



OBJECTONE INFORMATION SYSTEMS LIMITED

BOARD OF DIRECTORS

Mr.K.Ravi Shankar	Managing Director
Mr K. Mallikarjuna Rao	Wholetime Director
Mr. M. Vijay Kumar	Director
Mr. Viswanadh Dasari	Director
Mr. B.S.N Kumar	Director
Mr.Sana Satish Babu	Director
Mr. I Venkat	Director
Mr. K Mohan	Director

AUDITORS

M/s. P Murali & Co.,
Chartered Accountants,
6-3-655/2/3,1st Floor,
Somajiguda,
Hyderabad - 500 082.

BANKERS

ICICI Bank Ltd.
CITI Bank N.A.
The Bank of Nova Scotia
Karur Vysya Bank Ltd
Axis Bank Ltd

REGISTERED OFFICE

8-3-988/34/7/2/1 & 2
Kamalapuri Colony,
Srinagar Colony Road
Hyderabad – 500 073
Tel Nos: 23757192, 23757193
Fax No: 23753323

SHARE TRANSFER AGENTS

M/s. Aarthi Consultants Private Limited
1-2-285, Domalguda,
HYDERABAD - 500 029

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NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Members will be held on Saturday, the 29th day of September, 2012 at the Registered office of the Company at 8-3-988/34/7/2/1 &2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500 073 at 11.00 am to transact the following business:

Ordinary Business

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31st, 2012 and the Profit and Loss Account for the financial year ended on that date together with the schedules and notes thereon and the Directors and Auditors Report thereof.
2. To appoint a Director in the place of Mr Sana Satish Babu who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in the place of Mr Viswanadh Dasari who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

Special Business

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification or reenactments thereof for the time being in force, the consent of the members, be and is hereby accorded for the re-appointment of Mr. K. Mallikarjuna Rao, as Whole Time Director of the Company for a period of five years with effect from 1st April, 2012 on such remuneration as detailed below with liberty to the Board of Directors of the Company to vary, alter and modify such salary and perquisites so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any statutory modifications, or re-enactments thereof, as may be agreed to by the Board of Directors and Mr. K. Mallikarjuna Rao.

i) Salary

Rs. 50000/- to 125000/- by Board may fix from time to time.

ii) Perquisites:

Provision of the Company owned car and driver for the Company's business. The perquisite value for the car/driver will be determined as per prevailing Income Tax Rules and telephone at residence (Including payments for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating of said ceiling.

iii) Leave:

In accordance with the Rules and Regulations of the Company.

iv) Overall Remuneration:

That the total remuneration (i.e. salary, perquisites and allowances) in any one financial year shall not exceed the limits prescribed from time to time under Section 198, 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 as may for the time



being, be in force and any amendments thereto. In case of any doubt/discrepancy/ clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board of Directors on the recommendation of remuneration committee of directors. Further, within the overall remuneration, the individual components may be changed as desired by Mr. K. Mallikarjuna Rao and accepted by the Remuneration Committee.

v) Minimum Remuneration:

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, perquisites and other allowances shall be governed by the limits specified under part II of section LL (1)(A) of Schedule XIII of the Companies Act, 1956 including any statutory modifications or reenactment there of, as may, for the time being, be in force.

FURTHER RESOLVED THAT The Board of Directors be and are hereby authorized to increase, augment, and/or enhance the remuneration to be paid and provided from time to time to Mr. K. Mallikarjuna Rao in accordance with the provisions of the Companies Act, 1956 and/or any statutory modifications or re-enactment thereof, and/or the guidelines for managerial remuneration issued by the Government of India or other applicable authority in that behalf as in force and as amended from time to time.”

For and on behalf of the Board
ObjectOne Information Systems Limited

Sd/-
K Ravi Shankar
Managing Director

Place: Hyderabad
Date: 03-09-2012



NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. Proxies in order to be effective must be deposited at the company's registered office at # 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500 073 not less than 48 hours before the time of holding the aforesaid meeting.
3. Members/Proxies should bring the attendance slips filled in for attending the meeting.
4. The Register of Members and Share Transfer Books will remain closed from, the 27th September, 2012 to 29th September, 2012 (both days inclusive).
5. Members are requested to notify the company at the registered office of any change in addresses quoting their folio number/s.
6. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
7. The Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.

ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

As required under the Listing Agreement, the particulars of Directors, who are proposed to be appointed/reappointed at the ensuing Annual General Meeting are given below:

1.	Name	:	Mr. Sana Satish Babu
	Age/DOB	:	About 42years
	Qualification	:	B.E.
	Experience	:	Vast Experience in Information Technology
	Other Directorships	:	Ilios (India) Private Limited
2.	Name	:	Mr. Viswanadh Dasari
	Age/DOB	:	09.02.1968
	Qualification	:	Post Graduation in IT
	Experience	:	Vast experience in Information Technology
	Other Directorships	:	NIL

Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 5 of Notice

Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 5 of Notice

The Board of Directors in their meeting held on 14th May, 2012 and on the recommendation of the Remuneration Committee, have resolved to re-appoint Mr. K. Mallikarjuna Rao as Whole Time Director



of the Company for a period of 5 years with effect from 1st April, 2012 at a remuneration specified in the resolution no.5 above.

As per the provisions of Section 269, 198, 309, 310 read with Schedule XIII of the Companies Act, 1956 approval of the shareholders required by passing of Special Resolution in the General Meeting and hence the Directors recommend the resolution for your approval.

This explanatory note together with the notice may be treated as an abstract of terms of re-appointment under Section 302 of the Companies Act, 1956.

Your Directors recommend the resolution for your approval.

Except Mr. K. Mallikarjuna Rao, none of the Directors of the Company is in any way concerned or interested in this resolutions.

By order of the Board
ObjectOne Information Systems Limited

Sd/-
K Ravi Shankar
Managing Director

Place: Hyderabad
Date: 03-09-2012

**DIRECTORS' REPORT**

Dear Members,

Your Directors take pleasure in presenting SIXTEENTH ANNUAL REPORT of your company together with the audited financial statements for the financial year 2011-12.

CONSOLIDATED FINANCIAL RESULTS

Rupees in Lakhs

PARTICULARS	2011-12	2010-11
Gross Income	3412.56	2877.90
Expenditure	3251.75	2744.33
Gross Profit Before Depreciation	160.81	133.57
Depreciation	55.97	53.19
Profit for the year before Tax	104.84	80.38
Prior period adjustments	0	0
Provision for Income Tax	24.28	11.61
Provision for Deferred Tax	11.53	(61.11)
Profit after Tax	69.03	129.89
Profit brought forward	217.82	89.56
Minority Interest	1.55	1.63
Profit carried forward to Balance Sheet	285.30	217.82

The consolidated income of Rs. 3412.56 lakhs during the year against previous year income of Rs. 2877.90 lakhs and Net Profit of Rs. 69.03 lakhs during the year against previous year Net Profit of Rs. 129.89 lakhs.

STAND ALONE FINANCIAL RESULTS

Rupees in Lakhs

PARTICULARS	2011-12	2010-11
Gross Income	570.63	502.36
Expenditure	479.08	438.43
Gross Profit Before Depreciation	91.55	63.93
Depreciation	55.58	52.80
Profit for the year before Tax	35.97	11.13
Prior period adjustments	0	0.00
Provision for Income Tax	7.38	2.06
Provision for Deferred Tax	11.67	(61.01)
Profit after Tax	16.92	70.08
Profit brought forward	(9.33)	(79.41)
Profit carried forward to Balance Sheet	7.59	(9.33)

Performance

The Company has earned the income of Rs. 570.63 lakhs during the year against previous year income of Rs. 502.36 lakhs and Net Profit of Rs. 16.92 lakhs during the year against previous year Net Profit of Rs. 70.08 lakhs.



BUSINESS OVERVIEW:

Digital Media environment, your company is operating in is providing an increasingly multiplatform environment. Keeping hold of digital assets and distributing them in a profitable way is becoming an increasing challenge. Consumers are given the opportunity to view the content across multiple media streams, each bringing a monetization opportunity for content owners. 2011 saw the increasing shift away from tape based into digital workflow methods, this looks set to continue in the years ahead, with content owners like us looking deeper into the cloud.

A major new report from professional services firm Ernst & Young has found that digital media looks likely to increase overall media & entertainment revenues over the next few years, and will account for a growing proportion of the total. Your company is well entrenched in this area of digital media.

It found that around half of all global media and entertainment CEOs believe digital revenues will increase their overall revenues and margins by at least 10% within the next three years.

The biggest drivers of growth in content consumption are mobile devices (including tablets) which is the key to spurring demand for content.

Your company is especially bullish about emerging markets, where growing mobile device availability coupled with an improving wireless broadband infrastructure are creating significant opportunities for media companies to grow.

“Content and intellectual property does give us an opportunity to add, or develop, a new business approach and a new structure to the way we develop our business, particularly in media planning and buying.”

Americans on average watched 90 minutes a week less traditional television in the first quarter of 2012 compared to the previous year, according to an analysis of Nielsen data by informitv. Internet video viewing is rising rapidly, with young adults watching on multiple devices. This trend is no different in the other parts of the world.

This year we have concentrated on building our own IP's in animation and videos this year. Your company has entered into an agreement for 2D animation content creation with India's leading Production house to partner in developing 2d Content. This should bring in a substantial volume of business in the coming financial year. We are increasing our head content in this line of business.

Another initiative being launched this year is LearnOne – a web based learning initiative. With Broadband penetration into homes even in Rural India, many educational institutions and organizations are seeking to take advantage of the benefits offered by distributed learning, such as increased accessibility and improvements in learning. Learning advantages have consistently been found whenever well-designed instruction is delivered through Internet. Web-based instruction can be conveniently modified and redistributed, readily accessed, and quickly linked to related sources of knowledge, thus establishing a backbone for “anytime, anywhere” learning. To start with we are launching web designing, Graphics , 2D and 3D animation courses through web. In the first year of operation we target to reach around 1500 students. Students on completion of course through learnone will be provided opportunity to become self employed by offering content to our youtube channel on a revenue share.



SUBSIDIARIES:

As required under Section 212 of the Companies Act, 1956, the subsidiary's financial statement of accounts for the period ended 31st March, 2012 is annexed.

CORPORATE GOVERNANCE

In terms of the Listing Agreement, a Report on Corporate Governance along with the Auditor's certificate on the compliance is also annexed herewith and forms part of the Annual Report.

FIXED DEPOSITS

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

DIRECTORS

Mr. Sana Satish Babu and Mr. Viswanadh Dasari Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby confirms that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2012, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss account of the company for that period;
- (iii) the directors had taken proper and sufficient care for the 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;
- (iv) that the directors had prepared the annual accounts on a going concern basis.

AUDITORS

M/s. P. MURALI & CO., Chartered Accountants, the Statutory Auditors of the Company retire at the conclusion of this Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility pursuant to Section 224 (1B) of the Companies Act, 1956 and willingness to accept office, if re-appointment at the ensuing Annual General Meeting

PARTICULARS OF EMPLOYEES

In pursuance of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules 1975, the Directors are to report that no employee was in receipt of remuneration of Rs. 60,00,000/- or more per annum or Rs.5,00,000/- or more per month during the year or for a part of the year.



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

The Disclosures required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, for the year ended March 31st, 2012 are as follows:

- A) **Conservation of Energy:** The Company is monitoring the consumption of energy and is identifying measures for saving energy wherever possible.
- B) **Technology absorption, adaptation and innovation:** No technology either indigenous or foreign is involved.
- C) **Research and Development (R&D):** No research and development has been carried out during the year.
- D) **Foreign Exchange earnings and outgo:**
Foreign Exchange earnings: Rs 4,72,15,618/- against IT, ITenabled Services and other income
Foreign Exchange outgo: Rs NIL

ACKNOWLEDGEMENTS:

Your Directors place on record the appreciation for the sincere efforts and active involvement of employees at various levels of the Company in its operations. The Directors also place on record the appreciation for the support received from Banks and other Government Agencies.

The Directors express gratitude to the shareholders of the company for the confidence reposed in the management.

For and on behalf of the Board
ObjectOne Information Systems Limited

Place: Hyderabad
Date: 03.09.2012

Sd/-
K Ravi Shankar
Managing Director

Sd/-
K. Mallikarjuna Rao
Wholetime Director

**COMPLIANCE REPORT ON CORPORATE GOVERNANCE****ANNEXURE TO THE DIRECTORS' REPORT****1. Company's Objective on Corporate Governance**

Your Company is committed to good Corporate Governance against the prescribed standards. As the objective of Corporate Governance is the enhancement of value and protecting the interests of shareholder, your Company aimed at assisting the management in efficient conduct of the business of the Company and in meeting its obligations to shareholders and others.

2. Board of Directors**(a) Composition and Category of Directors**

S. No.	Name of the Director	Category of Directorship	No of Board Meetings held during the year	No of Board Meetings Attended	Attendance at the last AGM	No of Directorships held in other companies
1	Mr. K Rav Shankar	Managing Director	5	5	4	2
2	Mr. K Malkarjuna Rao	Wholetime Director	5	5	4	-
3	Mr. M V Jay Kumar	Non-Executive Director	5	5	4	4
4	Mr. Vishwanadh Dasari	Non-Executive Director	5	5	-	-
5	Mr. BSN Kumar	Independent Director	5	5	N	
6	Mr. Mohan Muralidhar Vengella	Independent Director	5	4	N	
7	Mr. Sana Satish Babu	Independent Director	5	5	N	1
8	Mr. IVenkat	Independent Director	5	4	4	3
9	Mr. K Manan	Independent Director	5	4	4	1

Meetings of the Board of Directors

During the financial year 2011-2012, the Board of Directors met 5 times on the following dates: 13th May, 2011, 30th July, 2011, 02nd Sep 2011, 29th Oct 2011, 30th Jan, 2012.

3. Audit Committee**a) Brief description of terms of reference**

The terms of reference of the Audit Committee are comprehensive and cover the matters specified for Audit. The Audit Committee consists of independent Directors and provides assistance to the Board of Directors in fulfilling its oversight responsibilities.

