

The edge is from our Agility

We further unravel our company theme of 'Agility' – extending it, applying it more broadly, and of course, sharing it with all our stakeholders – employees, customers, suppliers and investors.

Our customers' needs are one important source for identifying opportunity. Another is the emerging technologies and the solutions that can be developed around them. Picking up very early on both is an essential element of agility.

In our processes and operations too, there are agile characteristics at work. They impart a fundamental attitude of preparedness for various kinds of change. We see opportunity in change where many tend to perceive a threat. Since a lot of change is inevitable, our value system that embraces it empowers us to swiftly chart our actions going forward.

Our services in Business Availability and Business Continuity have demanded superfast response times from us. That's how our Agility mantra took shape. And today, we assist our clients in creating and sustaining a competitive advantage through deploying and maintaining their IT infrastructure with minimum response time. The focus is on enabling our clients to respond faster and better to their customers.

Agility is taking us ahead. Omnitech is wholly committed to it for the benefit of all our stakeholders.



RECENT ACHIEVEMENTS

Awards	Year
Cyberoam Award, 2011, received in recognition for contribution towards growth in Mumbai Region	2011
Channel World Premier 100 Award	2011
Deloitte Technology Fast 500 Asia Pacific	2010
The Second Annual Inc. India 500 Award	2010
IBM's Best Websphere Partner Award	2010
BCI Continuity & Resilience Awards, 2010 in the category of Specialist Business Continuity/ Recovery Company	2010
Forbes Asia Best Under Billion Company Award	2010
Kaseya Managed Services	2010
Channel World Premier 100 Award	2010

GUIDANCE v/s PERFORMANCE

What we aimed for in FY 11

- To achieve organic growth of 30%
- To open the third Omnicenter
- To establish BFSI-specific Practices globally
- To expand presence to Hyderabad, Bangalore and Delhi/NCR
- To complete one International Acquisition
- To enter into Cloud Based services

What we achieved in FY 11

- Revenue growth of 46%
- Didn't open the proposed third OmniCenter due to the lack of demand in the market
- We took the BFSI Practise global by acquiring customers not only in India and Far East Asia but also in Europe
- Expanded geographically by setting up sales offices in Ahmedabad, Bangalore, Chennai and Hyderabad to penetrate further into domestic market.
- Marked presence in Hongkong by setting up a step down subsidiary
- Acquired Europe based Aventus Netherland BV for USD 9 million
- Launched Market Data Services to enable clients understand financial complexities better
- Conceptualised Cloud Based services and also successfully completed the pilot run
- Hired key Management personnel for Sales, Delivery and Finance Functions.



What we are aiming at in FY 12

- Organic growth of 25% y-o-y
- To grow inorganically further into Europe or US via Acquisition and Strategic Alliances
- To launch Cloud Based service offerings
- To derive the synergies out of European Acquisition by
 - Cross selling Omnitech's services to Avensus customers
 - Cross selling Avensus' services to Omnitech customers
 - Leveraging global delivery model to improve profitability
- To launch domain specific services apart from BFSI
- To widen geographical presence by growing organically in other parts of Asia and Europe
- Expansion into domain specific services for Pharmaceutical & Healthcare, Education and Government sectors



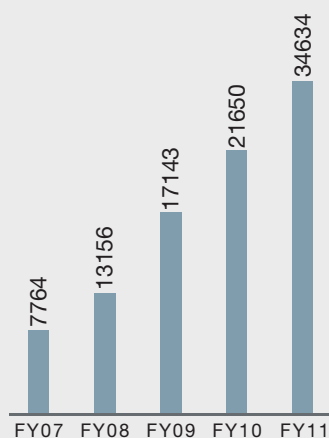
KEY PERFORMANCE INDICATORS

Particulars	FY11	FY10	FY09	FY08	FY07
Total Operating Income (₹Lacs)	34634	21650	17143	13156	7764
EBITDA from Operations (₹Lacs)	10710	6980	5248	3618	1800
Profit before Tax (₹Lacs)	7590	5029	4178	3000	1349
Profit after Tax (₹Lacs)	5177	3939	3310	2557	1218
EPS (basic) (₹)	37.36	29.57	25.19	21.54	13.29
Cash EPS (basic) (₹)	55.32	39.72	31.24	22.3	16.01
EBITDA Margin (%)	30.92%	32%	31%	27%	23%
Net Profit Margin (%)	14.95%	18%	19%	19%	16%
Dividend Payout Ratio (%)	27%	15%	12%	12%	10%
Share Capital (₹ Lacs)	1386	1386	1314	1314	941
Reserves & Surplus (₹ Lacs)	20433	15720	10806	7690	2144
Loan Funds (₹ Lacs)	6612	4392	3323	1855	954
Net Block (₹ Lacs)	15984	12256	6789	3957	1952
Net Current Assets (₹ Lacs)	12080	8771	7348	3937	2163
Return on Average Net Worth (%)	26.24%	26.96%	31.35%	42.35%	51.50%
Debt Equity Ratio (x)	0.30	0.26	0.27	0.21	0.31
Interest Coverage Ratio (x)	13.18	11.87	12.02	13.2	9.56
Current Ratio (x)	3.34	4.25	4.97	4.47	3.48

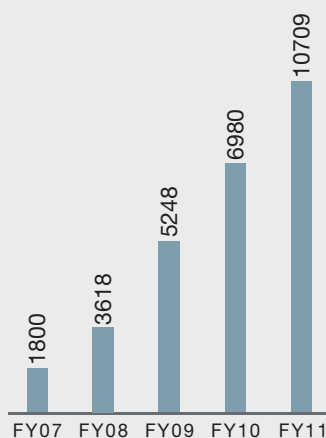
Figures have been rounded off except for EPS, Margins, Ratio and Returns

Sales (₹ Lacs)

