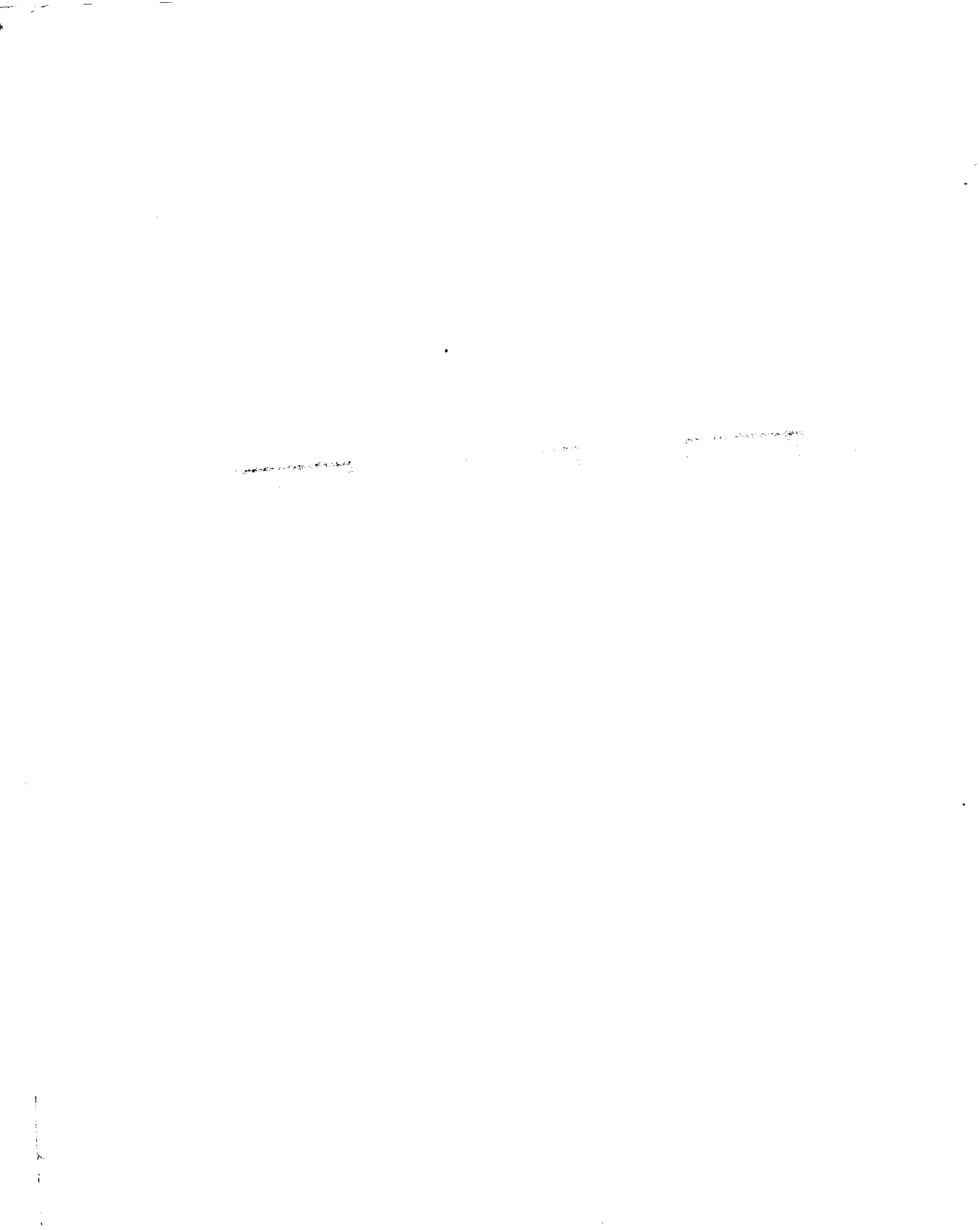


# OTCO

*Evolving with Passion*

**OTCO INTERNATIONAL LIMITED**

**31st ANNUAL REPORT 2011 - 2012**



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## **BOARD OF DIRECTORS**

**Collin R. Timms**  
Director

**Francis I. Alphonso**  
Director

**Eric Jacob**  
Director

**Dr. Tim Drye**  
Director

**Arvind Agrawal**  
Non - Executive Director

**Registered Office**  
No. 139, 1<sup>st</sup> Floor  
Gurumurthy Bhavan  
Infantry Road  
Bangalore 560001

**AUDITORS**  
M/s Venkatachalam Aiyer & Co.  
Chartered Accountants

**BANKERS**  
**Guardian Souharda Sahakari Bank Niyamita**  
No. 139, Infantry Road, Bangalore 560001

**State Bank of India**  
Shivajinagar, Bangalore 560001

## NOTICE

Notice is hereby given that the **31<sup>st</sup> Annual General Meeting** of the members of OTCO International Limited will be held on Monday, the 31<sup>st</sup> December 2012 at 10.30 AM at The Bridge Foundation Auditorium, 1st Floor, No.139, Infantry Road, Bangalore 560 001, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2012, Profit & Loss Account for the year ended 31st March, 2012 together with the Reports of the Directors and the Auditors thereon and Comments of the Comptroller and Auditor General of India in terms of Section 619 of the Companies Act, 1956.
2. To appoint a Director in place of Dr. Tim Drye, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Venkatachalam Aiyer & Co, Chartered Accountants, (Firm Reg No. 004610S), as statutory auditors of the Company who shall hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

“RESOLVED THAT, M/s. Venkatachalam Aiyer & Co, Chartered Accountants, (Firm Reg No. 004610S), be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration as may be determined by the Board of Directors in consultation with the Auditors.”

### Special Business

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

“RESOLVED THAT Mr. Eric David Jacob, Director, who was appointed as Additional Director under Section 260 of the Companies Act, 1956, effective from 30<sup>th</sup> September 2011 and holds office up to the Annual General Meeting in respect of whom, the Company has received a notice in writing, under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

By order of the Board of Directors,  
**OTCO International Limited,**

Place : Bangalore  
Dated : 03.12.2012

**Director**

**NOTE:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DULY FILED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

2. Relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Businesses, set out at Item No.4 of the Notice is annexed hereto.

3. Brief resume of the Directors seeking re-appointment/appointment as mandated under clause 49 of the Listing Agreement with the Stock Exchanges is annexed hereto and form part of the Notice.

4. The Register of Members and Share Transfer Books of the Company will remain closed on 24<sup>th</sup> December 2012 and 25<sup>th</sup> December 2012 (both days inclusive) for determining the names eligible for dividend of Equity Shares, if declared at the Meeting.

5. Share Transfer documents and all correspondence relating thereto, should be addressed to and Transfer Agent of the Company – M/s Integrated Enterprise (India) Limited, Residency, 4th cross, Sampige Road, Malleswaram, Bangalore – 560003, Phone No. 08 818, or by email: [irg@integratedindia.in](mailto:irg@integratedindia.in). Integrated is also the depository interface of the Company with both NSDL and CDSL. However, keeping in view the convenience of the shareholders, documents relating to shares will also be accepted at the Registered Office of the Company at 1<sup>st</sup> Floor, Gurumurthy Bhavan, #139, Infantry Road, Bangalore – 560 001; E-mail: [mail@otcointernational.com](mailto:mail@otcointernational.com).