The functions of Audit Committee include:

Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

* Reviewing the quarterly and annual financial statements before submission to the Board



- * Reviewing the adequacy of internal control and compliance thereof.
- * • Committees under the Listing Agreement with Stock Exchanges.

(b) Composition, Names of members and Chairperson

Presently the composition of Audit Committee is as follows:

1. Mr. I. Venkat – Non-Executive & Independent Director
2. Mr. Sana Satish Babu – Non-Executive & Independent Director
3. Mr. M Vijay Kumar – Non-Executive Director

The Heads of Finance & Accounts and representatives of Statutory Auditors are the permanent invites to the audit committee

(c) Meetings and attendance during the year

During the financial year 2011-2012, the Audit Committee met four times on the following dates 13th May, 2011, 30th July, 2011, 29th Oct 2011, 30th Jan, 2012.

Name of the Director	Position held in the Committee	No of meetings attended
Mr. M Vijay Kumar	Chairman	4
Mr Sana Satish Babu	Member	4
Mr. I Venkat	Member	4

4. Remuneration Committee

The remuneration Committee consists of the following three directors i.e., Mr Sana Satish Babu, Mr. Viswanath Dasari and Mr K. Mohan. The remuneration committee decides reviews and approves the remuneration package for the Directors, which includes salary, benefits, bonuses, pensions and employee stock options.

i) Meetings and attendance during the year

During the financial year 2011-2012, the Committee met four times on the following dates 13th May, 2011, 30th July, 2011, 29th Oct 2011, 30th Jan, 2012.

Name of the Director	position held in the Committee	No of meetings attended
Mr Sana Satish Babu	Chairman	4
Mr. Viswanath Dasari	Member	3
Mr. K Mohan	Member	4

Remuneration of Directors**(a) Remuneration to Non-Executive Directors**

Presently, the non-executive Directors do not receive any remuneration & sitting fee from the Company for attending the meetings of the Board.



(b) Details of remuneration paid to Directors

Amount in Rupees

Name of Directors	Relationship With other Directors	Loans & Advances From Company	Remuneration paid	Commission Paid	Total
Mr. K Ravishankar Managing Director	None	Nil	15,00,000/-	Nil	15,00,000/-
Mr. K. Mallikarjuna Rao, Whole Time Director	None	Nil	7,80,000/-	Nil	7,80,000/-
Mr. M Vijay Kumar Director	None	Nil	Nil	Nil	Nil
Mr Viswanath Dasari	None	Nil	Nil	Nil	Nil
Mr. B.S.N Kumar	None	Nil	Nil	Nil	Nil
Mr. Mohan Muralidhar Venigella	None	Nil	Nil	Nil	Nil
Mr.Sana Satish Babu	None	Nil	Nil	Nil	Nil
Mr. I Venkat	None	Nil	Nil	Nil	Nil
Mr. K Mohan	None	Nil	Nil	Nil	Nil

5. Shareholders/Investors Grievances Committee

The Investors' Grievance Committee focuses on shareholders' grievances and strengthening of investor relations. The functions of the committee includes the matters relating to transfers/transmissions of shares, dividend and dematerialization of shares, replacement of lost/stolen/mutilated share certificates and other related issues. There are no complaints pending as on the date of this report.

The following directors of the Company are the members of the Committee:

1. Mr K Ravi Shankar, Managing Director
2. Mr K. Mallikarjuna Rao, Whole Time Director
3. Mr M Vijay Kumar, Director

a) Name of the Non-executive Director heading the Committee

The Committee functions under the Chairmanship of Mr M Vijay Kumar, a non-executive director.

Name and Designation of the Compliance Officer:

Mr K Ravi Shankar
Managing Director
8-3-988/34/7/2/1 &2,
Kamalapuri Colony,
Srinagar Colony Road
Hyderabad – 500 073

**6. Code of Conduct**

The board has approved a code of conduct for board members and senior management personnel of the company. The code of conduct has been posted on the website of the company. All directors and senior management personnel have affirmed compliance with the code of conduct and submitted declarations in this behalf for the year ended 31st March 2012. A declaration signed by the management director to this effect is enclosed.

7. General Body Meetings

- a) Details of the location and time of the last three Annual General Meetings (AGMs) of the Company.

The details in respect of the last three Annual General Meetings of the Company are as follows:

Date (Year)	Venue of the meeting	Time of meeting
29 th September, 2011 (F.Y 2010-11)	H.No. 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500073	11.00 A.M.
29 th September, 2010 (F.Y 2009-10)	H.No. 8-3-988/34/7/2/1&2 , Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500073	11.00 A.M.
29 th September, 2009 (F.Y. 2008-09)	H.No. 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad – 500073	11.00 A.M.

- b) Information on Directors seeking appointment/re-appointment as required under Clause 49 VI(A) of the Listing Agreement with Stock Exchanges.

This information is provided in the Notes appended to the Explanatory Statement under the heading “Additional information on Directors recommended for appointment/seeking re-election at the ensuing Annual General Meeting.”

- c) Whether special resolutions were put through Postal Ballot last year, details of voting pattern, person who conducted the Postal Ballot exercise, proposed to be conducted through Postal Ballot and procedure for Postal Ballot.

None of the resolutions had been proposed to be passed through Postal Ballot.

8. Disclosure

- a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests, of the Company at large.

During the financial year 2011-12 the Company has not entered into any such contracts as specified above.

- b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all legal matters as required as such no penalty or stricture has been imposed by any authority.

**9. Means of Communication**

- a) The Quarterly un-audited/audited financial results of the company were generally published in two news papers as per the norms i.e., English and a vernacular newspaper.
- b) The Management and Analysis Report Forms part of the Directors Report.
- c) Further all material information which will have bearing on the operations of the company is sent to all Stock Exchanges concerned.

10. General Share Holders Information

- a) As indicated in the Notice to our Shareholders, the Annual General Meeting of the Company will be held on 29th September, 2012 at registered office at 11.00 A.M.
- b) The financial year of the Company is from 1st April to 31st March
- c) Date of book closure : from 27th September, 2012 to 29th September, 2012 (both days inclusive) for the purpose of the Annual General Meeting.
- d) The shares of the company are listed on:
The Stock Exchange, Ahmedabad (Non Regional Stock Exchange)
The listing fees to all stock exchanges for all the years are paid in time.
- e) Stock Code
Stock Code – ASE- SURCABLES
- f) Shares of the company are not traded during the year in the Stock Exchange, Ahmedbad, therefore the monthly high & Low stock quotation have not been furnished for the same.
- g) Registrars and Share Transfer Agents
M/s Aarti Consultants Pvt Ltd
1-2-285, Domalguda, Hyderabad – 500 029
- h) Share Transfer System
The shareholders are advised to contact the Registrar and Share Transfer Agents at their address for effecting transfer of shares both in physical and electronic form.
- (l) Distribution of Shareholding as on 31st March, 2012

Share Holding Nominal Value Rupees		Share Holders		Share Amount	
		Nos	%	Rs	%
Upto	5000	89	27.55	157990	0.15
5001	10000	51	15.79	493000	0.47
10001	20000	39	12.07	668000	0.64
20001	30000	39	12.07	1020000	0.97
30001	40000	5	1.55	200000	0.19
40001	50000	14	4.33	695000	0.66
50001	100000	17	5.26	1569000	1.49
100001	And above	69	21.36	100316010	95.43
TOTAL		323	100	105119000	100



According to categories of Shareholders as at 31st March, 2012

CATEGORY	No of shares Held	%Age of Shareholding
A. Promoter's Holding		
1. Promoters'-		
- Indian promoters-	624964	5.95
- Foreign Promoters	- Nil -	- Nil-
2. Persons acting in Concern	- Nil -	- Nil -
Sub – Total	624964	5.95
B. Non-Promoters Holding	- Nil -	- Nil -
3. Institutional Investors	- Nil -	- Nil -
a. Mutual Funds and UTI	- Nil -	- Nil -
b. Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions/Non-government Institutions)	- Nil -	- Nil -
C. FIIS	- Nil -	- Nil -
Sub – Total	- Nil -	- Nil -
4. OTHERS		
a. Private Corporate Bodies	1897080	18.05
b. Indian Public:		
Holding upto of Rs.1 lakh	475299	4.52
Holding in excess of Rs.1 lakh	7514557	71.49
c. NRIs/OCBs	- Nil -	-Nil-
d. Any other (Please specify)	- Nil -	- Nil -
Sub – Total	9886936	94.05
GRAND TOTAL	10511900	100.00

(j) Dematerialization of Shares

The shares are traded in dematerialized form with effect from 5th January, 2002. Our Company had entered into agreements with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) to establish electronic connectivity and facilitate scripless trading. The International Securities Identification Number (ISIN) allotted to the Company's scrip is INE 860E01011.

(k) Business Location

Since the company does not own any permanent office premises it is doing business in Leased premises and if any changes in the office premises it is being intimated to Stock Exchanges and also through public announcement.



(I) Address for correspondence

OBJECTONE INFORMATION SYSTEMS LIMITED

8-3-988/34/7/2/1 &2, Kamalapuri Colony,
Srinagar Colony Road, Hyderabad – 500 073

Tel No's: 23757192, 23757193, Fax No: 23753323

Disclosure under clause 38 of the Listing Agreement

The Equity Shares of the Company are listed in the following Stock Exchanges and the listing fees for the year 2011-12 has been paid by the Company.

Non-Regional
The Ahmedabad Stock Exchange Ltd., Kamadhenu Complex, Panjarapole, Ahmedabad – 380 015.

For and on behalf of the Board
ObjectOne Information Systems Limited

Place: Hyderabad
Date: 03.09.2012

Sd/-
K Ravi Shankar
Managing Director

Sd/-
K. Mallikarjuna Rao
Wholetime Director

DECLARATION

I, K.Ravi Shankar, Managing Director hereby declare that as per the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the Board members & senior management personnel have confirmed compliance with the Code of Conduct & Ethics for the year ended 31st March, 2012.

For and on behalf of the Board
ObjectOne Information Systems Limited

Place : Hyderabad
Date : 03.09.2012

Sd/-
K Ravi Shankar
Managing Director



COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members,
ObjectOne Information Systems Ltd
Hyderabad

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of corporate government of M/s.ObjectOne Information Systems Limited ("the company") for the year ended 31st March, 2012 as stipulated in clause 49 of the listing agreement of the said company with Stock Exchanges.

The compliance of the conditions of the corporate governance in the responsibility of the management. Our examination, conducted in the manner described in the Guidance note on Certification of Corporate Governance issued by the Institute of Chartered Accounts of India was limited to procedures and implementation there of adopted by the company for ensuring compliance with the condition of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the company.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the company has complied with the conditions of Corporate Governance as stipulated in clause 49 the above mentioned Listing Agreement.

We further state that such compliance is either an assurances as to the future viability of the company nor the efficiency or effectiveness with which the managements has conducted the affairs of the company.

For P MURALI & CO
CHARTERED ACCOUNTANTS
FRN No: 007257S

Sd/-
P. Murali Mohan Rao
Partner
M.No : 23412

Place: Hyderabad
Date : 03.09.2012

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES:**

A. Name of the Subsidiary Company	Inmate Consultants Private Limited
B. Financial year of the subsidiary company	March 31,2012
C. The Company's interest in the subsidiary on the aforesaid date a. Number of shares held b. Face value per share c. Extent of holding	21,000 Equity Shares Rs. 10/- 70%
D The net aggregate of the Profits / (Losses) of the Subsidiary so far it concerns the Members of the companya. a. Not dealt with in the accounts of the company amounted to : 1. For the Subsidiary's financial year ended as in B. above 2. For the previous financial years of the subsidiary since it became the company's subsidiary. b. Dealt with in the accounts of the Company amounted to : 1. For the Subsidiary's financial year ended as in B. above 2. For the previous financial years of the subsidiary since it became the company's subsidiary.	Rs.1,54,669/- Loss: Rs.8,541/- Rs.1,63,210/- Rs 3,60,926/- Loss Rs.19,930/- Rs.3,80,856/-

For and on behalf of the Board
ObjectOne Information Systems Limited

Place: Hyderabad
Date: 03.09.2012

Sd/-
K Ravi Shankar
Managing Director

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES:**

A. Name of the Subsidiary Company	Object Net Technologies Inc
B. Financial year of the subsidiary company	March 31, 2012
C. The Company's interest in the subsidiary on the aforesaid datea. a Number of shares held b. Face value per sharec. c Extent of holding	1,000 Equity Shares Rs. 4000/- 100%
D The net aggregate of the Profits / (Losses) of the Subsidiary so far it concerns the Members of the company a. Not dealt with in the accounts of the company amounted to : 1 For the Subsidiary's financial year ended as in B. above 2 for the previous financial years of the subsidiary since it became the company's subsidiary b Dealt with in the accounts of the Company amounted to : 1 For the Subsidiary's financial year ended as in B. above 2. for the previous financial years of the subsidiary since it became the company's subsidiary.	NA NA NA Rs. 52,38,828/- Rs. 2,23,34,177/-

For and on behalf of the Board
ObjectOne Information Systems Limited

Place: Hyderabad
Date: 03.09.2012

Sd/-
K Ravi Shankar
Managing Director



AUDITORS' REPORT

To
The Members,

OBJECTONE INFORMATION SYSTEMS LIMITED

We have audited the attached Balance Sheet of OBJECTONE INFORMATION SYSTEMS LIMITED as at 31st March , 2012 and also the Profit & Loss Account for the period ended on the date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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 statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis of our opinion.

As required by the Companies (Auditor's Report) order 2003 and as amended by the Companies (Auditor's Report)(Amendment) Order 2004, issued by the Central Government of India in terms of the sub-section(4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

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 purposes of our Audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books ;
- (iii) The Balance Sheet & Profit & Loss Account dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet & Profit & Loss Account dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of Section 211 of Companies Act, 1956 ;
- (v) On the basis of written representations received from the Directors, as on 31st March ,2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March ,2012 from being appointed Director in terms of clause(g) of sub-section(l) of section 274 of the Companies Act, 1956 ;
- (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
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March ,2012;
 - (b) In the case of the Profit & Loss Account, of the Profit .for the period ended on that date;

And

- (c) In the case of the Cash Flow, of the cash flows for the period ended on that date ;

For P Murali & Co.,
Chartered Accountants
FRN : 007257S
Sd/-
P. Murali Mohan Rao
Partner
M.No : 23412

Place: Hyderabad
Date: 03.09.2012



ANNEXURE TO THE AUDITORS' REPORT

- I. (a) The Company has maintained proper records showing full particular including quantitative details and situation of Fixed Assets.