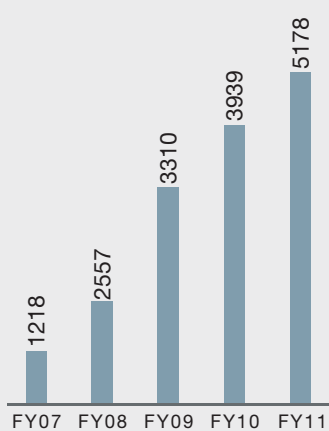
CAGR 34.86%

**EBITDA (₹ Lacs)**

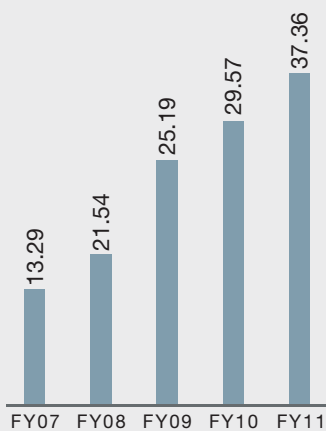
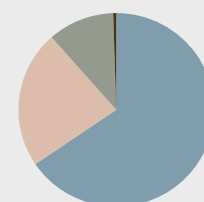
CAGR 42.85%

**PAT (₹ Lacs)**

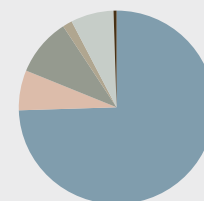
CAGR 33.56%

**EPS (basic) (₹)**

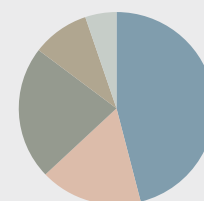
CAGR 22.96%

**Revenue Mix by Segment**

- Business Availability 65.5%
- System Integration 23%
- Business Continuity 11%
- Others 0.5%

Revenue Mix by Region

- India 74.5%
- US 6.7%
- Far East & Japan 9.6%
- Middle East 1.6%
- Europe 7.1%
- Canada 0.5%

Revenue Mix by Industry

- BFSI 46%
- Manufacturing 17%
- IT & ITES 22.3%
- Services 9.5%
- Others 5.2%



An Agile Enterprise

The pace of change in the realms of technology has made our credo of Agility, a business imperative. Every development in technology is both an opportunity and a threat depending on how businesses perceive it.

At Omnitech, we have been aiding our customers in taking the lead in adopting new technologies to their competitive advantage. We have been actively building a brand reputation for offering products, services and support that helps our customers to achieve superior ROI from their IT allocations.

For example, IT investments are always under the threat of obsolescence. Omnitech's initiative, much welcomed by customers, in SaaS (Software as a Service) and utility computing help them to reduce their capex commitment and protect their investment. Omnitech thus remains a preferred IT partner because it is constantly proactive in adopting new paradigms.

Omnitech is responding to change all the time in productive and cost-effective ways.

We partner with our clients to help them take incremental steps which produce savings, increase efficiency and generate more customer loyalty and profits.

Agility drives a win win relationship among all stakeholders. It enables clients to beneficially restructure their IT infrastructure, infuses new technologies and practices, and taps the power of technology to transform businesses.

Our venture into Europe has commenced and contributed seven percent of revenues. The customers are spread over Belgium, Netherlands and Luxembourg. With this sound beginning, we have plans to pursue opportunities in other parts of Europe as well. In the meanwhile, our Far East business has also more than doubled during the year. Our overseas operations will enable Omnitech to move ahead agilely in BFSI and High grade security, Services sectors in the coming year.



Agility- A Stakeholder's Guide

What corporates are seeking through technology has changed – we are called upon to address the areas which will enable a company to compete better.

Information technology is currently doing a whole lot more than improving internal efficiency in organizations.

That familiar phrase about being a backbone needs to be updated: today it's as much about muscle and nerve.

As people drive various kinds of processes faster and smoother, it's the era of the dashboard. Updates and alerts have become easily viewable on a variety of devices. The objective for any company is to intercept customers early, enable them to transact, improve their buying experience, and make support available everywhere, all the time. Through touch screens, mobiles, microsites, integrated CRM and more.

Our approach is proactive, anticipatory and futuristic than ever before. Omnitech's agility works to transform our customers' business and get them more convenience and value.

Omnitech's new vision seeks to apply emerging technologies to enable them to gain a competitive advantage in the market by designing and implementing IT infrastructure and Applications.

This means a larger scale of opportunity for Omnitech as more and more businesses, both large and SME, are making strategic investments in this significant direction.



Agility- For Getting There First

The traditional sources of competitive advantage are vanishing – getting levelled out.

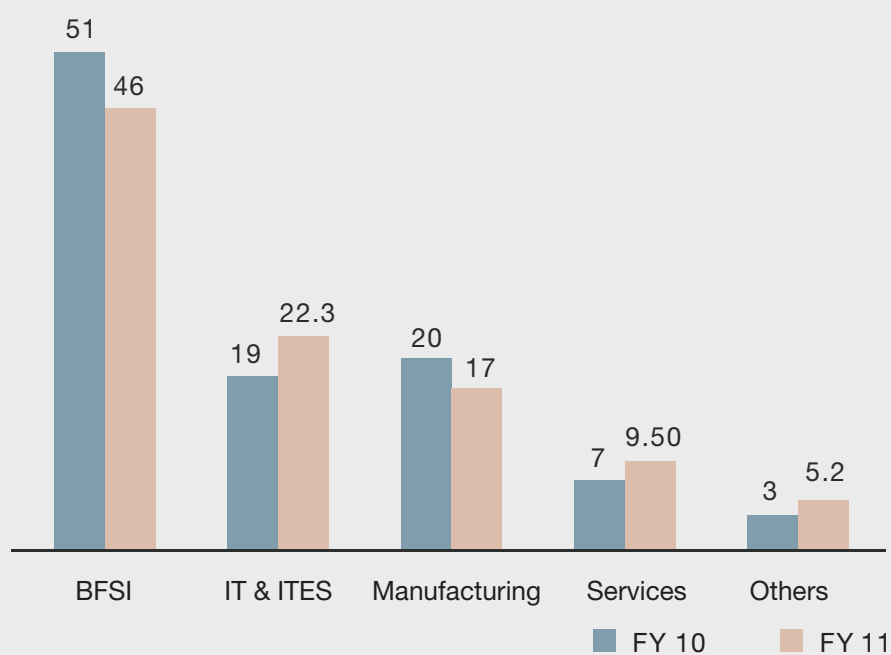
Visionary companies know that in the knowledge economy, they can scale up their customer handling only by tapping every new technology that's emerging. Smart phones, interactive kiosks, biometric devices that recognise customers, and so on.