6. The Company has designated an exclusive e-mail ID i.e. [investors@otcointernational.com](mailto:investors@otcointernational.com) for redressal of shareholders/investors complaints/grievances. In case you have any queries/complaints or grievances, then please write to us at the above mentioned e-mail address.

7. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agents.

**OTCO**

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8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificate to Registrar and Transfer Agent for consolidation into a single folio.
9. In terms of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares in individual name are advised to avail of the nomination facility by filing Form No.2B in their own interest. Blank form can be obtained from Registrar and Transfer Agent on request. Members holding shares in dematerialized form may contact their respective DP's for registration or nomination.
10. Company's shares are available in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN number allotted to the Company's share is **INE910B01010** Members are advised to get in touch with the Depository participant (DP)/Registrar and Transfer Agent for further details.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE  
COMPANIES ACT, 1956**

**Item No. 4**

Mr. Eric David Jacob

Name : Eric D. Jacob

Date of Birth : 28<sup>th</sup> March 1943

Academic Qualifications : BA (Economics Psychology) Pune University

Work Experience :  
1. Guardian Bank (2012 to till date) – Director,  
2. The Bridge Foundation, Bangalore (2002 to 2006)-  
Executive Director,  
3. United Theological College, Bangalore (1994 to 2003) –  
Administrator,  
4. Action on Disability and Development (1992 to 1993) – Chief  
Executive Officer.

Mr. Eric David Jacob was appointed as an Additional Director on the Board of OTCO International Limited effective from 30<sup>th</sup> September 2011 to hold the office up to the ensuing Annual General Meeting. By virtue of section 260 of the Companies Act, 1956 and Articles of Association of the Company and he is eligible for re-appointment as Director of the Company.

The Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, signifying intension to propose Mr. Eric David Jacob as candidate for the office of Director.

A brief profile of Mr. Eric David Jacob is annexed hereto in accordance to clause 49 of the Listing Agreement of the Stock Exchanges.

None of the Directors, except Mr. Eric David Jacob is interested or concerned in the resolution.

The Board of Directors considers that in view of the background and experience of Mr. Eric David Jacob, it would be in the interest of the Company to appoint him as a Director of the Company. The Board recommends the resolution for your approval.

Place: Bangalore  
Dated: 03.12.2012

By order of the Board of Directors,  
**OTCO International Limited,**

**Director**



## DIRECTORS' REPORT

### To the Members:

Your directors are pleased to present the 31<sup>st</sup> Annual Report together with the Audited accounts of your company for the year ended March 31, 2012.

### FINANCIAL HIGHLIGHTS

(Rs. In Lakhs)

PARTICULARS	2011-2012	2010-2011
Income from Software Maintenance	0.00	6.57
Other Income	0.17	0.00
<b>Total Income</b>	<b>0.17</b>	<b>6.57</b>
Total Expenditure	4.43	8.29
<b>Profit / (Loss) before Interest, Depreciation &amp; Tax (PBIDT)</b>	<b>(4.43)</b>	<b>(1.72)</b>
Interest	0.00	0.00
Profit / (Loss) before Depreciation & Tax (PBDT)	(4.26)	(1.72)
Depreciation	1.63	2.56
<b>Profit / (Loss) before Tax (PBT)</b>	<b>(5.89)</b>	<b>(4.28)</b>
Provision for Taxation	(0.00)	0.00
<b>Profit / (Loss) After Tax (PAT)</b>	<b>(5.89)</b>	<b>(4.28)</b>

### OPERATIONAL (PERFORMANCE)

The company has moved its application to the appellate authority of the Ministry of Finance as per the provisions of the Credit Information Company (Regulation Act 2005). Notices have been received from the appellate authority for hearings which have been subsequently cancelled. The company has prepared a robust case seeking an overturn of the recommendation of the high level advisory committee rejecting its application for operating a credit referencing business. Meanwhile under the provisions of the act, the company is unable to operate its credit referencing business and in such, is complying with the law.

Your Directors seek your co-operation in this difficult period for the company and we are hopeful our appeal before the Ministry of Finance will be successful.

### DIVIDEND:

In view of losses incurred, the Board does not recommend any dividend this year.

### FIXED DEPOSITS:

Your company has not accepted any Fixed Deposits and the provisions of Section 58A of Companies Act, 1956 are not applicable to the company.

### SATUTORY INFORMATION:

There were no employees during the year ending 31<sup>st</sup> March 2012 in respect of whom the particulars are required to be disclosed with reference to Section 217 (2A) of Companies Act, 1956.

### PRESENT DIRECTORS OF THE COMPANY

Mr. Francis I. Alphonso  
Mr. Eric Jacob  
Mr. Collin R. Timms  
Dr. Tim Drye  
Mr. Arvind Agrawal

In accordance with the provisions of Article 85 of the Articles of Association, Dr. Tim Drye retires by rotation, and being eligible, offers himself for reappointment.

#### **STATUTORY AUDITORS:**

M/s Venkatachalam Aiyer & Co., Chartered Accountants, Auditors of the company retires, and being eligible, offer themselves for re appointment. Your directors recommended their reappointment. Shareholders are requested to consider their reappointment.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- (i) That the preparation of the Accounts for the financial year ended 31<sup>st</sup> March 2012 the applicable accounting standards have been followed along with proper explanation relating to the material departure.
- (ii) The Director's have selected such accounting policies and applied them consistently and made judgments and estimate that were 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 of the company for the year ended under review.
- (iii) That the director's have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the Director's have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2012 on a going concern basis.

#### **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:**

The operations of the company are not energy intensive. Adequate measures have however, been taken to reduce energy consumption. No technology was imported during the year

#### **FOREIGN EXCHANGE EARNINGS AND OUT GO**

During the year, earning in foreign exchange is Nil. The total foreign exchange outflow during the year was Nil.

#### **REPORT ON CORPORATE GOVERNANCE**

The Corporate Governance requirements are not mandatory for your company. However, your company has made a voluntary compliance of corporate Governance by forming a Share Transfer and Shareholders grievances Committee to attend to share transfers, transmissions, demat and other related activities.

#### **INFORMATION PURSUANT TO SECRETARIAL STANDARD 2**

General Body Meeting held during the past three years

Date of Meeting	Type of Meeting
31.12.2009	Annual General Meeting
30.09.2010	Annual General Meeting
29.09.2011	Annual General Meeting

**ACKNOWLEDGEMENT:**

Your directors place on record their appreciation of the continued assistance co-operation extended to your company by the Employees at all levels, customers, Business Associates, Bankers and Vendors.

Your directors thank the Government, Stock Exchanges and other Government Agencies for their support during the year.

Your involvement as Shareholders is greatly valued. Your Directors look forward to your continued support.

For and on Behalf of the Board

Bangalore  
Date: 03.12.2012

**Collin R. Timms**  
**Director**

**Francis I. Alphonso**  
**Director**

## COMPLIANCE CERTIFICATE

The Members,  
OTCO International Limited  
CIN No. 08/28611

I have examined the registers, records, books and papers of Otco International Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under and with additional fee where there is a delay in filing.
3. The Company, being a public limited company, comments with respect to maximum number of members is not required. The Company is having the minimum prescribed capital.
4. The Board of Directors duly met 4 (Four) times on 31/05/11, 29/07/11, 31/10/11 and on 30/01/2012 in respect of which meetings the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 17<sup>th</sup> September, 2011 to 19<sup>th</sup> September, 2011 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2011 was held on 29<sup>th</sup> September, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose, *however the re-appointment / cessation of the Additional Director co-opted during the year was not mentioned in the notice and not recorded in the Annual General Meeting.*
7. No extra - ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.