(b) As explained to us , the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.

(c) The Company has not disposed off substantial part of the Fixed Assets during the year,
- II. The Company has no Inventory, hence this clause is not applicable.
- III. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s. 301 of the Companies Act, 1956.

(b) As the Company has not granted any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.

(c) As no loans are granted by company, the clause of receipt of interest & principal amount from parties, is not applicable to the company.

(d) No loans have been granted to Companies, Firms & other parties listed in the register U/s.301 of the Companies Act, 1956 , hence overdue amount of more than rupees one lac does not arise and the clause is not applicable.

(e) The Company has not taken any loans, secured or unsecured from Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act. 1956.

(f) As the Company has not taken any loans ,the clause of whether the rate of interest & other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.

(g) As no loans are taken by the company, the clause of repayment of interest & principal amount to parties, is not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. There is no continuing failure by the company to correct any major weaknesses in internal control.

a) In our opinion and according to the information and explanation given to us , since no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have



- been made by the company in respect of any party in the financial year, the entry in the register U/s.301 of the Companies Act, 1956 does not arise.
- b) According to the information and explanations given to us, as no such contracts or arrangements made by the Company, the applicability of the clause of charging the reasonable price having regard to the prevailing market prices at the relevant time does not arise.
- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A,58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.
- VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section(I) of section 209 of the Companies Act, ,1956.
- IX. a) The Company is regular in depositing statutory dues including PF, ESI, Income Tax, Cess and any other statutory dues with the appropriate authorities and at the last of the financial year there were no amounts outstanding which were due for more than 6 months from the date they became payable.
- b) According to the information and explanations given to us, no undisputed amounts are payable in respect of PF,ES1,Income Tax, Cess and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.
- X. The Company has been registered for a period of not less than 5 years, and its accumulated losses at the end of the financial year is less than fifty percent of its net worth and the company has not incurred cash losses .
- XI. According to information and explanations given to us, the Company has not defaulted in repayment of dues to financial Institutions or banks.
- XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit Fund in respect of Nidhi /Mutual Benefit Fund/Societies.
- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions



- of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, 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, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company does not arise.
- XVI. The Company is not applied for any Term Loan and hence this clause is not applicable.
- XVII According to the information and explanations given to us, no funds are raised by the Company on short-term basis. Hence the clause of short term funds being used for long-term investment does not arise.
- XVIII. According to the information and explanations given to us, 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 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.
- XIX. According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.
- XX. According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.
- XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.
- XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

For P Murali & Co.,
Chartered Accountants
FRN:007257S

Sd/-
P. Murali Mohan Rao
Partner
M.No. 23412

Place: Hyderabad
Date : 03-09-2012



OBJECTONE INFORMATION SYSTEMS LIMITED			
BALANCE SHEET AS AT 31ST MARCH, 2012			
PARTICULARS	NOTE NO.	AS AT 31-03-2012 (Rupees)	AS AT 31-03-2011 (Rupees)
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a. Share Capital	1	105,119,000	105,119,000
b. Reserves and Surplus	2	24,573,120	22,880,663
2. Non-Current Liabilities			
a. Long-term borrowings	3	4,210,796	4,390,353
b. Other Long term liabilities	4	3,000,000	3,000,000
c. Long term provisions	5	587,500	-
3. Current Liabilities			
a. Trade payables	6	1,911,247	2,684,371
b. Other Current liabilities	7	179,557	674,861
c. Short-term provisions	8	3,889,125	3,271,299
TOTAL		<u>143,470,345</u>	<u>142,020,547</u>
2 ASSETS			
1. Non-Current Assets			
a. Fixed Assets			
(I) Tangible Assets	9	16,007,561	17,916,785
(II) In-Tangible Assets	9	69,065,186	72,135,084
b. Non-current investments	10	11,305,347	11,305,347
c. Deferred tax assets (net)	11	2,548,510	3,715,527
d. Long term loans and advances	12	11,736,158	11,716,558
e. Other non-current assets	13	1,257,395	2,045,006
2. Current Assets			
a. Inventories	14	-	769,884
b. Trade receivables	15	20,845,507	20,094,264
c. Cash and cash equivalents	16	6,616,213	888,318
d. Short-term loans and advances	17	4,088,468	1,433,775
TOTAL		<u>143,470,345</u>	<u>142,020,547</u>
Summary of Significant Accounting Policies			
The accompanying Notes are an Integral Part of the Financial Statements			
AS PER OUR REPORT OF EVEN DATE			
For P MURALI & CO		FOR AND ON BEHALF OF THE BOARD	
CHARTERED ACCOUNTANTS		ObjectOne Information Systems Limited	
FRN No: 007257S			
Sd/-		Sd/-	
P. MURALI MOHANA RAO		K. RAVISHANKAR	
PARTNER		MANAGING DIRECTOR	
M.No: 23412		K. MALLIKARJUNA RAO	
		WHOLETIME DIRECTOR	
PLACE : HYDERABAD			
DATE : 03-09-2012			



OBJECTONE INFORMATION SYSTEMS LIMITED
STATEMENT OF PROFIT AND LOSS
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	NOTE NO.	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
I	INCOME		
Revenue from operations	18	56,118,187	50,099,042
Other Income	19	944,432	137,128
TOTAL REVENUE		<u>57,062,619</u>	<u>50,236,170</u>
II	EXPENSES :		
Changes in Inventories	20	769,884	-
Employee benefit expense	21	21,267,717	18,914,620
Other operating expenses	22	13,920,286	12,653,539
Administrative Expenses	23	11,828,139	12,105,331
Financial Costs	24	122,055	169,365
Depreciation and amortization expense	9	5,557,628	5,279,846
TOTAL EXPENSES		<u>53,465,709</u>	<u>49,122,701</u>
III	Profit Before Tax	3,596,910	1,113,469
	Tax Expense :		
	1. Current Tax	737,436	206,437
	2. Deferred Tax	1,167,017	(6,101,171)
IV	Profit After Tax	1,692,457	7,008,203
	Earning per Equity Share :		
	1. Basic & Diluted	0.16	0.67

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For P MURALI & CO

CHARTERED ACCOUNTANTS

FRN No: 007257S

FOR AND ON BEHALF OF THE BOARD

ObjectOne Information Systems Limited

Sd/-

P. MURALI MOHANA RAO

PARTNER

M.No: 23412

Sd/-

K. RAVISHANKAR

MANAGING DIRECTOR

Sd/-

K. MALLIKARJUNA RAO

WHOLETIME DIRECTOR

PLACE : HYDERABAD

DATE : 03-09-2012



OBJECTONE INFORMATION SYSTEMS LIMITED
CASH FLOW STATEMENT OF THE YEAR ENDED 31-03-2012

PARTICULARS	(Rs in Lakhs)	
	2011-12	2010-11
A CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit Before Tax & Extraordinary Items	3,596,910	1,113,468
ADJUSTMENTS FOR		
Depreciation	5,557,628	5,279,846
Interest Expenses	122,055	169,365
Operating Profit before Working Capital Changes	9,276,593	6,562,679
ADJUSTMENTS FOR		
Trade & Other Receivables	(751,243)	(7,473,123)
Short Term Loans and Advances	(2,654,693)	-
Inventories	769,884	-
Short Term provisions	(119,610)	-
Other Current Liabilities	(1,803,577)	-
Trade Payables & Others	535,149	3,682,271
Cash Generated From Operations	5,252,502	2,771,827
Cash flow from Extraordinary Items	-	-
Net Cash flow from Operating Activities	5,252,502	2,771,827
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(578,506)	(2,161,008)
Net Cash Used in Investment Activities	(578,506)	(2,161,008)
C CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Loans and Advances	(19,600)	-
Preceeds from Long term Borrowings	(179,557)	-
Long term Provisions	587,500	-
Other Non current assets	787,611	-
Interest & Finance Charges paid	(122,055)	(169,365)
Net Cash used in Financing Activities	1,053,899	(169,365)
NET INCREASE IN CASH & CASH EQUIVALENTS	5,727,895	441,454
Cash and Cash Equivalents (Opening Balance)	888,318	446,864
Cash and Cash Equivalents (Closing Balance)	6,616,213	888,318

For and on behalf of the Board

For **ObjectOne Information Systems Ltd**

Sd/-

Sd/-

Place: Hyderabad

K. Ravishankar

K. Mallikarjuna Rao

Date : 03-09-2012

Managing Director

Wholetime Director

AUDITORS' CERTIFICATE

We have examined the above cash flow statement of Objectone Information Systems Limited for the year ended 31st, March, 2012. This has been prepared by the Company is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For P Murali and Co.

Chartered Accountants

Sd/-

P. Murali Mohan Rao

Partner

M.No. 23412

Place: Hyderabad

Date : 03-09-2012



OBJECT ONE INFORMATION SYSTEMS LIMITED
Significant Accounting Policies

- a) Preparation of financial statements**
The financial statements have been prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles in India and the provisions of Companies Act, 1956.
- b) Method of Accounting**
The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.
- c) Fixed Assets**
Fixed Assets are stated at their original cost of acquisition, net of accumulated depreciation and CENVAT credit, and include taxes, freight and other incidental expenses related to their acquisition / construction / installation.
- d) Investments**
Investments are classified into current and long-term investments. Current Investments are carried at lower of cost or fair market value. Any diminution in their value is recognized in the profit and loss account. Long-term investments, including investment in subsidiaries, are carried at cost. Diminution of temporary nature in the value of such long-term investments is not provided for except when such diminution is determined to be of a permanent nature.
- e) Inventories**
Inventories are valued at cost or net realizable value, whichever is less. Cost comprises of expenditure incurred in the normal course of business in bringing such inventories to its their location. Finished goods at the factory are valued at cost in all applicable cases.
- h) Revenue Recognition**
Income is recognized when the goods are dispatched in accordance with terms of sale.
- i) Retirement Benefits**
Company makes monthly contribution to the Employees Provident Fund and Pension Fund under the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952.
- j) Borrowing Costs**
Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are treated as a period cost and are expensed in the year of occurrence.
- k) Depreciation**
Depreciation is provided on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets added, sold or discarded is provided for on pro-rata basis.
- o) Income and Deferred Tax**
The provision made for income tax in the accounts comprises both the current and deferred tax. Current tax is provided for on the taxable income for the year. The deferred tax assets and liabilities for the year arising on account of timing differences (net) are recognized in the Profit and Loss account and the cumulative effect thereof is reflected in the Balance Sheet.
- p) Contingent Liabilities and Contingent Assets**
Liabilities, which are contingent in nature, are not recognized in the books of account but are disclosed separately in the Notes. Contingent Assets are neither recognized nor disclosed in the books of account.



**OBJECTONE INFORMATION SYSTEMS LIMITED
NOTE NUMBERS TO BALANCE SHEET**

NOTE No. 1 : SHARE CAPITAL

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Share Capital (For each class of capital)		
	(a) Authorised (1,40,00,000 Equity Shares of Rs 10 Each)	140,000,000	140,000,000
		140,000,000	140,000,000
	(b) Issued, Subscribed & Fully Paid Up (1,05,11,900 Equity Shares of Rs 10 Each)	105,119,000	105,119,000
		105,119,000	105,119,000
2.	A Reconciliation of the number of shares outstanding at the begining and at the end of the reporting period :	No. of Shares	No. of Shares
	Equity Shares of Rs. 10 Each, Fully paid up :		
	As the Begining	10,511,900	10,511,900
	Issued during the year	-	-
	At the end	10,511,900	10,511,900
3.	Details of shareholder holding more than 5% shares of the company	% sales of Holding	
	Equity Shares of Rs. 10 each Held by		
	Swapriya Raj Holdings Private Limited - No. of Shares - 1472080	14.00	14.00
	K. Ravi Shankar - No. of Shares - 1017384	9.68	9.68

NOTE No. 2 : RESERVES AND SURPLUS

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	RESERVES AND SURPLUS		
	(a) Capital reserve		
	As at the commencement of the year	23,814,000	721,000
	Add : Additions during the year	-	23,093,000
	Sub Total	23,814,000	23,814,000
	(b) Surplus :		
	i) Opening Blance - Profit and Loss Account	(933,337)	(7,941,540)
	Add : Transfer from Profit & Loss Account	1,692,457	7,008,203
	Sub Total	759,120	(933,337)
	Total Reserves and Surplus	24,573,120	22,880,663



NOTE No. 3 : LONG TERM BORROWINGS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Loans and advances from related parties Un Secured : Swapriya Raj Holding Private Limited	4,210,796	4,210,796
	(b) Long Term maturites of finance lease obligations (Refer Note No. 3(a)) Note No.3(a): Finance Lease obligations are secured by hyphotication Vehicles and personal guaranted by the directors	-	179,557
	Total long term borrowings	4,210,796	4,390,353
NOTE No. 4 : OTHER LONG TERM LIABILITES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a. Advance Received - Long Term Depoist receivd	- 3,000,000	- 3,000,000
	Total other long term liabilites	3,000,000	3,000,000
NOTE No. 5 : LONG TERM PROVISIONS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Provisions for employee benefits - Provision for Gratuity	587,500	-
	Total other long term liabilites	587,500	-
NOTE No. 6 : TRADE PAYABLES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Sundry Creditor b) Creditors for Expenses	934,028 977,219	398,879 2,285,492
	Total Trade Payables	1,911,247	2,684,371