We enables our clients by helping them adopt these technologies ahead of their peers and to seamlessly integrate it with their existing processes.

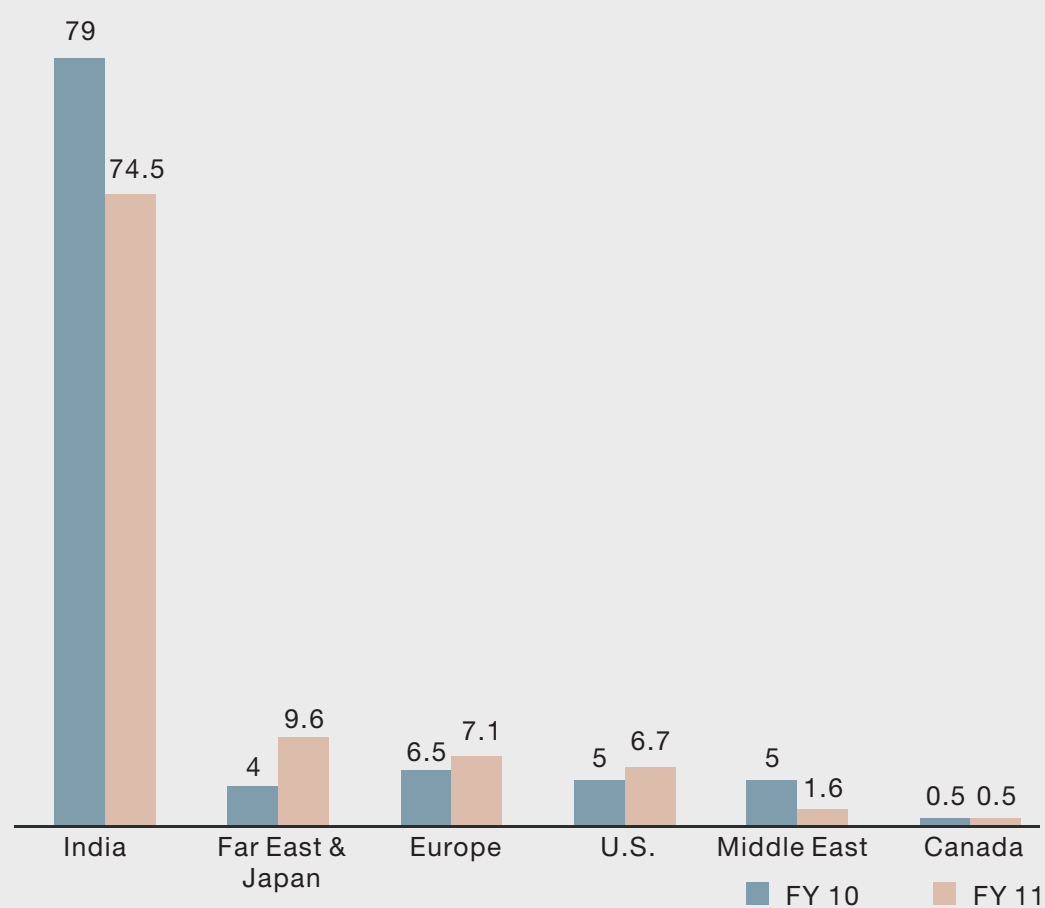
Agility is not just a valuable proposition for our clients. The inspiring dictum says, "Be the change you wish to see in the world". And we are committed to embody this agility in our plans and actions.

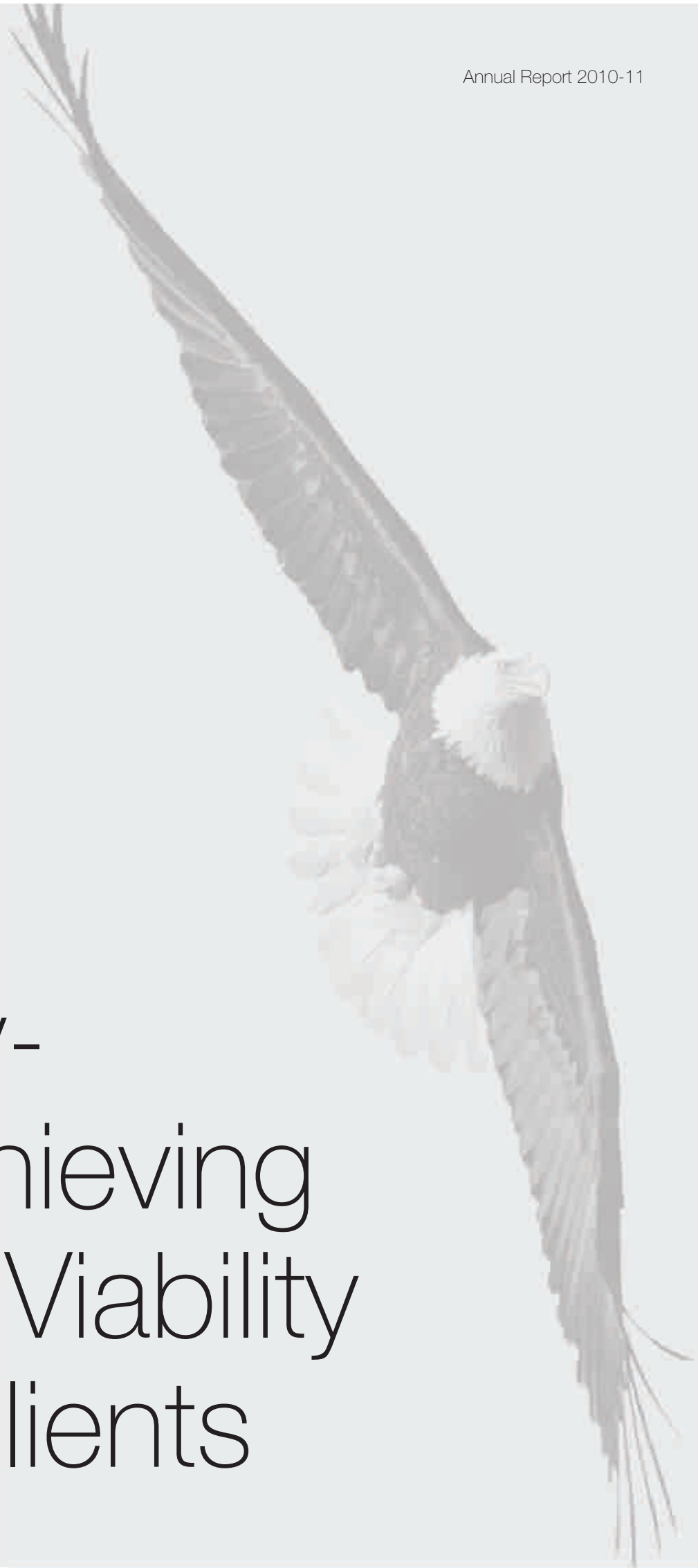
It works for us, our clients, and translates into benefits for all its believers and supporters.