11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company:
  - (i) has not made any allotment of securities and has delivered all the certificates on lodgement thereof for transfer / transmission of securities with the Share Registry M/s Integrated Enterprises (India) Limited, Bangalore in accordance with the provisions of the Act during the financial year.
  - (ii) has not deposited any amount in a separate bank account as no dividend was declared during the financial year.
  - (iii) has not declared any dividend during the financial year hence the postage of warrants for dividends does not arise.
  - (iv) *has not transferred the amounts relating to the period 2000-01 and 2001-02 amounting to Rs.28,730/- in unpaid dividend account and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund and there was no application money due for refund, matured deposits, matured debentures during the year.*
  - (v) has duly complied with the requirements of Section 217 of the Act, *except with the regularisation of director in the Annual General Meeting.*
14. The Board of directors of the company is duly constituted and the appointment of directors and additional directors have been duly made, *however the necessary compliance w.r. t filing of Form 32 and regularisation of director in the Annual General Meeting is not been complied with.* There was no appointment of alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the year.
17. As per the explanations given, the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.

20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions, necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended 31<sup>st</sup> March, 2012
25. The Company has not made any loans and investments or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose during the year under consideration.
26. The Company has not altered any of the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. As per the explanations given, the company has not deducted any contribution towards Provident Fund pursuant to section 418 of the Act.

Place: Bangalore  
Date: 1<sup>st</sup> December, 2012

Signature:.....  
Name: S.N.Mishra.  
Company Secretary  
C. P. No. : 4684  
FCS No. : 6143

## Annexure - A

### Registers maintained by the Company

Sl. No.	Name of Register	Applicable Section of the Companies Act.,
1	Register of Members	150
2	Register of Transfer	108
3	Register of Directors, Manager/ Secretaries	303
4	Register of Director's share holding	307
5	Register of Companies in which Directors are interested	301 (3)
6	Register of Contracts	279, 299 and 301
7	Register of Charges	143(1)
8	Register of Common Seal	34 with Table A

## Annexure B

Forms and Return as filed by the Company with the Registrar of Companies or other authorities during the financial year ending on 31<sup>st</sup> March, 2012

Sl. No.	Form No	Filed u/s	Particulars
1	18	146	Shifting of Registered Office as on 30/01/2009
2	23AC & 23ACA	220	Annual Accounts for the FY ended 31/03/2011
3	66	383	Compliance Certificate for the year ended 31/03/2011
4.	23AC & 23ACA	220	Annual Accounts for the FY ended 31/03/2010
5	66	383	Compliance Certificate for the year ended 31/03/2010
6	20B	159	Annual Return for the FY 31/03/2010

Regional Director - Nil  
Central Government - Nil

## AUDITORS' REPORT

To  
The Members of  
OTCO INTERNATIONAL LIMITED

1. We have audited the attached Balance Sheet of **OTCO INTERNATIONAL LIMITED** as at 31<sup>st</sup> March 2012, the Statement of Profit and Loss and the Cash Flow statement for the year ended on that date annexed thereto. These Financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that, we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. *The Company had stopped all its operations for the time being. Thus we are of the opinion that going concern concept is affected.*
4. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report (Amendment) Order, 2004 issued by the Central Government of India, in terms of 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.
5. 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 and proper returns adequate for the purpose of our audit have been received from the branch not visited by us and have been appropriately dealt with ;
  - iii. The Balance Sheet, the Statement of Profit and Loss and Cash Flow statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the Balance Sheet , Statement of Profit and Loss and Cash Flow statement dealt with by this report comply with the accounting standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956
  - v. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2012 from being appointed as a director in the terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956, to the extent applicable.
  - 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 31<sup>st</sup> March 2012;
    - b) in the case of Statement of Profit and Loss, of the Loss for the year ended on that date; and
    - c) in the case of the Cash Flow statement, of the cash flows for the year ended on that date.

Place: Bangalore  
Date: 31.05.2012

For **K. VENKATACHALAM AIYER & CO,**  
Chartered Accountants  
FRN 004610S

**M.Sivakumar**  
Partner  
(M No. 23844)



## ANNEXURE

Ref: OTCO INTERNATIONAL LIMITED

**Annexure referred to in paragraph 3 of our report of even date.**

- i.
  - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
  - b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. We have been informed that no material discrepancies were noticed on such verification.
  - c) During the year, the company has not disposed off a major part of the plant and machinery.
- ii. The company is in the business of software development and the provision of credit information & referencing services and as such physical existence, verification of inventories etc., are not applicable to the company. The valuation of stock-in-trade is fair and is in accordance with the normally accepted Accounting principles.
- iii. In our opinion and based on the information provided to us, the company has not taken any loans nor granted any loans to or from companies, firms or other parties to be covered in the register maintained under Section 301 of the Companies Act, 1956.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. In our opinion and according to the information and explanations given to us, no transactions were made that needs entry in the register maintained under section 301 of the Companies Act, 1956.
- vi. The company has not accepted any deposits from the public, hence the question of compliance with the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 does not arise.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. We have been informed that maintenance of cost accounts under Section 209 (1) (d) of the Companies Act, 1956 has not been prescribed by the Central Government for this Company.
- ix. (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, cess and other material dues applicable to except the following:
  - FBT – 37343
  - VAT – 1000
  - TDS – 852

- x. In our opinion, the accumulated losses of the company is not more than fifty percent of its net worth. The company has incurred cash losses during the financial year covered by our audit and in the immediately preceding the financial year.
- xi. In our opinion and according to the information and explanations given to us ,the company has not defaulted in repayment of dues to a financial institution , bank or debenture holders.
- xii. The Company had not granted loans & advances on the basis of security by way of pledge of shares, debentures, and other securities
- xiii. In our opinion, the company is not a chit fund or a *nidhi* /mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- xiv. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments except as an investor. However, proper records were maintained by the company and the investments are being held in the name of the company only.
- xv. According to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- xvi. In our opinion and according to the information given to us the company did not have any term loans outstanding during the year.
- xvii. According to the information provided to us, the Company has not raised any funds on short term basis.
- xviii. According to the information and explanations given to us, during the period covered by our audit report, the Company Unit has not made any preferential allotment of shares.
- xix. As the Company has not issued any debentures, the question of any outstanding debentures during the year is not applicable.
- xx. The Company has not raised any money by public issues during the financial year 2011-2012.
- xxi. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**Place: Bangalore**  
**Date: 31.05.2012**