NOTE NO. 07 : OTHER CURRENT LIABILITES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Current maturities of finance lease obligation <i>Note No. 3(a): Finance Lease obligations are secured by hyphotication Vehicles and personal guaranteed by the directors</i>	179,557	674,861
		-	-
	Total other current liabilites	179,557	674,861
NOTE No. 08 : SHORT TERM PROVISIONS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Provisions for employee benefits		
	PF Payable	62,048	54,764
	ESI Payable	6,734	12,933
	Salaries Payable	1,251,452	784,451
	b) Others		
	Statutory Liabilities	315,155	220,075
	Provision for Income Tax	737,436	206,437
	Provision for Expenses	1,516,300	1,992,639
	Total short term provisions	3,889,125	3,271,299
NOTE No. 10 : NON- CURRENT INVESTMENTS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Non- Current Assets		
	1) Investment in Subsidiaries		
	a) Equity Shares		
	INMATE CONSULTANTS PVT LTD (70 % of holding)	600,000	600,000
	OBJECTNET TECHNOLOGIES INC (100 % of holding)	10,705,347	10,705,347
	Total Non Current Investments	11,305,347	11,305,347
	Less: Provision for Diminution in Investments	-	-
	Total Non - Current Investments	11,305,347	11,305,347



OBJECTONE INFORMATION SYSTEMS LIMITED
FIXED ASSETS AS ON 31ST MARCH, 2012

NOTE NUMBER No. : 9

PARTICULARS	GROSS BLOCK			DEPRECIATION		NET BLOCK			
	ASAT 01-04-2011	Additions during the year	Sale/ Deletions during the year	ASAT 31-03-2012	UPTO 01-04-2011	Dep. For the year 2011-12	UP TO 31-03-2012	ASAT 31-03-2012	ASAT 31-03-2011
Tangible Assets									
PROPERTY	74333	-	-	74333	203335	4205	20167	42272	512508
SOFTWARE	221001	4016	-	225017	220334	6716	258140	25570	275780
FURNITURE	58563	4050	-	62613	288488	3902	38770	293333	303335
ORIGINATION	12005	-	-	12005	44578	5038	50539	38297	30429
VEHICLES	38429	-	-	38429	7597	3407	10254	25375	28522
ELECTROEQUIPMENTS	1500	-	-	1500	6248	938	6886	5674	6882
Intangible Assets									
GOODWILL	2022	-	-	2022	5233	2024	7249	18025	20889
INCHS	5480700	-	-	548000	-	-	-	5480700	548000
INCHS	28536425	9000	-	29436425	673080	288774	653084	238573	620905
TOTAL	639252	5806	-	1057038	484063	95738	59429	890277	919889
Previous Year	678224	216008		638252	448087	57286	484063	90888	507007



NOTE NO. 11 : DEFERRED TAX ASSET			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Opening Deferred tax Liability	-	2,385,644
	Add:		
	Deferred Tax Liability for the year	1,357,631	464,329
	Gross Deferred tax Liability	1,357,631	2,849,973
	Opening Deferred tax Asset	3,715,527	-
	Deferred Tax Assets on account of Losses as per IT Act		6,565,500
	Provision for Gratuity and Compensated Absences and doubtful debte	190,614	
	Gross Deferred tax Asset	3,906,141	6,565,500
	Deferred Tax Asset - Net	2,548,510	3,715,527
NOTE NO. 12 : LONG TERM LOANS AND ADVANCES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Long - term loans and advances:		
	b) Security Deposit		
	Unsecured	162,183	142,583
	d) Other loans And advances		
	Unsecured	11,573,975	11,573,975
	Total Long term loans & advances	11,736,158	11,716,558
	Less : Provision for Doubtfull Debts	-	-
	Total Long term loans & advances	11,736,158	11,716,558
NOTE NO. 13 : OTHER NON - CURRENT ASSETS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Receivable form Revenue Authorities		
	Service Tax	1,042,996	397,749
	TDS	214,399	1,647,257
	Total non - Current Assets	1,257,395	2,045,006



NOTE NO. 14 : INVENTORIES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Inventories :		
	Kids One CDS	-	769,884
	Total Inventories	-	769,884
NOTE NO. 15 : TRADE RECEIVABLES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Outstanding for a period exceeding six months from the date they are due for payment		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	3,323,932	119,208
	Doubtful	-	-
		3,323,932	119,208
	Other Receivables:		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	17,521,575	19,975,056
	Doubtful	-	-
		17,521,575	19,975,056
	Total trade receivable	20,845,507	20,094,264
	Less : Allowance for bad & doubtful debts	-	-
	Total Trade Receivables	20,845,507	20,094,264
NOTE NO. 16 : CASH AND BANK BALANCES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	2,514,391	850,076
	b) Cash on hand	86,009	38,242
	c) Bank Deposits	4,000,000	
	Sub Total	6,600,400	888,318
	Other Bank Balances		
	On Deposit Accounts		
	1) Interest Accrued On Deposits	15,813	-
	Sub Total	15,813	-
	Total Cash and Cash Equivalents	6,616,213	888,318

**NOTE NO. 17 : SHORT TERM LOANS AND ADVANCES**

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	short - term loans and advances:		
	a) Security Deposit		
	Unsecured	1,408,000	-
	b) Other loans And advances		
	Unsecured	2,680,468	1,433,775
	Total short term loans & advances	4,088,468	1,433,775
	Less : Provision for Doubtfull Debts	-	-
	Total short term loans & advances(net)	4,088,468	1,433,775



OBJECTONE INFORMATION SYSTEMS LIMITED			
NOTE NUMBERS TO STATEMENT OF PROFIT & LOSS			
NOTE NO. 18 : REVENUE FROM OPERATIONS			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	Revenue from operations		
	(a) Sale of Services	54,480,225	50,099,042
	(c) Other Operating Revenues	1,637,962	-
	Total Revenue from Operations	56,118,187	50,099,042
NOTE NO. 19: OTHER INCOME			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a)Interest income	93,563	28,050
	(f) Net gain/(loss) on foreign currency translation and transaction	850,869	109,078
	Total Other Income	944,432	137,128
NOTE NO. 20 : CHANGE IN INVENTORIES & WIP.			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	Finished Goods		
	Finished goods at the beginning of the year	769,884	769,884
	Less : Finished goods at the end of the year	-	769,884
	Decrease in Stock	769,884	-
NOTE NO. 21: EMPLOYEE BENEFIT EXPENSES			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Salaries & Wages	17,532,204	16,492,431
	(b) Contribution to Provident & Other Funds	458,559	327,218
	(c) Gratuity	587,500	-
	(d) Staff Welfare Expenses	409,454	474,971
	(e) Managerial Remuneration	2,280,000	1,620,000
	Total Employee Benefit Expenses	21,267,717	18,914,620



NOTE NO. 22 : OTHER OPERATING EXPENSES			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) E-Commerce Expenses	3,389,619	4,562,097
	(b) Power & Fuel	1,103,750	989,423
	(c) Rent	1,380,000	926,400
	(d) Channel Expenses	4,282,618	4,031,665
	(e) Repairs to Machinery	1,416,245	1,217,067
	(f) Insurance	284,780	254,721
	(h)Miscellaneous Expenditure	1,807,094	617,016
	(j) Payment to Auditors:		-
	(i) As Auditor	56,180	55,150
	(ii) For Taxation Matters	200,000	-
	(n) Prior Peiod Items	-	-
	Total Other Expenses	13,920,286	12,653,539
NOTE NO.23 : ADMINSTRATIVE EXPENSES			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Telephone, Postage and Others	1,970,279	1,623,020
	(b) Business Promotion Expenses	147,720	83,592
	(c) Conveyance	193,057	112,749
	(d) Office Maintenance	1,389,625	1,136,252
	(e) Printing & Stationery Expenses	83,360	114,217
	(f) Rates & Taxes (excluding Income Tax)	205,997	116,380
	(g) Consultancy Charges	234,836	994,245
	(h) Travelling Expenses	428,027	209,697
	(i) Server Hosting Expenses	7,175,238	7,715,179
	Total Administrative Expenses	11,828,139	12,105,331
NOTE NO. 24 : FINANCE COST			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Interest Expenses :		
	- Interest on Car Loan	55,460	119,856
	- Bank Charges	66,595	32,783
	(b) Other Borrowing costs	-	16,726
	Total Finance Cost	122,055	169,365



25. Particulars of Employees in accordance with Sub-section (2A) of Section 217 of the Companies Act , 1956 read with Companies (Particulars of Employees) Rule 1975.

NIL

26. The company has made provision for Gratuity is calculated as per accrual method and included in current liability & provision.

27. Earnings Per Share (EPS) (AS – 20)

Rupees

Particulars	2011-12	2010-11
Profit after tax during the year (Rs.)	16,92,457	70,08,203
Earnings available to Equity Shareholders for Basic & Diluted EPS (Rs.)	16,92,457	70,08,203
Weighted Average Number of Shares taken for computation of EPS	1,05,11,900	105,11,900
Earning per Share		
- Basic	0.16	0.67
- Diluted	0.16	0.67
Face Value of the Share	10	10

28. Managerial Remuneration:

Particulars	2011-12	2010-11
Directors Remuneration	22,80,000	16,20,000
Other Fee	Nil	Nil

29. Auditor's Remuneration:

Particulars	2011-12	2010-11
Audit Fee	36,180	35,150
Tax Audit fee	20,000	20,000
Other Services	Nil	Nil
Total	56,180	55,150

30. Closing Balances of Debtors, Creditors, Loans and Advances are subject to confirmations

31. Dues to Micro & Small Enterprises:

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2012.

32. Foreign Currency Outflows: Nil

33. Foreign Currency Inflows:

Foreign Exchange inflows as reported by the Company to Government of India and as certified by Management.

Particulars	Year Ended March 31,	
	2012	2011
Earnings from IT Enable Services	4,72,15,618	3,02,36,614
Others	Nil	Nil
Total	4,72,15,618	3,02,36,614



34. Detailed information regarding quantitative particulars under part II of schedule VI to the Companies Act,1956:

The Company is engaged in IT Enabled services. The production and sale of such software and services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under Paragraphs 3 and 4C of Part II of Schedule VI to the Companies Act, 1956.

35. Figures have been rounded off to the nearest rupee.

36. Previous year's figures have been regrouped / rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE

For P MURALI & CO
CHARTERED ACCOUNTANTS
FRN No: 007257S

FOR AND ON BEHALF OF THE BOARD
ObjectOne Information Systems Limited

Sd/-
P. MURALI MOHANA RAO
PARTNER
M.No: 23412

Sd/-
K. RAVISHANKAR
MANAGING DIRECTOR

Sd/-
K. MALLIKARJUNA RAO
Wholetime Director

PLACE : HYDERABAD
DATE : 03-09-2012

ADDITIONAL INFORMATION AS REQUIRED UNDER IV OF SCHEDULE VI TO THE
THE COMPANIES ACT 1956**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I	Registration details				
	Registration No.	23119	State Code:		1
	Balance Sheet Date	31st March 2012			
II	Capital Raised During the Year (Amount in Rs. Thousand)				
	Public Issue(Call Money)	NIL	Rights Issue		NILL
	Bonus Issue	NIL	Preferential Offer		NIL
III	Position and Mobilisation and deployment of funds(Amount in Rs Thounds)				
	Total Liabilities	143,470	Total Assets		143,470
	Sources of Funds				
	Paid up Capital	105,119	Reserves & Surplus		24,573
	Share Application Money	-	Current Liabilities		5,980
	Secured Loans		Non Current Liabilities		7,798
	Application of Funds				
	Net Fixed Assets	850773	Investments		11,305
	Current Assets	31,550	Non Current Asset		12993
	Accumulated Lossess	NIL	Differed Tax Asset		2549
IV	Performance of the Company (Amount in Rs. Thousands).				
	Turnover/other income	57,063	Expenditure		53466
	Profit/loss before tax	3,597	Profit/loss after tax		1,692
	Earning per Share	0.16	Dividend Rate %		NIL
V	General names of three principle Products/services of the Company (As per Monetary Terms)				
	Item Code No. (ITC Code)		Training, Software Development & Media		
	Product Description		Training, Software Development & Media		

For and on behalf of the Board
Objectone Information Systems Limited

Sd/-

K. RAVISHANKAR
Managing DirectorPlace: Hyderabad
Date : 03-09-2012



INDIAN GAAP CONSOLIDATED FINANCIAL STATEMENTS

Auditor's Report
Consolidated Balance Sheet
Consolidated Profit & Loss Account
Consolidated Schedules
Notes on Consolidated Accounts
Consolidated Cash Flow Statement



AUDITOR'S REPORT

To
The Board of Directors,
ObjectOne Information Systems Limited,

On the Consolidated Financial Statements of ObjectOne Information Systems Limited, and its Subsidiary.

We have examined the attached Consolidated Balance Sheet of M/s. OBJECTONE INFORMATION SYSTEMS LIMITED and its subsidiaries INMATE CONSULTANTS PRIVATE LIMITED, OBJECT NET TECHONOLOGIES INC as at 31st March, 2012 and the Consolidated Profit & Loss Account for the year ended on the date annexed thereto and Consolidated Cash flow Statement for the period ended on that date. These Consolidated financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and 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. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of its subsidiaries M/s INMATE CONSULTANTS PRIVATE LIMITED and OBJECT NET TECHONOLOGIES INC as at 31st March, 2012. The financial statements of M/s INMATE CONSULTANTS PRIVATE LIMITED have been audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries is based solely on the report of the other auditors. The financial statements of M/s OBJECT NET TECHONOLOGIES INC has not audited and has been included on the basis of compulsion.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Company and its subsidiaries included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company and its subsidiaries, 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.

- (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the company and its subsidiaries as at 31st March, 2012.



- (b) In the case of the Consolidated Profit and Loss Account of the consolidated results of operations of the Company and its subsidiaries for the year then ended and
- (c) In the case of the consolidated cash flows Statement, of the consolidated Cash flows of the company and its subsidiaries for the year then ended.