Revenue: Industry wise



Revenue: Geography wise



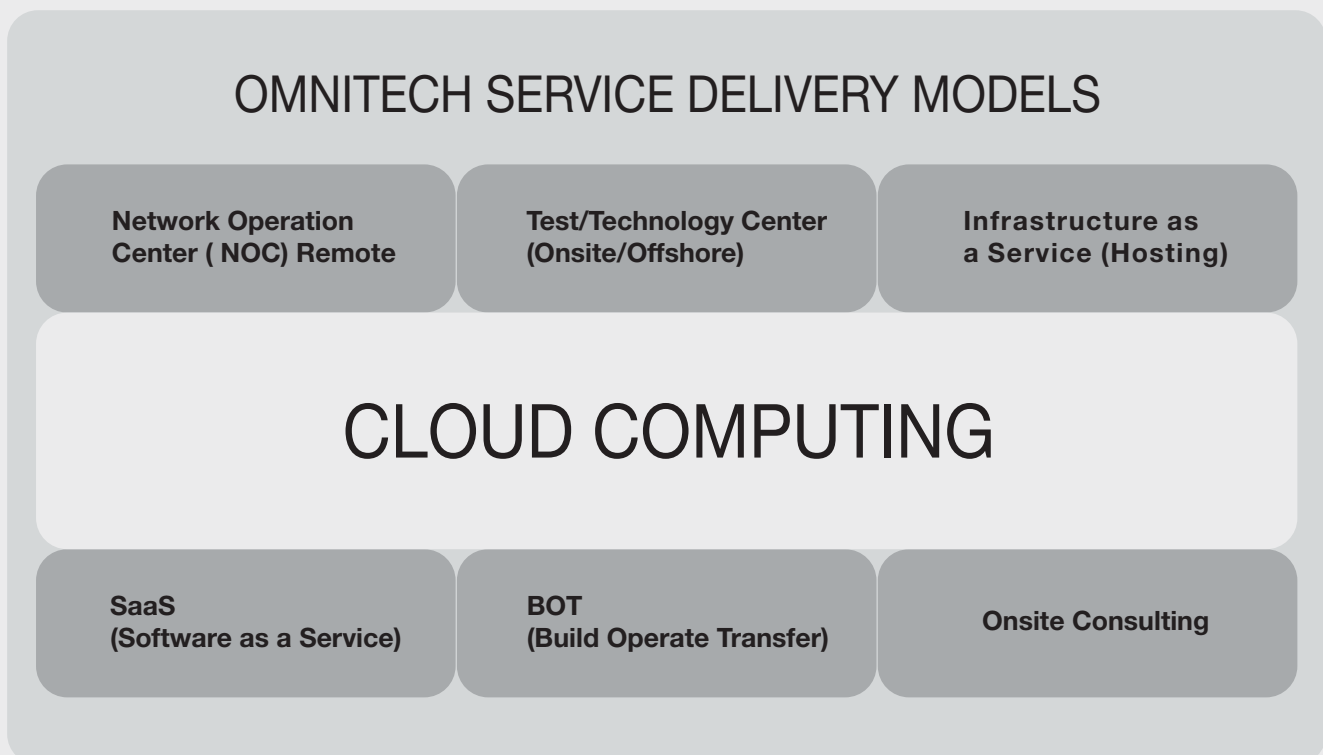


Agility- In Achieving Cost-Viability For Clients

Clients can rely on Omnitech to scale up with their needs. In turn, this fetches us longer term contracts from clients as we increase our role in building their future. In several cases, the relationship is moving towards the utility model where clients are looking favourably at SaaS (Software as a Service), a delivery model that has proven itself in CRM and ERP too. It has been growing at around 16% each year in the last few years.

The way our relationships have evolved, Omnitech is in a better alignment with client needs with better client participation in the planning and development process. While technology decisions are made, weightage is accorded to business value and optimising the ROI.

This level of trust has enabled us to take a position in the fast-emerging utility computing industry that is based on “pay and use”. Our clients are enabled to focus on what our service provides them and leaves the questions of how to implement or host the services to us.





Expanding With Agility

The agile mindset means new products, new teams, new locations and a refreshed outlook towards work and one's customers. It is not so much about coping as it is with taking the initiative.

Staying at par with global best standards and practices. We are vigorously promoting the adaptive delivery models (BOT/SaaS) which enable the customers to focus on their core business activities.

Under Project Aryabhatt, spearheaded by our Executive Director Mr. A. Pitale, the team specialising in Innovation is evolving solutions and services for verticals such as Education, Retail and Health care. We also place emphasis on reducing time-to-market so that the insights can rapidly fructify into marketable services. We avail of the ready test beds with our longstanding clientele to carry out trials. Several of our customers are our allies in such endeavours. The BFSI (Banking and Financial services) strength within the Company, particularly the prowess and domain-specific experience available with our Far East Team, have helped us to launch the BFSI services and solutions in markets across the globe. It may be noted that global IT spending by financial services institutions is expected to go up by 3.7% in 2011, as projected by global consultancy Celent. The fastest growth will be seen in financial services institutions in Asia-Pacific region whose IT spending is estimated to increase at 6.2% in 2011 and show a CAGR of 6.2% from 2011 to 2013. The APAC region accounts for 26.4% of the financial sector's IT spend worldwide.

