Registration Details	
Registration No.	: 023261
State Code	: 18
Balance Sheet Date	: 31.03.2011
II. Capital Raised during the year (Amount Rs. in Thousands)	
Public Issue	: Nil
Rights Issue	: Nil
Bonus Issue	: Nil
Private Placement	: Nil
III. Position of Mobilisation and Deployment of Funds (Amount Rs. in Thousands)	
Total Liabilities	: 267,348.16
Total Assets	: 267,348.16
Source of Funds	
Paid-up Capital	: 232,352.50
Reserves & Surplus	: 34,949.50
Secured Loans	: 0.00
Unsecured Loans	: 0.00
Deferred Tax Liability	: 46.16
Application of Funds	
Net Fixed Assets	: 5,320.99
Investments	: 8,590.20
Net Current Assets	: 140,850.31
Miscellaneous Expenditure	: 0.00
Accumulated Losses	: 94,728.43
IV. Performance of the Company (Amount Rs. in Thousands)	
Total Income	: 23,325.27
Total Expenditure	: 15,981.41
Profit Before Tax	: 6,343.87
Profit After Tax	: 5,789.18
Earnings Per Share (Rs.)	: 0.27
Dividend Rate (%)	: Nil
V. Generic Names of Principal Products/Services of the Company (as per monetary terms)	
Item Code No.	: N.A.
Product Description.	: Software Development

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TELESYS INFO - INFRA (I) LIMITED

Regd. Office: New No. 72, Old No. 33, First Floor, Giri Road, T. Nagar, Chennai – 600 017.

PROXY FORM

19TH ANNUAL GENERAL MEETING

Reg. Folio No./DP ID & Client ID* _____

I/We _____
_____ of _____

in the district of _____ being a Member / Members of TELESYS INFO -
INFRA (I) LIMITED hereby appoint _____
of _____ in the district of _____ or failing him
_____ of _____

in the district of _____ as my /our Proxy to attend and vote for me/us on
my/our behalf at the 19TH Annual General meeting of **Telesys Info - Infra (I) Limited** to be held
on Friday, 30th September, 2011 at 9.30 a.m. at Nalvar Thirumana Maaligai, 136 (48) SRP Koil
Street, Agaram, Chennai – 600 082 or any adjournment thereof.

Signed this _____ day of _____ 2011.

Signature(s) of the Shareholder(s)

Signature of Proxy

NOTE: This form must be deposited at the Registered Office of the Company not later than 48
hours before the time of the Meeting.

*Applicable for investors holding shares in electronic (dematerialized) form.

TELESYS INFO - INFRA (I) LIMITED

Regd. Office: New No. 72, Old No. 33, First Floor, Giri Road, T. Nagar, Chennai – 600 017.

To be handed over at the entrance of the Meeting Hall

ATTENDANCE SLIP

19th ANNUAL GENERAL MEETING

I hereby record my presence at the 19th ANNUAL GENERAL MEETING held on Friday, 30th
September, 2011 at 9.30 a.m. at Nalvar Thirumana Maaligai, 136 (48) SRP Koil Street, Agaram,
Chennai – 600 082.

Reg. Folio No./DP ID & Client ID* _____

No. of Shares: _____

Full Name of the Shareholder (in block letters)	Signature
**Full Name of the Proxy (in block letters)	Signature

* Applicable for Investors holding Shares in electronic (Dematerialized) form. ** (To be filled in
if the Proxy attends instead of the Member)

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**If undelivered Please Return to:-
REGISTERED OFFICE
New No.72, Old.No.33, First Floor,
Giri Road,T.Nagar,
Chennai – 600 017**