For P. Murali & Co.,
Chartered Accountants
FRN No: 007257S

Place : Hyderabad
Date : 03-09-2012

Sd/-
P. Murali Mohana Rao
Partner
M.No: 23412



OBJECTONE INFORMATION SYSTEMS LIMITED			
BALANCE SHEET			
Consolidated Balance Sheet as at 31st March, 2012			
PARTICULARS	Note No.	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	105,119,000	105,119,000
(b) Reserves and Surplus	2	52,507,041	45,595,687
(c) Minority Interest	3	244,679	253,220
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	4,470,532	4,650,089
(b) Other Long term liabilities	5	3,147,500	3,147,500
(c) Long term provisions	6	587,500	-
(3) Current Liabilities			
(a) Trade payables	7	6,901,758	6,756,789
(b) Other current liabilities	8	179,557	674,861
(c) Short-term provisions	9	3,920,608	3,300,982
Total		177,078,175	169,498,128
II. Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	10	16,072,835	18,021,939
(ii) Intangible assets	10	69,065,186	72,135,084
(iii) Capital work-in-progress			
(iv) Good Will	11	7,095,347	7,095,347
(b) Non-current investments		-	-
(c) Deffered tax assets (net)	12	2,574,407	3,727,751
(d) Long term loans and advances	13	25,220,658	23,651,058
(e) Other non-current assets	14	1,497,450	2,485,233
(f) Long term deposits			
(2) Current assets			
(b) Inventories	15	1,195,250	1,995,714
(c) Trade receivables	16	37,483,867	25,874,256
(d) Cash and cash equivalents	17	12,784,707	13,077,971
(e) Short-term loans and advances	18	4,088,468	1,433,775
(f) Other current assets			
Total		177,078,175	169,498,128
Summary of Significant Accounting Policies			
The accompanying Notes are an Integral Part of the Financial Statements			
AS PER OUR REPORT OF EVEN DATE			
For P MURALI & CO		FOR AND ON BEHALF OF THE BOARD	
CHARTERED ACCOUNTANTS		ObjectOne Information Systems Limited	
FRN No: 007257S			
Sd/-		Sd/-	Sd/-
P. MURALI MOHANA RAO		K. RAVISHANKAR	K. MALLIKARJUNA RAO
PARTNER		MANAGING DIRECTOR	WHOLETIME DIRECTOR
M.No: 23412			
PLACE : HYDERABAD			
DATE : 03-09-2012			



OBJECTONE INFORMATION SYSTEMS LIMITED			
STATEMENT OF PROFIT AND LOSS			
Consolidated Profit and Loss statement for the year ended 31st March, 2012			
PARTICULARS	Note No.	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
I. Revenue from operations	19	340,287,929	287,631,251
II. Other Income	20	968,540	158,548
III. Total Revenue (I +II)		341,256,469	287,789,799
<i>IV. Expenses:</i>			
Changes in Inventories	21	800,464	30,540
Employee benefit expense	22	272,762,852	236,631,929
Other operating expenses	23	19,188,366	16,921,398
Administrative Expenses	24	32,252,936	20,652,318
Financial costs	25	170,214	195,781
Depreciation and amortization expense	10	5,597,508	5,319,726
Total Expenses		330,772,340	279,751,692
Profit Before Tax		10,484,129	8,038,107
Tax expense :			
(1) Current tax		2,427,971	1,160,172
(2) Deferred tax		1,153,344	(6,110,985)
Profit After Tax		6,902,814	12,988,920
XVI. Earning per equity share:			
(1) Basic & Diluted		0.66	1.24
<p>Summary of Significant Accounting Policies The accompanying Notes are an Integral Part of the Financial Statements AS PER OUR REPORT OF EVEN DATE</p>			
<p>For P MURALI & CO CHARTERED ACCOUNTANTS FRN No: 007257S</p>		<p>FOR AND ON BEHALF OF THE BOARD ObjectOne Information Systems Limited</p>	
<p style="text-align: center;">Sd/- P. MURALI MOHANA RAO PARTNER M.No: 23412</p>		<p style="text-align: center;">Sd/- K. RAVISHANKAR MANAGING DIRECTOR</p>	
		<p style="text-align: center;">Sd/- K. MALLIKARJUNA RAO WHOLETIME DIRECTOR</p>	
<p>PLACE : HYDERABAD DATE : 03-09-2012</p>			



OBJECTONE INFORMATION SYSTEMS LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2012

PARTICULARS	Current Year	Previous Year
	Amount in Rs.	Amount in Rs.
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	10,484,128.66	8,038,108.00
Adjustments for : -		
Depreciation	5,597,508.00	5,319,726.00
Interest Paid	170,213.85	195,781.00
Prior period expenses	-	-
Interest Income	(117,670.86)	-
Operating Cash Flow before Working Capital Changes	16,134,179.65	13,553,615.00
(Increase) / Decrease in Inventory	800,464.00	
(Increase) / Decrease in Trade Receivables	(11,609,611.34)	(6,190,148.00)
(Increase) / Decrease in Short Term Loans & Advances	(2,654,693.00)	
(Increase) / Decrease in Other Current Assets	-	
Increase / (Decrease) in Deferred Income(Current)	-	
Increase / (Decrease) in Trade Payables	144,969.41	2,815,036.16
Increase / (Decrease) in Other Current Liabilities	(2,923,274.37)	-
Increase / (Decrease) in Short Term Provisions	619,625.77	554,906.00
CASH GENERATED FROM OPERATIONS	511,660.12	10,733,409.16
Add: Prior Period Expenses	-	
Less: Income Tax Paid		
CASH GENERATED FROM OPERATING ACTIVITIES	511,660.12	10,733,409.16
II. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed Assets	(578,506.00)	(2,161,008.00)
Capital Work in Progress, Pre-operative Expenses	-	
Non Current Asset	987,782.52	
Misc Exps		-
Interest Income	117,670.86	-
(Increase) / Decrease in Long Term Loans & Advances	(1,569,600.00)	-
NET CASH AVAILABLE FROM INVESTING ACTIVITIES	(1,042,652.62)	(2,161,008.00)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds From Issue of Equity Shares	-	
Proceeds From Issue of Share Warrants	-	
Long Term Borrowings	(179,557.00)	-
Long Term Provisions	587,500.00	
Interest Paid	(170,213.85)	(195,781.00)
Increase / (Decrease) in Other Long Term Liabilities	-	
NET CASH USED IN FINANCING ACTIVITIES	237,729.15	(195,781.00)
NET INCREASE IN CASH AND CASH EQUIVALENTS(I+II+III)	(293,263.35)	8,376,620.16
Opening balance of Cash & Cash Equivalents	13,077,971.00	4,701,351.00
Closing balance of Cash & Cash Equivalents	12,784,707.65	13,077,971.16

For and on behalf of the Board
OBJECTONE INFORMATION SYSTEMS LIMITED

Sd/-
K. Ravishankar
 Managing Director

Sd/-
K. Mallikarjuna Rao
 Wholetime Director

Place : Hyderabad
 Date : 03.09.2012



OBJECT ONE INFORMATION SYSTEMS LIMITED

Significant Accounting Policies on Consolidated Financial Statements

1. Basis of Preparation:

The consolidated financial statements relate to OBJECTONE INFORMATION SYSTEMS LIMITED have been prepared the Consolidated Financial Statements, by consolidating its accounts with that of its subsidiaries INMATE CONSULTANTS PRIVATE LIMITED and OBJECT NET TECHONOLOGIES INC in accordance with the Statements of Accounting standards on “ Consolidated Financial Statements (AS 21) issued by the Institute of Chartered Accountants of India (ICAI) The Consolidated Financial Statements have been prepared under the historical cost convention, on the accrual basis of accounting and comply with the mandatory accounting standards and statements issued by the ICAI. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Company and it subsidiary company are combined on a line byline basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balance and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 -“Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India.
- (ii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill.
- (iii) Minority interest's share is holding 30% there as the company is holding 70% Equity Shares in INMATE CONSULTANTS PRIVATE LIMITED
- (iv) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

INMATE CONSULTANTS PRIVATE LIMITED, OBJECT NET TECHONOLOGIES INC subsidiary companies has been considered in the consolidated financial Statements.

As required by Accounting Standard (AS - 23) on Accounting for Investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India, the carrying amount of Investments in Associates at the beginning of the year have been restated by applying “ equity Method “ of accounting from the date of acquisition of the associates and corresponding adjustments has been made to the retained earnings at the beginning of the year after eliminating unrealised profits, if any.

2. General :

- (i) These accounts are prepared on the historical cost basis and on the accounting principles of a going concern.
- (ii) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

3. Revenue Recognition :

- (i) Income from software development is accounted for on the basis of Software developed and billed to clients on acceptance and/or on the basis of man days/man hours as per the terms of contract.



- (ii) Revenue from professional services consist primarily of revenue earned from services performed on a 'time and material' basis. The related revenue is recognised as and when the services are performed.
- (iii) Revenue from software development services includes revenue from time and material and fixed price contracts are recognised as related services are performed.
- (iv) Revenue on fixed price contracts is recognised in accordance with percentage of completion and method of account.
- (v) Revenue is not recognised on the grounds of prudence, until realised in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.

4. Foreign Exchange Transaction :

Realised gains & loss in foreign exchange transactions are recognised in Profit & Loss Account. Transactions in foreign currency will be recorded at the rates of exchange prevailing on the date of the transaction. Current assets and liabilities denominated in foreign currency will be translated at the rate of exchange as at Balance Sheet date.

5. Investments :

Investments are stated at cost i.e. cost of acquisition, inclusive of expenses incidental to acquisition wherever applicable.

6. Fixed Assets :

Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties, taxes and incidental expenses thereto.

7. Depreciation and Amortisation :

- (i) Depreciation is provided on straight line method on pro-rata basis and at the rates and manner specified in the Schedule XIV of the Companies Act, 1956.
- (ii) Preliminary Expenses are amortized over the period of 10 years.
- (iii) Public Issue Expenses are amortized over the period of 10 years.

8. Taxation :

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax asset and liability is recognised for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax asset & liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

9. Earning Per Share:

The earning considered in ascertaining the companies earning per share comprise net profit after tax. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the year.

10. Gratuity :

No provision for gratuity has been made as no employee has put in qualifying period of service for entitlement of this benefit.



OBJECTONE INFORMATION SYSTEMS LIMITED NOTE NUMBERS TO BALANCE SHEET NOTE No. 1 : SHARE CAPITAL CONSOLIDATED			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Share Capital (For each class of capital)		
	(a) Authorised (1,40,00,000 Equity Shares of Rs 10 Each)	140,000,000	140,000,000
		140,000,000	140,000,000
	(b) Issued, Subscribed & Fully Paid Up	105,119,000	105,119,000
	(1,05,11,900 Equity Shares of Rs 10 Each)	105,119,000	105,119,000
2.	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period: Equity Shares of Rs.10Each, Fully paid up :		No. of Shares
	At the Beginning	10,511,900	10,511,900
	Issued during the year	-	-
	At the end	10,511,900	10,511,900
3.	Details of Shareholder holding more than 5% shares of the company: % of Share Holding		
	Equity Shares of Rs. 10 each Held By		
	Swapriya Raj Holdings Private Limited		
	- No. of Shares - 1472080	14.00	14.00
	K. Ravi Shankar - No of Shares - 1017384	9.68	9.68
NOTE NO. 2 : RESERVES AND SURPLUS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	RESERVES AND SURPLUS		
	a) Capital reserve		
	As at the commencement of the year	23,814,000	721,000
	Add: Additions during the year	-	23,093,000
		23,814,000	23,814,000
	b) Surplus :		
	i) Opening Balance - Profit and Loss Account	21,781,686	8,789,323
	Add: Transfer from Profit & Loss Account	6,911,355	12,992,364
		28,693,041	21,781,687
	A Reserve specifically represented by earmarked investments	-	-
	Negative balance of reserves and surplus account	-	-
	Total Reserves and Surplus	52,507,041	45,595,687



NOTE NO. 3 : MINORITY INTEREST			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
	INMATE CONSULTANTS PRIVATE LIMITED		
	30% of 30000 Equity Shares of Rs 10 fully paid	90,000	90,000
	30% of Reserves and Surplus	154,679	163,220
		244,679	253,220
NOTE NO. 4 : LONG TERM BORROWINGS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Loans and advances from related parties Un Secured: Swapriya Raj Holding Private Limited -	4,470,532 -	4,470,532
	b) long term maturities of finance lease obligations	-	179,557
	c) other loans and advances (specify the nature)	-	-
	Notes :	-	-
2.	Financie Lease obligations are secured by hyphotication Vehicles and personal guaranteed by the directors	- -	
	Total long term borrowings	4,470,532	4,650,089
NOTE NO.5 : OTHER LONG TERM LIABILITES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Provisions for employee benefits	-	
	- Provision for Gratuity (Not funded)	-	-
	- Other Liabilities	-	-
	b) Advance Received	-	-
	- Long Term Depoist receivd	3,147,500	3,147,500
		-	
	Total other long term liabilites	3,147,500	3,147,500



NOTE NO.6 : LONG TERM PROVISIONS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Provisions for employee benefits - Provision for Gratuity - Other Liabilities	- 587,500 - -	- - -
	Total other long term liabilities	587,500	-
NOTE NO. 7 : TRADE PAYABLES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Sundry Creditors b) Creditors for Expenses c) Dues to Micro & Small Medium Enterprises	986,481 5,915,277 - -	398,879 6,357,910 - -
	Total Trade Payables	6,901,758	6,756,789
NOTE NO.8 : OTHER CURRENT LIABILITES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	b) Current maturities of finance lease obligation j) Other Payables (Specify the nature.)	179,557 - -	674,861 - -
	Total other current liabilities	179,557	674,861
NOTE NO.9 : OTHER CURRENT LIABILITES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Provisions for employee benefits PF Payable ESI Payable Salaries Payable b) Others (Specify the nature) Statutory Liabilities Provision for Income Tax Provision for Expenses	62,048 6,734 1,251,452 - 315,155 740,919 1,544,300 -	54,764 12,933 784,451 - 220,075 211,120 2,017,639 -
	Total short term provisions	3,920,608	3,300,982