Omnitech is also growing in numbers as an organisation. Our team strength would have more than doubled by 2013 to be around 2500 employees. This in turn would also impact the culture and dynamics of the organisation. To add this amount of talent to the Company means a lot of gearing-up, and we have done the preparation to attract and hold on to the best human capital.

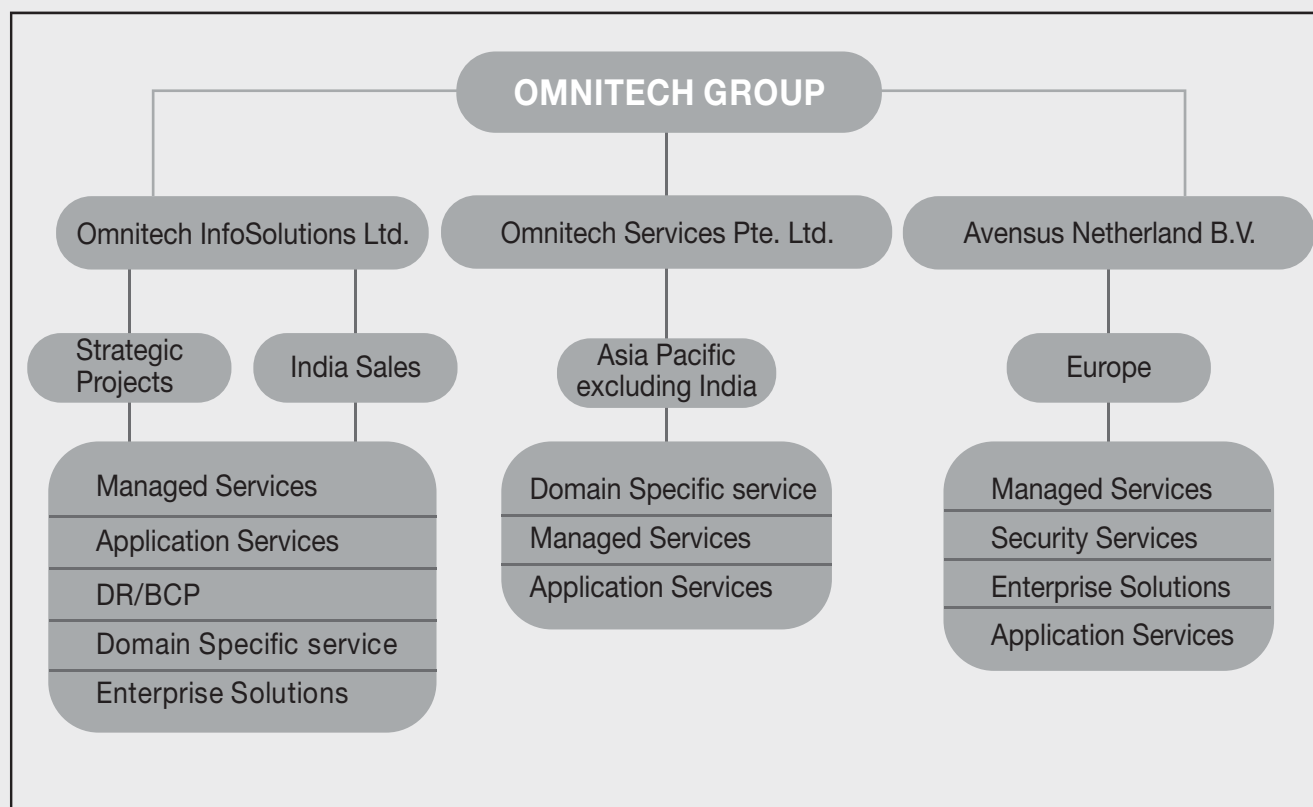
With our expanding operations in EMEA and Europe, one of the principal challenges is the integration of people, practices and processes. Our extensive experience with global clientele and a well planned programme for integration aid us in this task.

The Hub-And-Spoke Of Agility

Omnitech is taking strides in newer geographies.

A dynamic helm stationed at different hubs is ably steering the various initiatives and operations.