**For K. VENKATACHALAM AIYER & CO,**  
**Chartered Accountants**  
**FRN 004610S**

**M.Sivakumar**  
**Partner**  
**(M No. 23844)**

**OTCO INTERNATIONAL LIMITED**  
**BALANCE SHEET AS AT 31-03-2012**

PARTICULARS	Note No.	Figures as at the end of the			
		Current Reporting Period		Previous Reporting Period	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' funds</b>					
(a) Share Capital	1	25,936,240		25,936,240	
(b) Reserves and Surplus	2	(8,418,099)		(7,829,064)	
(c) Money received against share warrants		-		-	
			<b>17,518,141</b>		<b>18,107,176</b>
<b>2. Share application money pending allotment</b> (To the extent not refundable)					
	3			-	-
<b>3. Non-current liabilities</b>					
(a) Long-term borrowings	4	-		-	
(b) Deferred Tax liabilities (Net)	5	715,270		715,270	
(c) Other Long term liabilities	6	-		-	
(d) Long-term Provisions	7	-		-	
			<b>715,270</b>		<b>715,270</b>
<b>4. Current Liabilities</b>					
(a) Short term borrowings	8	976,500		801,500	
(b) Trade payables	9	255,891		249,229	
(c) Other current liabilities	10	28,730		28,730	
(d) Short term provisions	11	37,343		37,343	
			<b>1,298,464</b>		<b>1,116,802</b>
<b>TOTAL</b>			<b>19,531,875</b>		<b>19,939,248</b>
<b>II ASSETS</b>					
<b>1. Non-current assets</b>					
<b>(a) Fixed assets</b>					
(i) Tangible assets	12	395,175		558,358	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible assets under development		-		-	
(b) Non-current investments	13A	34,997		34,997	
(c) Deferred tax assets (net)		-		-	
(d) Long-term loans and advances	14	-		-	
(e) Other non-current assets	15	-		-	
			<b>430,172</b>		<b>593,355</b>
<b>2. Current assets</b>					
(a) Current investments	13B	-		-	
(b) Inventories	16	15,105,468		15,105,468	
(c) Trade receivables	17	2,552,085		2,552,085	
(d) Cash and Bank Balances	18	96,845		107,520	
(e) Short-term loans and advances	19	1,013,906		1,247,421	
(f) Other current assets	20	333,399		333,399	
			<b>19,101,703</b>		<b>19,345,893</b>
<b>TOTAL</b>			<b>19,531,875</b>		<b>19,939,248</b>
Significant accounting policies and notes to accounts	27				

For and on behalf of the Board

As per our report of even date  
Chartered Accountants

Director                      Director

M. Sivakumar  
Partner

Place: Bangalore  
Date: 31st May, 2012

**OTCO INTERNATIONAL LIMITED**

**PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED 31-03-2012**

	PARTICULARS	Note No.	Figures for the			
			Current Reporting Period		Previous Reporting Period	
			Rs.	Rs.	Rs.	Rs.
I	<b>Revenue from operations:</b>	21				
	Sale of Products		-		-	
	Sale of Services		-		657,000	
	Other Operating Revenues		-		-	
					657,000	
	Less: Excise Duty		-	-	-	657,000
II	<b>Other Income</b>	22		17,075		
III	<b>Total Revenue (I + II)</b>			<b>17,075</b>		<b>657,000</b>
IV	<b>Expenses</b>					
	Cost of Materials Consumed	23	-		-	
	Purchases of Stock in Trade		-		-	
	Changes in inventories of finished goods, work in progress and Stock-in- trade		-		-	
	Employee benefits expense	24	-		95,749	
	Finance Costs	25	-		-	
	Depreciation and amortization expense	12	163,183		256,182	
	Other expense	26	442,928	606,111	732,588	1,084,519
	<b>Total Expense</b>			<b>606,111</b>		<b>1,084,519</b>
V	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>			(589,036)		(427,519)
VI	<b>Exceptional Items</b>					
VII	<b>Profit before extraordinary items and tax (V-VI)</b>			(589,036)		(427,519)
VIII	<b>Extraordinary items</b>					
IX	<b>Profit before tax (VII-VIII)</b>			(589,036)		(427,519)
X	<b>Tax expense:</b>					
	(1) Current tax					
	(2) Deferred tax			-		-
XI	<b>Profit/(Loss) for the period from continuing operations (IX - X)</b>			(589,036)		(427,519)
XII	<b>Profit/(Loss) for the period from discontinuing operations</b>					
XIII	<b>Tax expense of discontinuing operations</b>					
XIV	<b>Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>			-		-

XV	Profit/(Loss) for the period (XI + XIV)				
				(589,036)	(427,519)
XVI	Earnings per equity share:				
		(1) Basic		-	-
		(2) Diluted		-	-
For and on behalf of the Board				As per our report of even date Chartered Accountants	
Director	Director				M. Sivakumar Partner
Place: Bangalore					
Date: 31st May, 2012					

NOTES FORMING PART OF ACCOUNTS

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '1'</b>				
<b>SHARE CAPITAL</b>				
<b>-Authorised</b>				
3000000 Equity Shares of Rs. 10/- each		30000000		30000000
[Previous Year : 3000000 Equity Shares of Rs.10/- each]		<b>30000000</b>		<b>30000000</b>
<b>-Issued,</b>				
2593624 Equity Shares of Rs.10/- each		25936240		25936240
[Previous Year : 2593624 Equity Shares of Rs.10/- each]				
<b>Subscribed</b>				
2593624 Equity Shares of Rs.10/- each		25936240		25936240
[Previous Year : 2593624 Equity Shares of Rs.10/- each]				
<b>Paid up</b>				
2593624 Equity Shares of Rs.10/- each fully paid-up.		25936240		25936240
[Previous Year : 2593624 Equity Shares of Rs.10/- each]				
<b>TOTAL</b>		<b>25936240</b>		<b>25936240</b>
<b>- Reconciliation of Shares:</b>	<b>Nos</b>	<b>Armt(Rs)</b>	<b>Nos</b>	<b>Armt(Rs)</b>
Opening Share Capital	2593624	25936240	2593624	25936240
Add: Shares issued During the year	0	0	0	0
Add: Rights/Bonus Shares Issued	0	0	0	0
Total	2593624	25936240	2593624	25936240
Less: Buy back of Shares	0	0	0	0
Less Reduction in Capital	0	0	0	0
Closing Share Capital	2593624	25936240	2593624	25936240
<b>-List of Share holders having 5% or more Shares (In Nos)</b>				
<b>Name Of Shareholders</b>	<b>In Nos</b>	<b>In %</b>	<b>In Nos</b>	<b>In %</b>
Opportunity Microfinance India Limited	381250	14.70	381250	14.70
Rajender Singh	197560	7.62	197560	7.62
Dr. Olinda Timms	144375	5.57	144375	5.57
Rev. Dr. V. K. Samuel	288750	11.13	288750	11.13
P. S. J. Devadasen	234375	9.04	234375	9.04
Collin R. Timms	230062	8.87	230062	8.87
	1476372	56.92	1476372	56.92

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '2'</b>				
<b>RESERVES AND SURPLUS</b>				
<b>Securities premium account</b>				
Opening balance	287,500		287500	
Add : Premium on shares issued during the year			0	
Less : Utilised during the year for:			0	
Issuing bonus shares			0	
Writing off preliminary expenses			0	
Writing off shares / debentures issue expenses			0	
Premium on redemption of redeemable preference shares / debentures			0	
Buy back of shares			0	
Others (give details)			0	
Closing balance		<b>287500</b>		<b>287500</b>