OBJECTONE INFORMATION SYSTEMS LIMITED
 CONSOLIDATED FIXED ASSETS AS ON 31ST MARCH, 2012

NOTE NUMBER No.: 10

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	ASAT 01-04-2011	Additions during the year	Sale/ Deletions during the year	ASAT 31-03-2012	UPTO 01-04-2011	Dep. For the year 2011-12	UP TO 31-03-2012	ASAT 31-03-2012	ASAT 31-03-2011
Tangible Assets									
INVESTMENT	7,8383	-	-	7,8383	206636	4836	290867	1,8272	5,8508
Hardware Software	23733532	44746	-	23180948	2590808	741619	25623227	255772	2824924
Furniture Fixtures	598848	4080	-	5989538	2839523	377769	3217292	2752646	3088325
Office Equipment	8230036	-	-	8230036	448578	53096	506739	323297	3734258
Vehicles	3142279	-	-	3142279	75657	34607	1102534	2528745	2885762
Electrical Equipments	125000	-	-	125000	62348	5938	68286	56744	62652
INFINITE									
Knowlme Content	260242	-	-	260242	52363	26024	792487	1808755	2068879
Rights	5488700	-	-	5488700	-	-	-	5488700	5488700
Rights	21536495	90000	-	21026495	13730980	2888774	16630684	238573	15206506
Total	1158445	578506	-	11097951	50322422	5997508	55329930	863802	9067023
Previous Year	13338437	268793	-	14046358	1502886	538726	5004587	9066903	93170707



NOTE NO. 11 : GOODWIL			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	1. Inmate Consultants Private Limited a. Investment - 70% holding Less: 70% of Total Equity 30000 share of Rs 10 Each Total A	600000 210000 390,000	600,000 210000 390,000
	1. Object Net Inc a. Investment - 100% holding Total Equity Rs 4000000 Total B Total Good Will	10,705,347 4,000,000 6,705,347 7,095,347	10,705,347 4,000,000 6,705,347 7,095,347
NOTE NO. 12 : DEFERRED TAX ASSET (NET)			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Opening Deferred tax Liability Add: Deferred Tax Liability for the year Gross Deferred tax Liability	- - 1,357,631 - 1,357,631	2,385,644 - 464,329 2,849,973
	Opening Deferred tax Asset Deferred Tax Assets on account of Losses as per IT Act Provision for Gratuity and Compensated Absences and doubtful debte Gross Deferred tax Asset Deferred Tax Asset - Net	3,727,751 2,391 201,896 3,932,038 2,574,407	12,224 6,565,500 - 6,577,724 3,727,751
NOTE NO. 13 : LONG TERM LOANS AND ADVANCES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Long - term loans and advances: b) Security Deposit Unsecured d) Other loans And advances (Specify the nature) Unsecured Total Long term loans & advances Less : Provision for Doubtfull Debts Total Long term loans & advances(net)	171,683 - 25,048,975 25,220,658 - 25,220,658	152,083 - 23,498,975 - 23,651,058 - 23,651,058



S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
2.	Allowance for bad and doubtful loans and advances shall be disclosed under the relevent heads seperately		
3.	Loans and advances due by directors or others officers of the company and any of them either serverelly or jointly with any other persons or amounts due by the firms or private companies respectively in which any director is a partner or a director or a member shold be seperately stated.		
NOTE NO.14 : OTHER NON - CURRENT ASSETS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Receivable form Revenue Authorities		
	Service Tax	1,042,996	397,749
	TDS	454,454	2,087,484
	Total non - current assets(net)	1,497,450	2,485,233
	Note : Debts due by directors and officers shall be disclosed separately		
NOTE NO. 15 : INVENTORIES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Inventories :		
	Kids One CDS	1,195,250	1,995,714
	Total Inventories	1,195,250	1,995,714



NOTE NO. 16: TRADE RECEIVABLES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Outstanding for a period exceeding six months from the date they are due for payment		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	3,323,932	119,208
	Doubtful	-	-
		3,323,932	119,208
	Other Receivables:		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	34,159,935	25,755,048
	Doubtful	-	-
		34,159,935	25,755,048
	Total trade receivable	37,483,867	25,874,256
	Less : Allowance for bad & doubtful debts	-	-
	Total Trade Receivables(net)	37,483,867	25,874,256
NOTE NO. 17 : CASH AND BANK BALANCES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	8,677,727	13,033,411
	b) Cash on hand	91,167	44,560
	c) Bank Deposit	4,000,000	
	Sub Total	12,768,894	13,077,971
	Other Bank Balances		
	On Deposit Accounts		
	1) Having Maturity more than 3 Months but less than or equal to 12 months from date of deposit	-	-
	2) Interest Accrued On Deposits	15,813	-
	Sub Total	15,813	-
	Total Cash and Cash Equivalents	12,784,707	13,077,971

**NOTE NO. 18 : SHORT TERM LOANS AND ADVANCES**

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	short - term loans and advances:		
	a) Security Deposit		
	Unsecured	1,408,000	-
	b) Loans and advances to related parties		
	Unsecured	850,939	75,000
	c) Other loans And advances (Specify the nature)		
	Unsecured	1,829,529	1,358,775
	Total short term loans & advances	4,088,468	1,433,775
	Less : Provision for Doubtfull Debts	-	-
	Total short term loans & advances(net)	4,088,468	1,433,775
	Allowance for bad and doubtful loans and advances shall be disclosed under the relevent heads seperately		
	Loans and advances due by directors or others officers of the company and any of them either serverelly or jointly with any other persons or amounts due by the firms or private companies respectively in which any director is a partner or a director or a member shold be seperately stated		



NOTE NUMBERS TO STATEMENT OF PROFIT & LOSS CONSOLIDATED			
NOTE NO. 19: REVENUE FROM OPERATIONS			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	Revenue from operations in respect of non-finance company		
	(a) Income from Services	331,711,195	287,474,520
	(c) Other Operating Revenues	8,576,734	156,731
	Total Revenue from Operations	340,287,929	287,631,251
NOTE NO. 20 : OTHER INCOME			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Interest income (Other than a finance company)	117,671	49,470
	(f) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)	850,869	109,078
	Total Other Income	968,540	158,548
NOTE NO. 21: CHANGE IN INVENTORIES & WIP.			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	Finished Goods		
	Finished goods at the beginning of the year	1,995,714	2,026,254
	Less : Finished goods at the end of the year	1,195,250	1,995,714
	Decrease in Stock	800,464	30,540
NOTE NO. 22 : EMPLOYEE BENEFIT EXPENSES (AGGREGATE EXPENDITURE)			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Salaries & Wages	269,027,339	234,089,740
	(b) Contribution to Provident & Other Funds	458,559	327,218
	(c) Gratuity	587,500	-
	(d) Staff Welfare Expenses	409,454	474,971
	(e) Managerial Remuneration	2,280,000	1,740,000
	Total Employee Benefit Expenses	272,762,852	236,631,929



NOTE NO. 23 : OTHER OPERATING EXPENSES			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) E-Commerce Expenses	3,389,619	4,562,097
	(b) Power & Fuel	1,103,750	989,423
	(c) Rent	4,821,713	4,357,319
	(d) Channel Expenses	4,282,618	4,031,665
	(e) Repairs to Machinery	3,239,612	2,044,005
	(f) Insurance	284,780	254,723
	(h) Miscellaneous Expenditure	1,807,094	617,016
	(j) Payment to Auditors:	-	-
	(i) As Auditor	59,180	65,150
	(ii) For Taxation Matters	200,000	-
	(n) Prior Period Items	-	-
	Total Other Expenses	19,188,366	16,921,398
NOTE NO. 24 : ADMINISTRATIVE EXPENSES			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Telephone, Postage and Others	8,123,806	4,290,220
	(b) Business Promotion Expenses	147,720	83,592
	(c) Conveyance	195,597	116,249
	(d) Office Maintenance	2,586,551	1,989,118
	(e) Printing & Stationery Expenses	83,360	114,217
	(g) Rates & Taxes (excluding Income Tax)	205,997	120,180
	(h) Managerial Remuneration	-	-
	(i) Consultancy Charges	13,304,140	6,010,610
	(j) Travelling Expenses	430,527	212,953
	(k) Server Hosting Expenses	7,175,238	7,715,179
	Total Administrative Expenses	32,252,936	20,652,318
NOTE NO.25: FINANCE COST			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Interest Expenses :		
	- Interest on Car Loan	55,460	119,856
	- Bank Charges	114,754	59,199
	(b) Other Borrowing costs	-	16,726
	Total Finance Cost	170,214	195,781



26. Particulars of Employees in accordance with Sub-section (2A) of Section 217 of the Companies Act , 1956 read with Companies (Particulars of Employees) Rule 1975.

NIL

27. The company has made provision for Gratuity is calculated as per accrual method and included in current liability & provision.

28. Earnings Per Share (EPS) (AS – 20)

Rupees

Particulars	2011-12	2010-11
Profit after tax during the year (Rs.)	69,02,814	1,29,88,920
Earnings available to Equity Shareholders for Basic & Diluted EPS (Rs.)	67,48,135	1,28,25,700
Weighted Average Number of Shares taken for computation of EPS	1,05,11,900	105,11,900
Earning per Share		
- Basic	0.64	1.22
- Diluted	0.64	1.22
Face Value of the Share	10	10

29. Managerial Remuneration:

Particulars	2011-12	2010-11
Directors Remuneration	22,80,000	17,40,000
Other Fee	Nil	Nil
TOTAL	22,80,000	17,40,000

30. Auditor's Remuneration:

Particulars	2011-12	2010-11
Audit Fee	39,180	45,150
Tax Audit fee	20,000	20,000
Other Services	Nil	Nil
Total	59,180	65,150

31. Closing Balances of Debtors, Creditors, Loans and Advances are subject to confirmations

32. Dues to Micro & Small Enterprises:

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2012.

33 Foreign Currency Outflows: Nil

**34. Foreign Currency Inflows:**

Foreign Exchange inflows as reported by the Company to Government of India and as certified by Management.

Particulars	Year Ended March 31,	
	2012	2011
Earnings from IT Enable Services	4,72,15,618	3,02,36,614
Others	Nil	Nil
Total	4,72,15,618	3,02,36,614

35 Detailed information regarding quantitative particulars under part II of schedule VI to the Companies Act,1956:

The Company is engaged in IT Enabled services. The production and sale of such software and services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under Paragraphs 3 and 4C of Part II of Schedule VI to the Companies Act, 1956.

36. Figures have been rounded off to the nearest rupee.

37. Previous year's figures have been regrouped / rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE

For P MURALI & CO
CHARTERED ACCOUNTANTS
FRN No: 007257S

FOR AND ON BEHALF OF THE BOARD
ObjectOne Information Systems Limited

Sd/-
P. MURALI MOHANA RAO
PARTNER
M.No: 23412

Sd/-
K. RAVISHANKAR
MANAGING DIRECTOR

Sd/-
K. MALLIKARJUNA RAO
WHOLETIME DIRECTOR

PLACE : HYDERABAD
DATE : 03-09-2012



SUBSIDIARY COMPANY FINANCIAL STATEMENT

**25th ANNUAL REPORT
2011-12**

INMATE CONSULTANTS PRIVATE LIMITED

BOARD OF DIRECTORS

Mr.K.Ravi Shankar
Smt.K.Himabindu

Managing Director
Director

BANKERS

CITI BANK N.A.

AUDITORS

D.S.N.V. PRASAD
Chartered Accountant
Flat No. 303, Adarsh Grand Residency
S. N. Puram, Chaitanyapuri
Hyderabad - 500 060

REGISTERED OFFICE

8-3-988/34/7/2/1&2,
Kamalapuri Colony
Srinagar Colony Road
HYDERABAD - 500 073



NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of M/s INMATE CONSULTANTS PRIVATE LIMITED will be held Saturday, the 29th September, 2012 at 10.00 A.M. at 8-3-988/34/7/2, Kamalapuri Colony, Srinagar Colony Road, Hyderabad - 500 073 to consider the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2012 and the Balance Sheet as at that date together with the Report of Auditors and the Report of Board of Directors.
2. To appoint Auditors and to fix their remuneration,

For and on behalf of the Board
INMATE CONSULTANTS PRIVATE LIMITED

Sd/-
K Ravi Shankar
Managing Director

Sd/-
K Hima Bindu
Director

Place: Hyderabad
Date: 03-09-2012

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. Instrument of proxies in order to be effective must be deposited at the company's Registered Office 8-3-988/34/7/2, Kamalapuri Colony,, Srinagar Colony Road, Hyderabad – 500 073 not less than 48 hours before the time of holding the aforesaid meeting

**DIRECTORS' REPORT****TO
THE MEMBERS**

Your Directors presents the TWENTY FIFTH ANNUAL REPORT together with the Audited Financial Statements of the Company for the year ended 31-03-2012

FINANCIAL RESULTS

Amount in Rupees

Particulars	2011.12	2010-11
Total Income	72608	498941
Net Operating Expenses	74872	475666
Profit before Depreciation	-2264	23275
Depreciation	39880	39880
Loss/Profit before Taxation	-42144	-16605
Provision for Taxation	0	4683
Provision for Deferred Tax	13673	-9814
Profit after Taxation	-28471	-11474
Profit /Loss Brought forward from previous years	544066	555540
Profit carried to the Balance Sheet	515595	544066

PERFORMANCE

Your company earned Net Loss of Rs. 28471/- against the previous years Net Loss of Rs. 11,474/-

PLAN

Your company making future plans to improve the existing business and improve client base so as to achieve a good turnover with competency.

ADDITIONAL INFORMATION AS REQUIRED U/S 217(1)(e) OF THE COMPANIES ACT, 1956

- (a) Conservation of Energy: The Company is monitoring the consumption of energy and is identifying measures for conservation of energy.
- (b) (i) Research and Development (R&D) : No research and Development has been carried out
- (ii) Technology Absorption, adaptation : No technology either indigenous and innovation or Foreign is involved.
- (c) Foreign Exchange inflow and outgo :
- (i) Foreign Exchange inflow : NIL
- (ii) Foreign Exchange outflow : NIL



PARTICULARS OF EMPLOYEES

In pursuance of the provision of section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules 1975, the Directors are to report that no employee was in the receipt of remuneration of Rs 60 lakhs or more per annum or Rs 5 lakhs or more per month where employed for a part of the year.

DEPOSITS

The company has not accepted any deposit during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board submits as under:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss account of the company for that period;
- iii) that the directors had taken proper and sufficient care for the 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;
- iv) that the directors had prepared the annual accounts on a going concern basis.