BUSINESSES AND THEIR HEADS

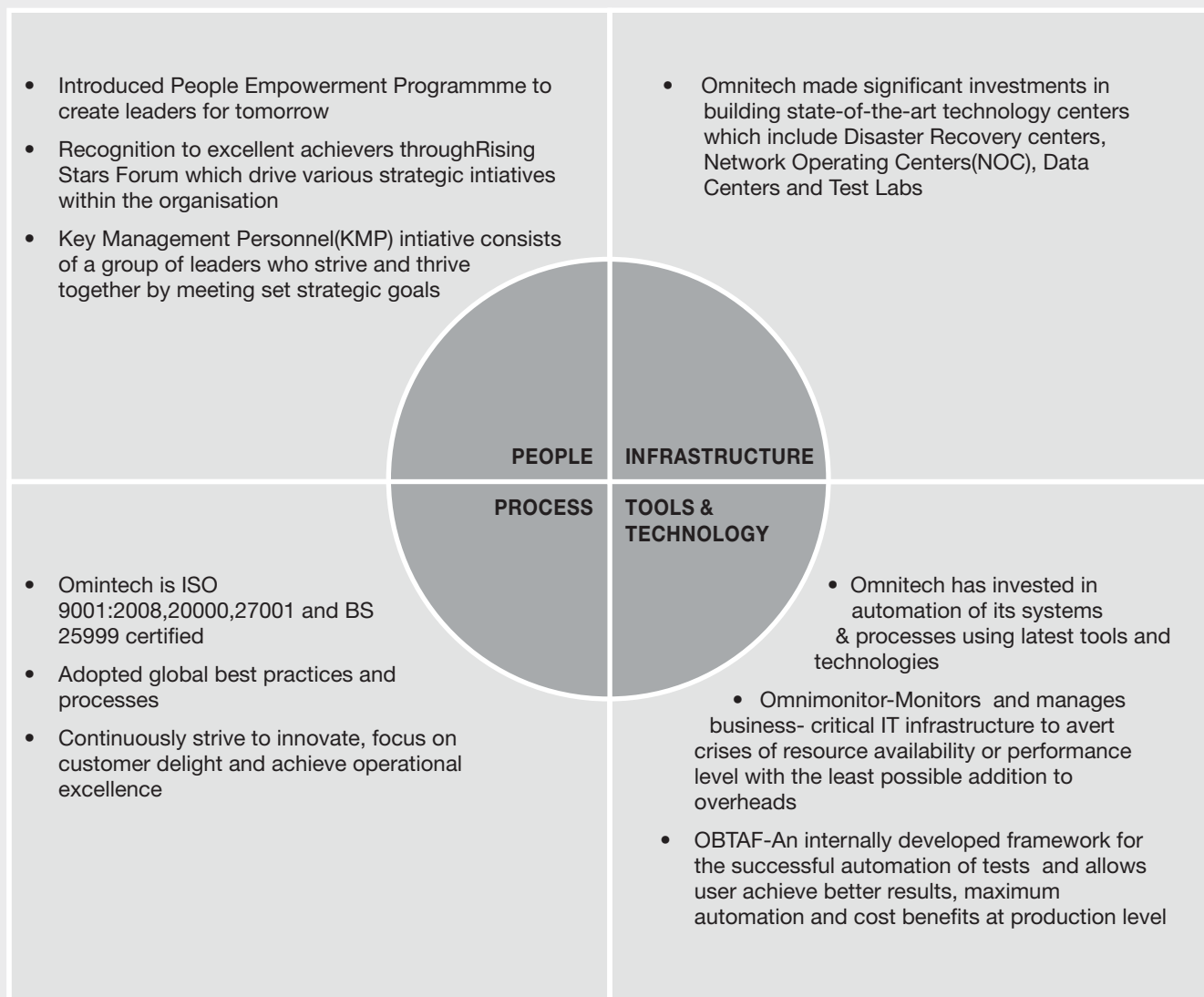


OUR GLOBAL FOOTPRINT AND INDUSTRY FOCUS

Industry Focus				
Banking, Financial Services & Insurance	Manufacturing & Healthcare	IT & ITES & Retail	Travel & Media	Pharmaceuticals & Education
<p> ■ HEADQUARTERS ▲ PARTNER / CUSTOMER PRESENCE ● PARTNER PRESENCE </p>				
India	Asia Pacific	EMEA	North America	Canada
Head Quarters -Mumbai Branch Offices -Bangalore -Chennai -Hyderabad -Gurgaon -Pune -Ahmedabad Service network locations across 1100 locations pan India	-Singapore -Hong Kong -Japan	-Europe -Middle East	-New Jersey	

Configured For Agility

Leveraging various kinds of existing investments for optimum performance and future scalability.



- **PEOPLE:** We have intensified our Learning & Development activity in the last couple of years and invested in organizing more than 20,000 man hours of learning, training and certification programme. We believe that training is not only critical to the growth of our employees but also for the effectiveness of our processes.

As we step on to our next phase of exponential growth, we needed to make sure that our systems and our people are ready to ride the growth tide. In pursuit of that, we hired key Management personnel for Finance, Sales and Delivery functions to enable us to make the transition to being a bigger global player.

Omnitech believes in blazing the trail by adopting newer technologies and redefining service delivery in the industry. Hence, we hired Practice Heads to build expertise in domain specific verticals to further enhance the quality of our service offerings and to provide solutions for custom needs.

- **PROCESS:** Having adopted the global best practices and processes, we are certified for ISO 9001:2008, 20000, 27001 and BS 25999.

We continuously strive to innovate, focus on customer delight and achieve operational excellence in our processes, be it our delivery model, service and solutions offering or our packaging of services and solutions.

- **INFRASTRUCTURE:** We have made significant investments in building our Disaster Recovery Centers, Network Operating Centers and Data Centers in the past couple of years to enable us to be agile in the world of changing technologies. These investments would enable us to provide Cloud Based services without any further add-on to our capital expenditure plans.
- **TOOLS & TECHNOLOGIES:** We have been making substantial investments in building and acquiring newer tools and technologies to further enhance our service delivery and provide cuttingedge services and solutions to our customers.

All these factors provide Omnitech with the edge. They give us a platform to leverage these resources and grow exponentially without any major capex and costs. These investments will ensure that we are able to sustain our higher EBITDA and PAT margins as we step on to our next phase of multifold growth.



Omnitech In Perspective

Flexible-and-fast proves itself time and again over hard-and-fast. An agile approach encompasses the attitudes of staying adaptable, flexible, co-ordinated and balanced.

Omnitech sees itself in relationships with customers where they can leverage our IT services for their efficiency and profitability. They can do so without involving themselves with the nitty-gritties of hosting and deployment. To achieve this, we are looking at the important emerging delivery models - where customers can get computational/processing services without buying hardware, avail of storage services without adding server farms, and run applications without buying software.

Omnitech's services cover the entire IT set up – Computing Environment, Networking, and Application Infrastructure. Productivity, predictability and profitability from IT Infrastructure and Applications is the sum of benefits that our customers get from us in the domains of Availability, Continuity and Business Enhancement. In addition, our Performance Management and Software Testing Services test the functionalities and benchmark the performance of the application.

Business Availability Services: It includes Infrastructure Management, Enterprise Solutions, Application Management, Independent Testing, WebSphere Competency Centre (WCC).

Our IT infrastructure support and architectural services are designed in order to help our clients determine new business opportunities, help business continuity and ensure quality control and therefore, business value and growth.

Business Continuity Services: Omnitech offers comprehensive, flexible recovery options tailored to meet a client's specific technical and business requirements.

The multi-location presence of Omnitech recovery centers and Tier III data centers helps us to enable business continuity in event of disasters. The suite of Continuity services includes consulting, risk assessment, business impact analysis, recovery strategy formulation, implementation of a robust recovery plan and programme management.

As an agile enterprise, Omnitech is learning from all its interaction with the external factors. The state of continual adaptation may be termed co-evolution wherein our products and services are constantly changing as they adapt to customer responses and competitor actions.

Business Enhancement Services: Drawing on our vast experience, we deliver a very efficient iterative SDLC methodology, which helps us in modular delivery to end users, incorporating feedbacks / suggestions, and providing better predictability in terms of quality, cost, schedule and feature coverage.

We deploy application management systems that are unfailing and available 24X7. By outsourcing application management and maintenance with Omnitech, clients achieve large savings and maximized ROI, in addition to increased productivity and better competitive advantage.