<b>General Reserve</b>				
Opening Balance	2800000		2800000	
Add : Transfer from Profit and Loss Account	0		0	
Less : Appropriations	0		0	
Closing Balance		2800000		2800000
<b>Profit and Loss Account</b>				
Opening Balance	-10916563		(10489045.00)	
Add: Profit During The Year	-589036		(427519.00)	
Less: Proposed Dividend (Incl .Tax)			0	
(Disclose Amt of Dividend Per Share)			0	
Transfer to Reserves			0	
Bonus Shares			0	
Closing Balance		(11505599)		(10916564.00)
<b>TOTAL</b>		<b>(8418099)</b>		<b>(7829064.00)</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '3'</b>				
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>				
Share Application Money To the extent Not Refundable ( Disclose Terms and Condition )		-		-
<b>TOTAL</b>		<b>0</b>		<b>0.00</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '4'</b>				
<b>LONG TERM BORROWINGS</b>				
<i>-Secured</i>				
<b>Bonds And Debentures</b>		0		0
<b>Term Loans</b>				
<i>-From Bank</i>		0		0
<i>-From Others</i>				0
<b>Deposits</b>	0		0	
<b>Deffered Payment of Liabilities</b>	0		0	
<b>Loans &amp; Advance from Related Parties</b>	0		0	
<b>Loans and Advances from Others</b>	0		0	
<i>- Unsecured</i>				
<b>Bonds And Debentures</b>	0		0	
<b>Term Loans</b>				
<i>-From Bank</i>				
Term Loan from _____ Bank [ Repayable within __EMI of Rs. ____ ]		0		0
<i>-From Others</i>		0		0
[ Repayable within __EMI of Rs. ____ ]				
<b>Deposits</b>		0		0
<b>Deffered Payment of Liabilities</b>		0		0
<b>Loans &amp; Advance from Related Parties</b>		0		0
<b>Loans and Advances from Others</b>		0		0
<i>(Continuing Default In Repayment, If any to be disclosed)</i>				
<b>TOTAL</b>		<b>0</b>		<b>0.00</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '5'</b> <b>DEFERRED TAX LIABILITY</b>				
Deferred Tax Liabilities	715,270		715270.00	
Deferred Tax Assets				715,270
Deferred Tax Liabilities (Net)				
<b>TOTAL</b>		<b>715270</b>		<b>715,270</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '6'</b> <b>OTHER LONG TERM LIABILITIES</b>				
Trade Payables		0	0	
( Out Of The Above Total Outstanding to MSM Enterprise are Rs. _____ ) ( Refere Note No. )				
Other Long Term Liability		0	0	
<b>TOTAL</b>		<b>0</b>		<b>0</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '7'</b> <b>LONG TERM PROVISIONS</b>				
Provision For Employee Benefits		0		0
Others		0		0
<b>TOTAL</b>		<b>0</b>		<b>0</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '8'</b> <b>SHORT TERM BORROWINGS</b>				
<b>-Secured</b>				
Loans repayable on demand		0		0
From Banks				
[Secured by way of Hypothecation of _____, Guarantee of Directors & Others]				
From Others				0
[Secured by way of Hypothecation of _____, Guarantee of Directors & Others]				
Loans and advances from related parties		0		0
Deposits		0		0
Other loan and advances		0		0
<b>-Unsecured</b>				
Loans repayable on demand				
From Banks				
[Secured by way of Hypothecation of _____, Guarantee of Directors & Others]				
From Others				
[Secured by way of Hypothecation of _____, Guarantee of Directors & Others]				
Loans and advances from related parties				
Deposits				
Other loans and advances		976500		801500
<b>(Continuing Default In Repayment, If any to be disclosed)</b>				
<b>TOTAL</b>		<b>976500</b>		<b>801500</b>



Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '9'</b>				
<b>TRADE PAYABLES</b>				
Trade Payables				
For Goods				
For Expenses		254039		244350
Others				
For Statutory Dues				
VAT	1000			1000
TDS- Contract	852	1852		3899
For Advances to Customers		0		0
<b>TOTAL</b>		<b>255891</b>		<b>249229</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '10'</b>				
<b>OTHER CURRENT LIABILITIES</b>				
Current maturities of long term debt	0		0	
Current maturities of finance lease obligation	0		0	
Unpaid dividends		28730		28730
Unpaid matured Deposits and Interest accrued thereon	0		0	
Interest Accrued and Due on Borrowings	0		0	
Interest Accrued but not Due on Borrowings	0		0	
Income received in Advance	0		0	
Refundable Application Money received for allotment and Interest accrued thereon	0		0	
		<b>28730</b>		<b>28730</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '11'</b>				
<b>SHORT TERM PROVISIONS</b>				
Provision for Employee Benefits			0	
<b>Other Provisions:</b>			0	0
Provision for Taxation		37343		37343
Proposed Dividend			0	
Corporate Dividend Tax			0	0
<b>TOTAL</b>		<b>37343</b>		<b>37343</b>

## NOTE '12' FIXED ASSETS

<b>Tangible Assets:</b>											
1	LAND	-			-						
	- Lease Hold				-						
	- Free Hold				-						
2	BUILDING	-			-						
3	PLANT AND EQUIPMENT	1,076,845			1,076,845	911,576	22,989		142,279	165,268	
4	FURNITURE AND FIXTURES	759,962			759,962	682,145	14,085		63,732	77,817	
5	VEHICLES	-			-				-		
6	OFFICE EQUIPMENT	-			-				-		
7	OTHERS (SPECIFY NATURE)										
	Computer Hardware	5,429,418			5,429,418	5,375,066	21,741		32,611	54,352	
<b>Intangible Assets:</b>											
6	Goodwill	-			-				-		
7	Softwares	10,328,608			10,328,608	10,067,687	104,368		156,553	260,921	
<b>TOTAL RS.</b>		<b>17,594,833</b>	-	-	<b>17,594,833</b>	<b>17,036,474</b>	<b>163,183</b>	-	-	<b>395,175</b>	<b>558,358</b>
<b>CWIP</b>		-	-	-	-	-	-	-	-	-	-
<b>PREVIOUS YEAR RS.</b>		<b>17,592,733</b>	<b>2,100</b>	-	<b>17,594,833</b>	<b>16,780,292</b>	<b>256,182</b>	-	<b>17,036,474</b>	<b>558,358</b>	<b>812,441</b>

NOTES FORMING PART OF ACCOUNTS

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '1'</b>				
<b>SHARE CAPITAL</b>				
<b>-Authorised</b>				
3000000 Equity Shares of Rs. 10/- each [Previous Year : 3000000 Equity Shares of Rs.10/- each]		30000000		30000000
		<b>30000000</b>		<b>30000000</b>
<b>-Issued,</b>				
2593624 Equity Shares of Rs.10/- each [Previous Year : 2593624 Equity Shares of Rs.10/- each]		25936240		25936240
<b>Subscribed</b>				
2593624 Equity Shares of Rs.10/- each [Previous Year : 2593624 Equity Shares of Rs.10/- each]		25936240		25936240
<b>Paid up</b>				
2593624 Equity Shares of Rs.10/- each fully paid-up. [Previous Year : 2593624 Equity Shares of Rs.10/- each]		25936240		25936240
<b>TOTAL</b>		<b>25936240</b>		<b>25936240</b>
<b>- Reconciliation of Shares:</b>	<b>Nos</b>	<b>Amt(Rs)</b>	<b>Nos</b>	<b>Amt(Rs)</b>
Opening Share Capital				
Add: Shares issued During the year	2593624	25936240	2593624	25936240
Add: Rights/Bonus Shares Issued	0	0	0	0
Total	2593624	25936240	2593624	25936240
Less: Buy back of Shares	0	0	0	0
Less Reduction in Capital	0	0	0	0
Closing Share Capital	2593624	25936240	2593624	25936240
<b>-List of Share holders having 5% or more Shares (In Nos)</b>				
<b>Name Of Shareholders</b>	<b>In Nos</b>	<b>In %</b>	<b>In Nos</b>	<b>In %</b>
Opportunity Microfinance India Limited	381250	14.70	381250	14.70
Rajender Singh	197560	7.62	197560	7.62
Dr. Olinda Timms	144375	5.57	144375	5.57
Rev. Dr. V. K. Samuel	288750	11.13	288750	11.13
P. S. J. Devadasen	234375	9.04	234375	9.04
Collin R. Timms	230062	8.87	230062	8.87
	1476372	56.92	1476372	56.92