AUDITORS

D.S.N.V. PRASAD, Chartered Accountant the present Auditor of the company hold office until the conclusion of this Annual General Meeting of the Company, he has indicated their availability for reappointment pursuant to Section 224(1B) of the Companies Act 1956.

ACKNOWLEDGEMENT

Your Directors place on record the appreciation for the sincere efforts and active involvement of employees at various levels of the Company in its operations. The Directors also place on record the appreciation for the support received from Banks and other Government Agencies. The Directors express gratitude to the shareholders of the company for the confidence reposed in the management.

For and on behalf of the Board
INMATE CONSULTANTS PVT. LTD.

Place : Hyderabad
Date : 03-09-2012

Sd/-
K Ravishankar
Managing Director

Sd/-
K. Hima Bindu
Director



AUDITOR'S REPORT

To
The Members,
INMATE CONSULTANTS PRIVATE LIMITED
Hyderabad

I have audited the attached Balance Sheet of **INMATE CONSULTANTS PRIVATE LIMITED** as at 31st March, 2012 and also the Profit & Loss Account for the period ended on the date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's Management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in India. Those Standards require that I 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 statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. I believe that my audit provides a reasonable basis of my opinion as required by the Companies (Auditor's Report) order 2003 and as amended by the Companies (Auditor's Report)(Amendment) Order 2004, issued by the Central Government of India in terms of the sub-section(4A) of section 227 of the Companies Act,1956, I enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to my comments in the Annexure referred to above, I report that

- i. I have obtained all the information and explanations, which to the best of my knowledge and belief are necessary for the purposes of my Audit ;
- ii. In my opinion, proper books of accounts as required by law have been kept by the company so far as appears from my examination of those books ;
- iii. The Balance Sheet & Profit & Loss Account dealt with by this report are in agreement with the books of account;
- iv. In my opinion, the Balance Sheet & Profit & Loss Account dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of Section 211 of Companies Act, 1956
- v. On the basis of written representations received from the Directors, as on 31st March , 2012 and taken on record by the Board of Directors, I report that none of the Directors is disqualified as on 31st March , 2011 from being appointed Director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act,1956 ;
- vi. In my opinion and to the best of my 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 ;
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (b) In the case of the Profit & Loss Account, of the Profit for the period ended on that date;And
 - (c) In the case of the Cash Flow, of the cash flows for the period ended on that date ;

Sd/-
D.S.N.V.Prasad
Chartered Accountant
Membership No. 206804

PLACE : HYDERABAD
DATE : 03-09-2012



ANNEXURE TO THE AUDITORS' REPORT

- I (a) The Company have maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
(b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
(c) The Company has not disposed off substantial part of the Fixed Assets during the year.
- II. The Company has no Inventory. Hence this clause is not applicable.
- III. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.
(b) As the Company has not granted any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
(c) As no loans are granted by company, the clause of receipt of interest & principal amount from parties, is not applicable to the company.
(d) No loans have been granted to Companies, Firms & other parties listed in the register U/ s.301 of the Companies Act, 1956, hence overdue amount of more than rupees one lac does not arise and the clause is not applicable.
(e) The Company has not taken any loans, secured or unsecured from Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.
(f) As the Company has not taken any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
(g) As no loans are taken by the company, the clause of repayment of interest & principal amount to parties, is not applicable to the company.
- IV. In my opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and for sale of goods and services. There is no continuing failure by the company to correct any major weaknesses in internal control.
(a) In my opinion and according to the information and explanation given to us, since no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made by the company in respect of any party in the financial year, the entry in the register U/ s.301 of the Companies Act, 1956 does not arise.
(b) According to the information and explanations given to us, as no such contracts or arrangements made by the company, the applicability of the clause of charging the reasonable price having regard to the prevailing market prices at the relevant time does not arise.
- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In my opinion, the company is having internal audit system, commensurate with its size and nature of its business.
- VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section(1) of section 209 of the Companies Act, 1956.



- IX. a) The Company is regular in depositing statutory dues including PF, Investor Education & Protection Fund, Income Tax, and any other statutory dues with the appropriate authorities and at the last of the financial year there are no amounts outstanding which are due for more than 6 months from the date they became payable.
b) According to the information and explanations given to us, no disputed amounts are payable in respect of PF, Investor Education & Protection Fund, Income Tax, and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.
- X. The Company has been registered for a period of not less than 5 years, and the company has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year and in the immediately preceding financial year.
- XI. According to information and explanations given to us, the Company has not defaulted in repayment of dues to financial Institutions or banks.
- XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit Fund in respect of Nidhi/Mutual Benefit Fund/Societies
- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, 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, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company does not arise.
- XVI. According to the information and explanations given to us, the company has not obtained any Term Loans, hence this clause is not applicable.
- XVII. According to the information and explanations given to us, no funds are raised by the Company on short-term basis. Hence the clause of short term funds being used for long-term investment does not arise.
- XVIII. According to the information and explanations given to us, 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 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.
- XIX. According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.
- XX. According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.
- XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

Sd/-

D.S.N.V.Prasad
Chartered Accountant
Membership No. 206804

PLACE : HYDERABAD

DATE : 03-09-2012

**INMATE CONSULTANTS PRIVATE LIMITED****BALANCE SHEET**

Balance Sheet as at 31st March, 2012

PARTICULARS	Note No.	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	300,000	300,000
(b) Reserves and Surplus	2	515,595	544,066
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	259,736	259,736
(b) Other Long term liabilities	4	147,500	147,500
(3) Current Liabilities			
(a) Trade payables	5	286,471	546,471
(b) Short-term provisions	6	31,483	29,683
Total		1,540,785	1,827,456
II. Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	7	65,274	105,154
(b) Defferred tax assets (net)	8	25,897	12,224
(c) Long term loans and advances	9	9,500	9,500
(d) Other non-current assets	10	240,055	440,227
(2) Current assets			
(a) Inventories	11	1,195,250	1,225,830
(b) Cash and cash equivalents	12	4,809	34,521
Total		1,540,785	1,827,456

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE**For and on behalf of the board
INMATE CONSULTANTS PRIVATE LIMITED****Sd/-****D S N V PRASAD**Chartered Accountant
Member Ship No: 206804**Sd/-****K. Ravishankar**
Managing Director**Sd/-****K. Hima Bindhu**
DirectorPlace : Hyderabad
Date : 03-09-2012



INMATE CONSULTANTS PRIVATE LIMITED			
STATEMENT OF PROFIT & LOSS			
Profit and Loss statement for the year ended 31st March, 2012			
PARTICULARS	Note No.	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
I. Revenue from operations	13	48,500	508,061
II. Other Income	14	24,108	21,420
III. Total Revenue (I +II)		72,608	529,481
IV. Expenses:			
Changes in Inventories	15	30,580	30,540
Employee benefit expense	16	24,000	100,000
Other operating expenses	17	6,560	22,710
Administrative Expenses	18	7,100	348,985
Financial costs	19	6,632	3,971
Depreciation and amortization expense	7	39,880	39,880
Total Expenses		114,752	546,086
V. Profit before tax (III - IV)		(42,144)	(16,605)
VI. Tax expense:			
(1) Current tax		-	4,683
(2) Deferred tax		(13,673)	(9,814)
VII. Profit/(Loss) for the period (V - VI)		(28,471)	(11,474)
VIII. Earning per equity share: Basic & Diluted		(0.95)	(0.38)
Summary of Significant Accounting Policies The accompanying Notes are an Integral Part of the Financial Statements AS PER OUR REPORT OF EVEN DATE			
Sd/- D S N V PRASAD Chartered Accountant Member Ship No: 206804		For and on behalf of the board INMATE CONSULTANTS PRIVATE LIMITED	
Place : Hyderabad Date : 03-09-2012		Sd/- K. Ravishankar Managing Director	Sd/- K. Hima Bindhu Director



INMATE CONSULTANTS PRIVATE LIMITED
CASH FLOW STATEMENT OF THE YEAR ENDED 31-03-2012

PARTICULARS	(Amount in Rupees)	
	2011-12	2010-11
A CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit Before Tax & Extraordinary Items	-42144	-16605
ADJUSTMENTS FOR		
Depreciation	39880	39880
Loss on Sale of Fixed Assets	0	0
Preliminary & Issue Exp Written Off	0	0
Financial Expenses	6632	3971
Operating Profit before Working Capital Changes	4368	27246
ADJUSTMENTS FOR		
Trade & Other Receivable	230752	598061
Trade Payables others	-258200	-589782
Cash Generated From Operations	-23080	35525
Interest & Fiancé Charges paid	6632	3971
Cash flow from Extraordinary Items	0	0
Net Cash flow from Operating Activities	-29712	31554
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	0	0
Sale of Fixed Assets	0	0
Investments	0	0
Net Cash Used in Investment Activities	0	0
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds received against Call Money	0	0
Proceeds from Issue of Capital	0	0
Deferred Expenditure	0	0
Net Cash used in Financing Activities	0	0
NET INCREASE IN CASH & CASH EQUIVALENTS	-29712	31554
Cash and Cash Equivalents (Opening Balance)	34521	2967
Cash and Cash Equivalents (Closing Balance)	4809	34521

For and on behalf of the Board
INMATE CONSULTANTS PVT. LTD.

Place : Hyderabad
Date : 03-09-2012

Sd/-
K Ravishankar
Managing Director

Sd/-
K. Hima Bindu
Director

We have examined the above cash flow statement of Inmate Consultants Private Limited for the year ended 31st, March, 2012. This has been prepared by the Company is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

Place : Hyderabad
Date : 03-09-2012

Sd/-
D.S.N.V. PRASAD
Chartered Accountants
Membership No. 206804



INMATE CONSULTANTS PRIVATE LIMITED
Significant Accounting Policies

a) Preparation of financial statements

The financial statements have been prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles in India and the provisions of Companies Act, 1956.

b) Method of Accounting

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

c) Fixed Assets

Fixed Assets are stated at their original cost of acquisition, net of accumulated depreciation and CENVAT credit, and include taxes, freight and other incidental expenses related to their acquisition / construction / installation.

d) Investments

Investments are classified into current and long-term investments. Current Investments are carried at lower of cost or fair market value. Any diminution in their value is recognized in the profit and loss account. Long-term investments, including investment in subsidiaries, are carried at cost. Diminution of temporary nature in the value of such long-term investments is not provided for except when such diminution is determined to be of a permanent nature.

e) Inventories

Inventories are valued at cost or net realizable value, whichever is less. Cost comprises of expenditure incurred in the normal course of business in bringing such inventories to its their location. Finished goods at the factory are valued at cost in all applicable cases.

h) Revenue Recognition

Income is recognized when the goods are dispatched in accordance with terms of sale.

i) Retirement Benefits

Company makes monthly contribution to the Employees Provident Fund and Pension Fund under the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952.

j) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are treated as a period cost and are expensed in the year of occurrence.

k) Depreciation

Depreciation is provided on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets added, sold or discarded is provided for on pro-rata basis.

o) Income and Deferred Tax

The provision made for income tax in the accounts comprises both the current and deferred tax. Current tax is provided for on the taxable income for the year. The deferred tax assets and liabilities for the year arising on account of timing differences (net) are recognized in the Profit and Loss account and the cumulative effect thereof is reflected in the Balance Sheet.

p) Contingent Liabilities and Contingent Assets

Liabilities, which are contingent in nature, are not recognized in the books of account but are disclosed separately in the Notes. Contingent Assets are neither recognized nor disclosed in the books of account.



**INMATE CONSULTANTS PRIVATE LIMITED
NOTE NUMBERS TO BALANCE SHEET**

NOTE No. 1 : SHARE CAPITAL

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Share Capital (For each class of capital)		
	(a) Authorised (30,000 Equity Shares of Rs 10 Each)	300,000	300,000
		300,000	300,000
	(b) Issued, Subscribed & Fully Paid Up (30,000 Equity Shares of Rs 10 Each)	300,000	300,000
		300,000	300,000
2.	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period: Equity Shares of Rs.10Each, Fully paid up :	No of shares	No of shares
	At the Beginning	30,000	30,000
	Issued during the year	-	-
	At the end	30,000	30,000
3.	Details of Shareholder holding more than 5% shares of the company:	% of Share Holding	
	Equity Shares of Rs. 10 each Held By		
	ObjectOne Information Systems Limited - No. of Shares - 210000	70.00	70.00
	K. Shiva Shankar - No of Shares - 90000	30.00	30.00

NOTE NO. 2 : RESERVES AND SURPLUS

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	RESERVES AND SURPLUS		
	a) Surplus		
	i) Opening Balance - Profit and Loss Account	544,066	555,540
	Add: Transfer from Profit & Loss Account	(28,471)	(11,474)
		515,595	544,066
	A Reserve specifically represented by earmarked investments	-	-
	Negative balance of reserves and surplus account	-	-
	Total Reserves and Surplus	515,595	544,066



NOTE NO. 3 : LONG TERM BORROWINGS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Loans and advances from related parties Un Secured	259,736	259,736
	b) other loans and advances (specify the nature)	-	-
	Total long term borrowings	259,736	259,736
NOTE NO. 4 : OTHER LONG TERM LIABILITES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Advance Received - Advance from Kamalapriya	- 147,500	- 147,500
	Total other long term liabilites	147,500	147,500
NOTE NO. 5 : TRADE PAYABLES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Sundry Creditors	52,453	277,453
	b) Creditors for Expenses	234,018	269,018
	Total Trade Payables	286,471	546,471
NOTE NO. 6 : SHORT TERM PROVISIONS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	b) Provisions		
	Provision for Income Tax	3,483	4,683
	Provision for Expenses	28,000	25,000
	Total short term provisions	31,483	29,683



**INMATE CONSULTANTS PRIVATE LIMITED
FIXED ASSETS AS ON 31st March, 2012**

NOTE Number : 7

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS-AT 01-04-2011	Additions during the year	AS-AT 31-03-2012	UPTO 31-04-2011	for the year 2011-2012	UP TO 31-03-2012	AS-AT 31-03-2012	AS-AT 31-03-2011
HARDWARE & SOFTWARE	483,828	-	483,828	404,664	37,153	441,817	42,011	79,164
FURNITURE & FIXTURES	43,085	-	43,085	17,095	2,727	19,822	23,263	25,990
TOTAL	526,913	-	526,913	421,759	39,880	461,639	65,274	105,154
Previous Year	526,913	-	526,913	381,879	39,880	421,759	105,154	145,034