The think-tank in Omnitech: The Core Executive Committee (CEC) is supported by a layer of Key Management People (KMP) – serving as the pillars. As our quality of entry-level recruitment has been rising because we go to the premier campuses, there is a concerted effort to create a fast-growth track for exceptional performers. This is the Rising Stars (RS) programme which identifies such potential and targets a greater future role in the Company for these team members.

So it's all about agile people providing that leading edge. Keeping them agile are mandatory predefined training schedules which update their knowledge and develop their leadership potential even further. The Company attributes the impressive successes in recent years to this kind of intensive development of its human capital. This process has charted the career development path for Omnicians and also works as part of the overall talent management strategy.

Our winning perspective is that competitive advantages are inherently temporary, and agility to move on to the next innovation is what will keep us ahead.

Success Stories

Remote Infrastructure Management

Industry: Healthcare

Customer: A leading healthcare company

The Challenge: To establish centralised management of IT Infrastructure.

The Solution: Omnitech deployed a central helpdesk to attend and record incidences and also created a call management tool to give its users the flexibility to log calls on web portals.

All the locations were monitored remotely from a Network Operating Center located at the customer's corporate office.

The Result: Person dependency in IT Service Management was minimized.

Highly satisfied end-users due to availability of single desk for all kind of IT related assistance.

Automation in the 'Call Management' ensured recording of all incidences with their updated status and historical data was made available for the future analysis and MIS purpose.

Centralised control over complete IT infrastructure because of single window operations; saving cost and time.

Application Management

Industry: BFSI

Customer: A leading global investment bank

The Challenge: Required expert support and application management for mission critical applications running 24x7.

The Solution: Omnitech suggested a contractual support on an annual basis by a certified professional in WebSphere MQ server. This support is provided in the form of SLA and customers problems are prioritised as per criticality and addressed on emergency.

The Result:

- Timely resolution to the administrative challenges.
 - Improved response time based on SLA
 - Keeping the Servers up and running 24 X 7
 - Regular maintenance and health check of system
-

Disaster Recovery and Business Continuity

Industry: BPO/KPO

Customer: A leading BPO/KPO company

The Challenge: To be available and avoid outages to maintain their competitive edge. This is vital to their success but in order to achieve this, they had to invest heavily in infrastructure that they will have to keep vacant.

The Solution: Omnitech as a Workplace Area Recovery (WAR) center offered them the option to convert their CapEx into OpEx by providing them the facilities that they needed by creating a work place area recovery center for them.

The Result:

- CapEx was converted into OpEx
- Resilient Data Center
- Business Recovery Space with total office infrastructure
- Temperature Resistant Data Vaults
- Data Center Support
- Hot Site Support
- Infrastructure Management Support

Domain Specific**Industry:** BPO/KPO**Customer:** A leading private sector bank**The Challenge:**

- Upgrading Payment & Settlement System as per latest RBI guidelines.
- Single point of contact for End-to-End Solution.
- Maintenance of applications from RBI, IDRBT & CCIL.

The Solution: Omnitech as a one-stop-shop addressed their payment & settlement system with a yearly maintenance system which included general software support, problem reporting and escalation management and yearly audit of payment & settlement system, supported by field management services as and when needed.

The Result:

- Cost effectiveness
- Service quality
- One stop window solution provider
- Experienced technical support
- Faster up-gradation
- Consultative approach
- Timely response



Application Services

Industry: BFSI

Customer: A leading general insurance company

The Challenge:

- The business challenge was to simulate and capture response time under various user load conditions.
- Technology challenge was that the various applications were web based using Java technology. The applications used a lot of custom controls which made it very difficult to automate using standard test automation tools.

The Solution: The testing was done using Omnitech's standard framework OBTAf and other rational tools. The test was analysed by gradually increasing the load to the peak level.

The Result:

- While the application was designed to undertake user load of more than 350, it was found during the test that application was only ready to take load of max. 150 under the defined environment.
- The recommendation for desired infrastructure was suggested to the client.
- Huge upfront infrastructure cost was reduced due to right sizing.
- Reduction of people dependency for testing.

Ahead On Agility-Interview With The MD

In terms of business areas, what has been the prime driver in the year 2010-11 and what have been the main developments in these fields?

Managed Services has been the growth driver for Omnitech for the last fiscal. RMS (Remote Managed Services), Domain Specific services and Performance Management services have been the front runners. We are firmly moving towards becoming the transformational partner for mid-sized companies in India and across the world, which enables us to create value for our global customers and differentiate us from our competition. We have expanded our geographic spread in the domestic market as well as in the international territory (new sales offices in Bangalore, Hyderabad, Delhi, Hong Kong and Europe). BFSI, manufacturing and IT/ITES have been the key verticals for us and we are seeing a lot of traction from the Retail Healthcare and Government sector.

How are the company's global operations interdependent and how are they coordinated? how is this changing Omnitech as a company?

We have become a multi-locational, multi-layered global matrix organisation. We have adopted a hub and spoke model for our global operations and we are getting smarter with experienced professionals on board. In addition to Sales, Pre-sales and Delivery, we have added a layer of Practice organisation not only to maintain uniformity and seamless functioning across geographies but also derive the benefits of both centralised as well as decentralised operations.

Avensus's domain of Information Security presents a cross selling opportunity for Omnitech to take to more customers while the Managed Services from Avensus can reap the advantage of being delivered out of India. Likewise, we have a channel to sell Infrastructure Management and Disaster Recovery/Business Continuity in Europe to existing and new clientele. Domain specific services for our BFSI client base managed by Singapore operations also leverage the Indian base for better margins.

We have well implemented global standard processes with local touch thru "Regional Blue Print" (RBP) for efficient communication and coordination. We have imbibed our agility and core values in our work culture across the world. Our internal alignment and synergies will directly reflect in what we can do for our client enterprises, so we are attentive to the integrative elements in our culture.

What are the key customers looking ahead to at this time, what are their expectations like, especially from Omnitech? What sort of opportunities for organic/new growth would this translate to?