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '2'</b>				
<b>RESERVES AND SURPLUS</b>				
<b>Securities premium account</b>				
Opening balance	287,500		287500	
Add : Premium on shares issued during the year			0	
Less : Utilised during the year for:			0	
Issuing bonus shares			0	
Writing off preliminary expenses			0	
Writing off shares / debentures issue expenses			0	
Premium on redemption of redeemable preference shares / debentures			0	
Buy back of shares			0	
Others (give details)			0	
Closing balance		<b>287500</b>	0	<b>287500</b>

<b>General Reserve</b>				
Opening Balance	2800000		2800000	
Add : Transfer from Profit and Loss Account	0		0	
Less : Appropriations	0	2800000	0	2800000
Closing Balance				
<b>Profit and Loss Account</b>				
Opening Balance	-10916563		(10489045.00)	
Add: Profit During The Year	-589036		(427519.00)	
Less: Proposed Dividend (Incl .Tax)			0	
(Disclose Amt of Dividend Per Share)			0	
Transfer to Reserves			0	
Bonus Shares		(11505599)	0	(10916564.00)
Closing Balance				
<b>TOTAL</b>		<b>(8418099)</b>		<b>(7829064.00)</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '3'</b>				
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>				
Share Application Money To the extent Not Refundable ( Disclose Terms and Condition )		-		-
<b>TOTAL</b>		<b>0</b>		<b>0.00</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '4'</b>				
<b>LONG TERM BORROWINGS</b>				
<i>-Secured</i>				
<b>Bonds And Debentures</b>		0		0
<b>Term Loans</b>		0		0
<i>-From Bank</i>				0
<i>-From Others</i>	0		0	
<b>Deposits</b>	0		0	
<b>Deffered Payment of Liabilities</b>	0		0	
<b>Loans &amp; Advance from Related Parties</b>	0		0	
<b>Loans and Advances from Others</b>	0		0	
<i>- Unsecured</i>				
<b>Bonds And Debentures</b>	0		0	
<b>Term Loans</b>				
<i>-From Bank</i>				
Term Loan from _____ Bank [ Repayable within __EMI of Rs. ____ ]		0		0
<i>-From Others</i>		0		0
[ Repayable within __EMI of Rs. ____ ]				
<b>Deposits</b>		0		0
<b>Deffered Payment of Liabilities</b>		0		0
<b>Loans &amp; Advance from Related Parties</b>		0		0
<b>Loans and Advances from Others</b>		0		0
<i>(Continuing Default In Repayment, If any to be disclosed)</i>				
<b>TOTAL</b>		<b>0</b>		<b>0.00</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '5'</b> <b>DEFERRED TAX LIABILITY</b>				
Deferred Tax Liabilities	715,270		715,270.00	
Deferred Tax Assets	-		-	
Deferred Tax Liabilities (Net)				715,270
<b>TOTAL</b>		715,270		715,270

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '6'</b> <b>OTHER LONG TERM LIABILITIES</b>				
Trade Payables ( Out Of The Above Total Outstanding to MSM Enterprise are Rs. _____ ) ( Refere Note No. )		0	0	
Other Long Term Liability		0	0	
<b>TOTAL</b>		0		0

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '7'</b> <b>LONG TERM PROVISIONS</b>				
Provision For Employee Benefits		0		0
Others		0		0
<b>TOTAL</b>		0		0

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '8'</b> <b>SHORT TERM BORROWINGS</b>				
<b>-Secured</b>				
Loans repayable on demand		0		0
From Banks				
[Secured by way of Hypothecation of _____, Guarantee of Directors & Others]				
From Others				0
[Secured by way of Hypothecation of _____, Guarantee of Directors & Others]				
Loans and advances from related parties		0		0
Deposits		0		0
Other loan and advances		0		0
<b>-Unsecured</b>				
Loans repayable on demand				
From Banks				
[Secured by way of Hypothecation of _____, Guarantee of Directors & Others]				
From Others				
[Secured by way of Hypothecation of _____, Guarantee of Directors & Others]				
Loans and advances from related parties				
Deposits				
Other loans and advances		97,650		80,150
<i>(Continuing Default In Repayment, If any to be disclosed)</i>				
<b>TOTAL</b>		97,650		80,150

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '9'</b>				
<b>TRADE PAYABLES</b>				
Trade Payables				
<u>For Goods</u>				
<u>For Expenses</u>		254039		244330
Others				
<u>For Statutory Dues</u>				
VAT	1000			1000
TDS- Contract	852			3899
		1852		
<u>For Advances to Customers</u>		0		0
<b>TOTAL</b>		<b>255891</b>		<b>249229</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '10'</b>				
<b>OTHER CURRENT LIABILITIES</b>				
Current maturities of long term debt	0		0	
Current maturities of finance lease obligation	0		0	
Unpaid dividends		28730		28730
Unpaid matured Deposits and Interest accrued thereon	0		0	
Interest Accrued and Due on Borrowings	0		0	
Interest Accrued but not Due on Borrowings	0		0	
Income received in Advance	0		0	
Refundable Application Money received for allotment and Interest accrued thereon	0		0	
		28730		28730

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '11'</b>				
<b>SHORT TERM PROVISIONS</b>				
Provision for Employee Benefits			0	
<u>Other Provisions:</u>			0	0
Provision for Taxation		37343		37343
Proposed Dividend			0	
Corporate Dividend Tax			0	0
<b>TOTAL</b>		<b>37343</b>		<b>37343</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '13A'</b>				
<b>NON-CURRENT INVESTMENTS</b>				
(All Quoted unless otherwise Specified)				
Number Face Value Per Unit Trade Investment (Long term) in Mutual Funds		0		0
Number Face Value Per Unit Non - Trade Investment in Omnisoft Joint Venture Co		21597		21597
1340 10.00 OTCO Infotech Pvt. Ltd.		13400		13400
<b>Total Non- Current Investment</b>		<b>34997</b>		<b>34997</b>
<b>NOTE '13B'</b>				
<b>CURRENT INVESTMENT</b>				
Number Face Value Per Unit Trade Investment (Long term) in Subsidiary Companies		0		0
Number Face Value Per Unit Non - Trade Investment in		0		0
<b>Total Non- Current Investment</b>		<b>0</b>		<b>0</b>
Aggregate NAV of Current Investment		0	0	
Aggregate amount of Quoted Investment		0	0	
- Cost		0	0	
- Market Value		0	0	
Aggregate amount of Unquoted Investment		0	0	
<b>TOTAL (13A+13B)</b>		<b>34997</b>		<b>34997</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '14'</b>				
<b>LONG TERM LOANS AND ADVANCES</b>				
<i>Secured Considered Good:</i>				
Capital Advances	0		0	
<u>Security Deposits</u>				
Rent Deposit	0		0	
Loans and Advances to Related Parties	0		0	
<b>Other Loans and Advances (Specify Nature)</b>	0	0	0	0
<i>Unsecured Considered Good:</i>				
Capital Advances	0		0	
Security Deposits	0		0	
Loans and Advances to Related Parties	0		0	
<b>Other Loans and Advances (Specify Nature)</b>	0	0	0	0
<i>Doubtful:</i>				
Capital Advances	0		0	
Security Deposits	0		0	
Loans and Advances to Related Parties	0		0	
<b>Other Loans and Advances (Specify Nature)</b>	0	0	0	0
<b>TOTAL</b>		<b>0</b>		<b>0</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '15'</b>				
<b>OTHER NON CURRENT ASSETS</b>				
Longterm Trade Receivables				
Secured Considered Good				
Unsecured Considered Good				
Doubtful				
Others ( Specify Nature)				
<b>TOTAL</b>		0		0