NOTE NO. 8 : DEFERRED TAX ASSET (NET)			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Opening Deferred tax Liability	-	-
	Add:		
	Deferred Tax Liability for the year	-	-
	Gross Deferred tax Liability	-	-
	Opening Deferred tax Asset	12,224	12,224
	Deferred Tax Assets on account of Losses as per IT Act	2,391	-
	Deferred Tax Assets on account of Depreciation	11,282	
	Gross Deferred tax Asset	25,897	12,224
	Deferred Tax Asset - Net	25,897	12,224
NOTE NO. 9 : LONG TERM LOANS AND ADVANCES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Long - term loans and advances:		
	a) Security Deposit		
	Unsecured	9,500	9,500
	b) Other loans And advances (Specify the nature)		
	Total Long term loans & advances	9,500	9,500
NOTE NO 10 : OTHER NON - CURRENT ASSETS			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Receivable form Revenue Authorities		
	TDS Refundable	240,055	440,227
	Total non - current assets(net)	240,055	440,227
NOTE NO. 11 : INVENTORIES			
S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Inventories :		
	Software Products	1,195,250	1,225,830
	Total Inventories	1,195,250	1,225,830

**NOTE NO. 12 : CASH AND BANK BALANCES**

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	(349)	28,203
	b) Cash on hand	5,158	6,318
	Total Cash and Cash Equivalents	4,809	34,521



INMATE CONSULTANTS PRIVATE LIMITED			
NOTE NUMBERS TO STATEMENT OF PROFIT & LOSS			
NOTE NO. 13 : REVENUE FROM OPERATIONS			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	Revenue from operations in respect of non-finance company		
	(a) Income from Services	48,500	508,061
	(c) Other Operating Revenues	-	-
	Total Revenue from Operations	48,500	508,061
NOTE NO. 14 : OTHER INCOME			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Interest income (Other than a finance company)	24,108	21,420
	Total Other Income	24,108	21,420
NOTE NO. 15 : CHANGE IN INVENTORIES & WIP.			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	Finished Goods		
	Finished goods at the beginning of the year	1,225,830	1,256,370
	Less : Finished goods at the end of the year	1,195,250	1,225,830
	Decrease in Stock	30,580	30,540
NOTE NO. 16 : EMPLOYEE BENEFIT EXPENSES (AGGREGATE EXPENDITURE)			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Salaries & Wages	24,000	100,000
	Total Employee Benefit Expenses	24,000	100,000



NOTE NO. 17 : OTHER OPERATING EXPENSES			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a)Repairs to Machinery	3,560	12,710
	(b) Payment to Auditor		
	(i) As Auditor	3,000	10,000
	(ii) For Taxation Matters	-	-
	Total Other Expenses	6,560	22,710
NOTE NO. 18 : ADMINSTRATIVE EXPENSES			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Telephone, Postage and Others	505	7,883
	(b) Conveyance	2,540	3,500
	(c) Office Maintenance	1,555	3,950
	(d) Rates & Taxes (excluding Income Tax)	-	3,800
	(e) Managerial Remuneration	-	120,000
	(f) Consultancy Charges	-	206,596
	(i) Travelling Expenses	2,500	3,256
	Total Administrative Expenses	7,100	348,985
NOTE NO. 19 : FINANCE COST			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	Bank Charges	6,632	3,971
	Total Administrative Expenses	6,632	3,971



20. Particulars of Employees in accordance with Sub-section (2A) of Section 217 of the Companies Act , 1956 read with Companies (Particulars of Employees) Rule 1975.

NIL

21. The company has made provision for Gratuity is calculated as per accrual method and included in current liability & provision.

22. Earnings Per Share (EPS) (AS – 20)

Rupees

Particulars	2011-12	2010-11
Profit after tax during the year (Rs.)	-28471	-11474
Earnings available to Equity Shareholders for Basic & Diluted EPS (Rs.)	-28471	-11474
Weighted Average Number of Shares taken for computation of EPS	30000	30000
Earning per Share		
- Basic	-0.95	-0.38
- Diluted	-0.95	-0.38
Face Value of the Share	10	10

23. Managerial Remuneration:

Particulars	2011-12	2010-11
Directors Remuneration	NIL	1,20,000
Other Fee	Nil	Nil
Total	NIL	1,20,000

24. Auditor's Remuneration:

Particulars	2011-12	2010-11
Audit Fee	3,000	10,000
Tax Audit fee	Nil	Nil
Other Services	Nil	Nil
Total	3,000	10,000

25. Closing Balances of Debtors, Creditors, Loans and Advances are subject to confirmations

26. Dues to Micro & Small Enterprises:

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2012.



27. Foreign Currency Outflows: Nil

28. Foreign Currency Inflows:

Foreign Exchange inflows as reported by the Company to Government of India and as certified by Management.

Particulars	Year Ended March 31,	
	2012	2011
Earnings from IT Enable Services	Nil	Nil
Others	Nil	Nil
Total	Nil	Nil

29. Detailed information regarding quantitative particulars under part II of schedule VI to the Companies Act, 1956:

The Company is engaged in IT Enabled services. The production and sale of such software and services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under Paragraphs 3 and 4C of Part II of Schedule VI to the Companies Act, 1956.

30. Figures have been rounded off to the nearest rupee.

31. Previous year's figures have been regrouped / rearranged wherever necessary.

AS PER OUR REPORT ATTACHED

D.S.N.V. Prasad
CHARTERED ACCOUNTANT
M. No: 206804

FOR AND ON BEHALF OF THE BOARD
INMATE CONSULTANTS LIMITED

Sd/-
K. RAVISHANKAR
MANAGING DIRECTOR

Sd/-
K. Hima Bindu
Director

PLACE : HYDERABAD
DATE : 03-09-2012

ADDITIONAL INFORMATION AS REQUIRED UNDER IV OF SCHEDULE VI TO THE
THE COMPANIES ACT 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I	Registration details				
	Registration No.	7734	State Code:		1
	Balance Sheet Date	31st March 2012			
II	Capital Raised During the Year (Amount in Rs. Thousand)				
	Public Issue Call Money)	NIL	Rights Issue		NIL
	Bonus Issue	NIL	Preferential Offer		NIL
III	Position and Mobilisation and deployment of funds(Amount in Rs Thousands)				
	Total Liabilities	1,541	Total Assets		1,541
	Sources of Funds				
	Paid up Capita	300	Reserves & Surplus		516
	Non Current Liabilities	407	Current Liabilities		318
	Application of Funds				
	Net Fixed Assets	65	Investments		-
	Current Assets	1,200	Misc. Expenditure		-
	Differed Tax	26	Non Current Assets		250
IV	Performance of the Company (Amount in Rs. Thousands)				
	Turnover/other income	73	Expenditure		115
	Profit/loss before tax	(42)	Profit/loss after tax		(28)
	Earning per Share	-0.95	Dividend Rate %		NIL
V	General names of three principle Products/services of the Company (As per Monitory Terms)				
	Item Code No. (ITC Code)		Software Development		
	Product Description		Software Development		

For and on behalf of the Board
Inmate Consultants Private LimitedSd/-
K. Ravi Shankar
Managing DirectorSd/-
K.Hima Bindu
DirectorPlace : Hyderabad
Date: 03-09-2012



**SUBSIDIARY COMPANY
FINANCIAL STATEMENT**

OBJECTNET TECHNOLOGIES INC.

OFFICE ADDRESS :
1117, Perimeter Centre,
West Suite, # E 104,
Georgia
Atlanta 30338



OBJECTNETTECHNOLOGIES INC			
BALANCE SHEET			
Balance Sheet as at 31st March, 2012			
PARTICULARS	Note No.	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	4,000,000	4,000,000
(b) Reserves and Surplus	2	27,573,005	22,334,177
(2) Current Liabilities			
(a) Trade payables	3	4,704,040	3,803,400
Total		36,277,045	30,137,577
II. Assets			
(1) Non-current assets			
(a) Long term loans and advances	4	13,475,000	11,925,000
(2) Current assets			
(c) Trade receivables	5	16,638,360	6,057,445
(d) Cash and cash equivalents	6	6,163,685	12,155,132
Total		36,277,045	30,137,577
For Object Net Technologies Inc			
Place: ATLANTA Date: 18.08.2012		Sd/- Viswanath Dasari Chief Executive Officer	



OBJECTNETTECHNOLOGIES INC			
STATEMENT OF PROFIT AND LOSS			
Profit and Loss statement for the year ended 31st March, 2012			
PARTICULARS	Note No.	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
I. Revenue from operations	7	284,121,242	237,230,744
Total Revenue		284,121,242	237,230,744
II. Expenses:			
Employee benefit expense	8	251,471,135	217,497,309
Other operating expenses	9	5,261,520	4,245,147
Administrative Expenses	10	20,417,697	8,524,598
Financial costs	11	41,527	22,445
Total Expenses		277,191,879	230,289,499
III. Profit before tax (I - II)		6,929,363	6,941,245
IV. Tax expense:			
(1) Current tax		1,690,535	949,052
V. Profit/(Loss) for the period (III - IV)		5,238,828	5,992,193
VI. Earning per equity share:			
Basic & Diluted		13.10	14.98

For Object Net Technologies Inc

Place: ATLANTA
Date: 18.08.2012

Sd/-
Viswanath Dasari
Chief Executive Officer



NOTE NUMBERS TO BALANCE SHEET

NOTE No. 1 : SHARE CAPITAL

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Share Capital (For each class of capital)	4,000,000	4,000,000
		4,000,000	4,000,000

NOTE NO. 2 : RESERVES AND SURPLUS

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	RESERVES AND SURPLUS		
	a) Surplus :		
	i) Opening Balance - Profit and Loss Account	22,334,177	16,341,984
	Add: Transfer from Profit & Loss Account	5,238,828	5,992,193
		27,573,005	22,334,177

NOTE NO. 3 : TRADE PAYABLES

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	a) Creditors for Expenses	4,704,040	3,803,400
	Total Trade Payables	4,704,040	3,803,400

NOTE NO. 4 : LONG TERM LOANS AND ADVANCES

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Long - term loans and advances:		
	a) Other loans And advances		
	Unsecured	13,475,000	11,925,000
	Total Long term loans & advances	13,475,000	11,925,000
	Less : Provision for Doubtfull Debts	-	-
	Total Long term loans & advances(net)	13,475,000	11,925,000

**NOTE NO. 5 : TRADE RECEIVABLES**

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Other Receivables: Unsecured, Considered Good	16,638,360	6,057,445
	Total Trade Receivables(net)	16,638,360	6,057,445

NOTE NO. 6 : CASH AND BANK BALANCES

S.No.	PARTICULARS	AS ON 31-03-2012 (Rupees)	AS ON 31-03-2011 (Rupees)
1.	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	6,163,685	12,155,132
	b) Cash on hand		
	Total Cash and Cash Equivalents	6,163,685	12,155,132



NOTE NUMBERS TO STATEMENT OF PROFIT & LOSS			
NOTE NO. 7 : REVENUE FROM OPERATIONS			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	Revenue from operations in respect of non-finance company		
	(a) Sale of Services	277,182,470	237,074,013
	(c) Other Operating Revenues	6,938,772	156,731
	Total Revenue from Operations	284,121,242	237,230,744
NOTE NO. 8 : EMPLOYEE BENEFIT EXPENSES (AGGREGATE EXPENDITURE)			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Salaries & Wages	251,471,135	217,497,309
	Total Employee Benefit Expenses	251,471,135	217,497,309
NOTE NO.9 : OTHER OPERATING EXPENSES			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a)Repairs to Machinery	1,819,807	814,228
	(b) Rent & Maintenance	3,441,713	3,430,919
	Total Other Expenses	5,261,520	4,245,147
NOTE NO. 10 : ADMINSTRATIVE EXPENSES			
S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	(a) Telephone, Postage and Others	6,153,022	2,659,317
	(b) Office Maintenance	1,195,371	848,916
	(c) Consultancy Charges	13,069,304	5,016,365
	Total Administrative Expenses	20,417,697	8,524,598

**NOTE NO. 11 : FINANCE COST**

S.No.	PARTICULARS	YEAR ENDED 31-03-2012 (Rupees)	YEAR ENDED 31-03-2011 (Rupees)
1.	Bank Charges	41,527	22,445
	Total Administrative Expenses	41,527	22,445



ObjectOne Information Systems Limited
Regd. Office : 8-3-988/34/7/2/1&2, Kamalapuri Colony,
Srinagar Colony Road, Hyderabad - 500 073.

PROXY

I/Weof
..... being a member / member of ObjectOne
Information Systems Limited of
as our Proxy to attend and vote for me/us, on my/our behalf of the 16th Annual General Meeting of the
Company to be held on Saturday 29th September, 2012 at 11.00 A.M. or at adjourned thereof.

AS WITNESS my/our hand (s) this day of 2012 signed
by the said

Affix 1
Rupee
Revenue
Stamp

Note : The proxy must reach at the Registered Office of Company not less than 48 hours before the
time fixed for holding the meeting.

ObjectOne Information Systems Limited
Regd. Office : 8-3-988/34/7/2/1&2, Kamalapuri Colony,
Srinagar Colony Road, Hyderabad - 500 073.

ATTENDANCE SLIP

Ledger Folio No.

Mr/Mrs.Ms.

(Member's Name in Block Letters)

I certify that I am Registered Member / Proxy for the Registered Member of the Company. I here by
record my presence at 16th Annual General Meeting of the Company held on Saturday 29th Sepetmber,
20121 at 11.00 A.M. at Regd. Office : 8-3-988/34/7/2/1&2, Kamalapuri Colony, Srinagar Colony Road,
Hyderabad. 500 073.

*If signed by proxy, his / her name should be written here in **Block Letters***

Member's Proxy Signature

Note : Member's/Proxy holders are requested to bring the Attendance slip with them when they
come to the meeting and hand it over at the gate after affixing their signature on it.