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '16'</b>				
<b>INVENTORIES</b>				
Raw Material				
Packing Material	0		0	
Work In Process	0		0	
Stock-in-Trade		15105468		15105468
Stores and Spares	0		0	
<b>TOTAL</b>		15105468		15105468.00

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '17'</b>				
<b>TRADE RECEIVABLES</b>				
<b>Over Six Months</b>				
Good				
Doubtful		2552085		
<b>Below Six Months</b>				
Good				2552085
Doubtful				
<b>Less:</b>				
Provision for Doubtful Debts		0		0
(Debts Due by Directors and Other Related Parties To be disclosed)				
<b>TOTAL</b>		2552085		2552085

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '18'</b>				
<b>CASH AND BANK BALANCES</b>				
<b>-Cash and Cash Equivalents</b>				
Cash on Hand		10522		9240
Balance with Banks				
-In Current Accounts		22876		34832
-In Fixed Deposit Accounts		21340		21340
-In Recurring Deposits				
- As Margin Money				
<b>- Other Bank Balances</b>				
Balance with Banks				
-In Current Accounts				
-In Fixed Deposit Accounts				
- As Margin Money				
-Unclaimed Dividend Accounts		42108		42108
<b>TOTAL</b>		96845		107520



Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '19'</b>				
<b>SHORT TERM LOANS AND ADVANCES</b>				
Loans and advances to related parties ( Secured/ Unsecured/ Doubtful)				
Loans and Advance to Directors				
<b>Others</b>				
Advance for Capital Expenses				
Advances to Suppliers				
Prepaid Expenses				
Advances Staff and Others		277099		277099
<b>Balance with Statutory Authorities</b>		736807		970322
<b>TOTAL</b>		<b>1013906</b>		<b>1247421.00</b>

Particulars	On 31-03-2012		On 31-03-2011	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '20'</b>				
<b>OTHER CURRENT ASSETS</b>				
<u>Any Other Asset</u>				
Security Deposits		333399		333399
<b>TOTAL</b>		<b>333399</b>		<b>333399.00</b>

Particulars	For the period ending 31/03/12		For the period ending 31/03/11	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '21'</b>				
<b>REVENUE FROM OPERATION</b>				
<b>Indigenous Sales</b>				
Manufactured Goods		0		0
Traded Goods		0		0
Sale of Services( Software Maintenance Charges)		0		657000
<b>Export Sales</b>				
Manufactured Goods		0		0
Traded Goods		0		0
<b>Other Operating Revenues</b>		0		0
<b>TOTAL</b>		<b>0</b>		<b>657000</b>

Particulars	For the period ending 31/03/12		For the period ending 31/03/11	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '22'</b>				
<b>OTHER INCOME</b>				
Interest		0		0
Foreign Exchange Rate Difference		0		0
Other non-operating income (net of expenses)		0		0
Insurance Claim Received		0		0
Net gain/ loss on sale of investments		0		0
Dividends		0		0
Income Tax Refund		17075		0
<b>TOTAL</b>		<b>17075</b>		<b>0</b>

Particulars	For the period ending 31/03/12		For the period ending 31/03/11	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '23'</b>				
<b>COST OF MATERIAL CONSUMED</b>				
<b>Raw Materials' Consumption</b>				
Stock at Commencement		0		0
Add: Purchases		0		0
Freight and Octroi on Purchases		0		0
		0		0
Less : Stock at Close		0		0
		0		0
<b>Packing Materials' Consumption</b>				
Stock at Commencement		0		0
Add: Purchases		0		0
Design and Printing on P.M.		0		0
Freight and Octroi on Purchases		0		0
		0		0
Less : Stock at Close		0		0
		0		0
<b>Cost of Trading Materials Sold</b>				
Stock at Commencement		0		0
Purchase of Trading Materials		0		0
Freight and Octroi on Trading Materials		0		0
		0		0
Less : Stock at Close		0		0
		0		0
<b>Change in Stocks</b>				
<b>Stock at Commencement</b>				
Work-in Process		0		0
Finished Goods	15105468		15105468	
<b>Less: Stock at Close</b>				
Work-in-Process		0		0
Finished Goods	15105468		15105468	
		0		0
Stock Decreased /(Increased) by		0		0
<b>TOTAL</b>		0		0

Particulars	For the period ending 31/03/12		For the period ending 31/03/11	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '24'</b>				
<b>EMPLOYEE BENEFITS EXPENSES</b>				
Salaries, Wages, Bonus etc.		0		95749
Contribution to P.F, E.S.I and Other Statutory Funds		0		0
Workmen and Staff Welfare Expenses		0		0
Expense on ESOPs		0		0
<b>TOTAL</b>		0		95749.00

Particulars	For the period ending 31/03/12		For the period ending 31/03/11	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '25'</b>				
<b>FINANCE COSTS</b>				
<b>Interest Expense</b>				
Interest on Term Loan		0		0
Interest on Working Capital		0		0
Interest on Car Loan		0		0
Interest on Unsecured Loans		0		0
Interest Others		0		0
Net gain/loss on foreign currency transaction Relating to Loans		0		0
<b>Other Borrowing Costs</b>				
Interest on Income Tax		0		0
<b>TOTAL</b>		0		0

Particulars	For the period ending 31/03/12		For the period ending 31/03/11	
	Rupees	Rupees	Rupees	Rupees
<b>NOTE '26'</b>				
<b>OTHER EXPENSES</b>				
Consumptions Of Store and Spares		0		0
Power and Fuels		0		0
Repairs To - Buildings	0		0.00	
- Machinery	0		0.00	
- Others	0		7940.00	7940.00
Rent		0		2824.00
Insurance		0		0.00
Rates and Taxes		0		0.00
Advertisement & Subscription		63569		0.00
Bank Charges		1655		2056.00
Auditors' Remuneration		11030		11030.00
Conference, Seminar & Exhibition		0		11226.00
Credit Card		20319		0.00
Custodial Fees		13236		21768.00
Domain Renewal Charges		1026		599.00
Filing Fees		35000		9500.00
Interest on TDS, ESI, PF, PT, ST		317		82356.00
Internet Charges		4766		35197.00
Legal & Professional Charges		206325		475000.00
Listing Fees		19634		24144.00
Misc. Expenses		19809		48448.00
Travelling & Conveyance		4802		56924.00
Printing & Stationery		12051		19807.00
Register & Transfer Charges		26681		34943.00
Postage, Telegram, Telephone		2708		3091.00
Server Co-location Charges		0		52839.00
Prior Period Items		0		-167104
<b>TOTAL</b>		<b>442928</b>		<b>732588</b>

**NOTE : 27**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS :**

**1. Basis of Accounting :**

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

**2. Revenue Recognition :**

Expenses and Income considered payable and receivable respectively are accounted on accrual basis.

**3. Fixed Assets :**

Fixed Assets are stated at cost of acquisition inclusive of taxes and incidental expenses.

**4. Depreciation:**

Depreciation of fixed assets is provided on straight-line basis over their estimated useful lives at the rates which are higher than the rate prescribed in Schedule XIV of the Companies Act, 1956. Individual assets for less than Rs.5000 are entirely depreciated in the year of acquisition. The estimated useful lives are as follows:

Computer and Peripherals - 3 years

Office Equipment - 5 years

In the case of purchase of assets, depreciation has been provided on pro-rata basis from the date of purchase of those assets.

**5. Valuation of Closing Stock :**

Inventories are valued at lower of cost (determined on first-in-first-out basis) and Market value.

**6. Foreign Currency Transactions :**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. At the year-end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities are recognized in the Profit and Loss Account.

**Notes forming part of Balance Sheet as at 31<sup>st</sup> March 2012 and Profit and Loss Account for the year ended on that date :**

**1. AS -17/ AS - 20/ AS - 22:**

**AS - 17 Segmental Reporting**

Segmental Reporting has not been prepared in relation to the Company as the Company has only one major segment of Credit Information.

**AS - 20 Earnings Per Share**

Basic & Diluted Earnings Per Share has been reflected in Profit & Loss Account.  
Basic & Diluted Earnings Per Share for the Year under audit is Nil  
(Previous Year Rs. 0.00/- Per Share)

**AS - 22 Taxes On Income**

Deferred Tax Liability has been shown separately below Reserves & surplus.

2. Figures for the previous year have been regrouped and/or re-arranged wherever necessary and have been rounded-off to the nearest rupee.
3. Confirmation of balances from parties has not been received till date.
4. Sundry Creditors do not include any amount due to small Scale Industrial Undertakings as at 31<sup>st</sup> March 2012.
5. Earnings in Foreign Currency:

Particulars	As on 31.03.2012 Rs	As on 31.03.2011 Rs
Total	Nil	Nil

**6. Total Auditors Remuneration:**

	As on 31.03.2012 Rs	As on 31.03.2011 Rs
As Auditors	9,817.00	10,000.00
Service Tax	1,213.00	1,030.00
Other Services	-	-
Total	11,030.00	11,030.00

7. There are no whole time directors. Managerial Remuneration paid to the non-whole time directors by way of sitting fees for the year is Nil as the Directors have waived off the fees payable to them.  
(Previous year NIL)
8. Expenditure in Foreign Currency :  
Marketing Expenses : Nil  
(Previous Year Rs. Nil/-)  
Business Promotion Expenses: Nil  
(Previous Year: Rs. Nil/-)

9. The Bank Accounts opened for the payment of Dividend has been converted into Unclaimed Dividend Account. The Unclaimed Dividend at the year end is:
- |                          |              |
|--------------------------|--------------|
| Final Dividend (00-01)   | Rs. 6,290/-  |
| Interim Dividend (01-02) | Rs. 9,870/-  |
| Final Dividend (01-02)   | Rs. 12,570/- |

These amounts are proposed to be transferred during the Current Financial Year.

For and on behalf of Board,

For K.Venkatachalam Aiyer & Co.,  
Chartered Accountants  
FRN: 004610S

Collin R. Timms  
Director

Francis I. Alphonso  
Director

M. Sivakumar  
Partner  
M. No(023844)

Place: Bangalore  
Date: 31<sup>st</sup> May 2012

**OTCO INTERNATIONAL LIMITED**  
**CASH FLOW STATEMENT**  
( Prepared Pursuant to Listing Agreement)

Particulars	For the year ended 31st March, 2012 (Rs.)		For the year ended 31st March, 2011 (Rs.)	
	<b>A. Cash Flow From Operating Activities</b>			
Net Profit/(Loss) before Tax and extra Ordinary Items		-589035		-427518
Adjustment For :				
Depreciation	163183		256182	
Loss on Sale of Investment				
Profit on Sale of Investment				
Interest and Dividend				
Operating Profit before working capital changes		163183		256182
Adjustments For :		-425852		-171336
Inventories				
Trade and other receivables	233515		56601	
Trade payable	6662	240177	-594312	650913
Cash Generated from operations		-185675		-822249
Income Tax paid		0		0
Net Cash from operating activities		<b>-185675</b>		<b>-822249</b>
<b>B. Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets			-2100	
Purchase of Investments				
Increase in Share capital				
Sale of Investment			86590	
Interest and Dividend receipt				
Net Cash from Investing Activities		0		84490
Carried over				
<b>C. Cash Flow From Financing Activities</b>				
Increase in Share Capital		-185675		-737759
Share Warrants				
Share Premium				
Short Term Loan	175000		784500	
Dividends Paid (Including Tax)				
Net Cash from Financing Activities		175000		784500
Net Cash Inflow/(Outflow)		<b>-10675</b>		<b>46741</b>
Cash and Cash equivalents as at 1st April, 2011		86180		39440
Cash and Cash equivalents as at 31st March, 2012		75505		86180
Net Cash Outflow/(Inflow)		<b>-10675</b>		<b>46740</b>

For and on behalf of Board

This is the cash flow statement referred to in  
our report of even date  
For K.Venkatachalam Aiyer & Co.,  
Chartered Accountants

Colin R. Timms  
Director

Francis I. Alphonso  
Director

M.Sivakumar  
Partner

Office : Bangalore  
Date : 31st May, 2012

# OTCO INTERNATIONAL LIMITED

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (As per part (IV) of schedule VI of the Companies Act ,1956)

### I Registration Details

Registration Number

2	8	6	1	1
---	---	---	---	---

State Code

0	8
---	---

Balance Sheet

3	1
---	---

Date

0	3
---	---

Month

2	0	1	2
---	---	---	---

Year

### II Capital Raised during the Year

(Amount in Rs Thousands)

Public Issue

N	I	L
---	---	---

Right Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

Private Placement

N	I	L
---	---	---

### III Position of Mobilisation and deployment of Funds

(Amount in Rs Thousands)

Total Liabilities

1	9	5	3	1
---	---	---	---	---

Total Assets

1	9	5	3	1
---	---	---	---	---

Sources of Fund

Paid-up Capital

2	5	9	3	6
---	---	---	---	---

Reserves & Surplus

(-)	8	4	1	8
-----	---	---	---	---

Secured Loans

N	I	L
---	---	---

Unsecured Loans

0	0	9	7	6
---	---	---	---	---

Application of Funds

Net Fixed Assets

0	0	3	9	5
---	---	---	---	---

Investments

0	0	0	3	4
---	---	---	---	---

Net Current Assets

1	9	1	0	1
---	---	---	---	---

Miscellaneous Expenditure

N	I	L
---	---	---

Accumulated Losses

1	1	5	0	5
---	---	---	---	---





# OTCO

*Evolving with Passion*

*If undelivered, Please return to :*

**OTCO International Limited**  
**# 139, 1st Floor, Gurumurthy Bhavan**  
**Infantry Road, Bangalore - 560 001**  
**India**

To,

.....  
.....  
.....  
.....

Pincode :