Key customers look at both depth and breadth. We are able to provide niche services specific to the industry verticals like market data analytics, trade floor services etc, for large enterprises. In terms of breadth - it's about providing services on demand as the outlook at SMEs (small and medium enterprises) is changing and they perceive IT as the key business enabler over the coming 3-5 years. In either of the cases, the customer is indeed looking at a reliable partner with the expertise, who is just not providing technical services & solutions but provides business support services which eventually help customers to achieve Growth, Efficiency and Cost without compromising the service quality. This brings a huge growth opportunity for Omnitech to get high value – multi-year contracts and thus addressing a large addressable pie of customers' IT budget.

Customers are also looking at the potential of buying services along the utility model. We are aiding companies in understanding and planning a

Atul M. Hemani
Managing Director



transition to adoption of Cloud Based services which are billed as per usage. Agility is an important requirement in business and our customers turn to us to help them achieve it so that they are not overtaken by change and their competition's moves in the market. So our advocacies of agile methods work to their business advantage.

What challenges has the Company identified as important and has been addressing/tackling in recent months?

The company stands to make tremendous gains by reducing time-to-market and so we are addressing that through our Project Aryabhata initiative. Headed by our Joint Managing Director, Mr Avinash Pitale, there is an Innovation Team which consists of people at every level who constantly work on newer technologies and innovative ways of delivering. We thus encourage a bottom up approach well supported by the executive team at the top. A continuing challenge is the retention of the Key Team, maintaining the quality of talent and raising their performance. We have provided ESOP's to the entire key team that makes them responsible for the performance of the company. In addition to this every employee has to undergo compulsory minimum training hours across the organisation. In addition, there is training that is specific to the role/responsibility. It aggregates to over 10000 man-hours of training which includes MDPs as well. We have as training content for both technical and soft skills which is mapped with the organisational goal and the career plan for individuals.

What is Omnitech's strategy to retain people in the organisation?

The philosophy of an agile enterprise, when it has been inculcated through rank-and-file, also strengthens the meaning and positive belief behind every individual's efforts. Other than compensation, and a career plan, Omnitech has put in place a leadership identification programme "Rising Stars" which focuses on young people and the power of their commitment. I am happy to be able to say there is no attrition at the KMP level. These are our Key Management Personnel who immediately support our Core Executive Committee in managing our enterprise and delivering to our clientele. We have made sure they get influential roles and strategic autonomy. This ensures their concrete engagement with a quantum of challenge as well as opportunity in front of them. The rotational possibilities across locations and sites also maximise exposure and learning and capacity development. In addition to this we have made them responsible for the Company's performance by means of ESOP's.

What type of business is expected to lead the action in 2011-12 following on this year?

Managed services would be the flavour for the fiscal 2011-12. What will change is definitely the way we deliver our services and newer services getting added to the existing portfolio. DR/BCP would continue to grow on absolute numbers but the percentage contribution to the revenue would be flat or decrease marginally. Companies are also increasingly turning to IT to derive their competitive edge and drive up their operational excellence. This presents us with the scope to take the lead and demonstrate our preparedness to develop and deliver what is mission-critical for our clientele at this time. As end-users expect convenience and 24x7 access, marketers have to maintain cell phone access and enable anytime transaction. This means a lot of new apps deployed very quickly across a diversity of platforms. Agile is the key word here - there is no other way to keep pace or respond. Agile is a source of competitive advantage.

What is the management outlook towards keeping the focus on performance and revenues?

At Omnitech we are committed to enhance and improve the overall profitability and functioning of the organization instead of being too aggressive on increasing our topline. We are doing right things for our first cross border acquisition so that we derive maximum synergies and make that business more profitable.

On the other hand expansion of services, markets, customer types and our footprint in India, Far East and Europe through organic and inorganic route is the other prong of our growth strategy. In the short run, it will affect margins but we are balancing between growth and the bottom line even as we pursue both domestic and overseas acquisitions/strategic Alliances.

As utility computing gains ground, it will re-define the relationship with the customers. It can offer stability without the burden of owning a lot of IT infrastructure and becoming asset-heavy. We are also seeing longer-term contracts with major customers as the plans look at a longer horizon than earlier. Such models for buying Computing Services will enable faster strategic decisions and implementations for customers, and their own agility potential will be unleashed.

BOARD OF DIRECTORS

Agility across the board: Important decisions need to be taken with fast reflexes, and that's where the advantage of ample experience really shows Omnitech's Board of Directors bring an agility in decisions and policy-making to the table.



Mr. Maganlal K. Hemani
Non-Executive Chairman



Mr. Atul M. Hemani
Managing Director & CEO



Mr. Avinash C. Pitale
Jt. Managing Director



Mr. Devarshi D. Buch
Executive Director



Dr. Kalimohan J. Bhattacharya
Non-Executive and Independent Director



Dr. Ram K. Mangal
Non-Executive and Independent Director



Prof. Venkateshwaran H. Iyer
Non-Executive and Independent Director



Mr. Vasudeva V Kamath
Non-Executive and Independent Director

CORPORATE INFORMATION

**Company Secretary &
Chief Officer**

(Compliance & Legal)

Mr. Gaurav Sharma

Statutory Auditors

M/s. Shah Jadavji & Co.

Regd/Corp. Office:

Omnitech InfoSolutions Ltd.
Omnitech HouseA/13 Cross
Road No. 5, Kondivita Road
Marol M.I.D.C., Andheri (E)
Mumbai – 400093
Ph.: 022 – 40956666
Fax: 022 – 40956565

Registrar and Transfer Agent:

Link Intime India Private Limited
C-13, Pannalal Silk Mills
Compound
LBS Road, Bhandup (W),
Mumbai – 400078
Ph.: 022 – 25963838
Fax: 022 – 25962691

CORE EXECUTIVE COMMITTEE

Agilely supporting implementation: Omnitech has a qualified and skilled group of key management people to effectively execute the directives from the Board and to translate the policy decisions into swift action and results.



Mr. Atul Hemani, MD & CEO – Founder

20+ years of experience

Key Responsibilities:

- Driving the overall business growth strategy and accomplishing organizational vision
- M&A and Finance



Mr. Avinash Pitale, Joint MD – Co-founder

25+ years of experience

Key Responsibilities:

- Conceptualization, execution and delivery model set up for various services viz. Infrastructure Management and Disaster Recovery Services



Mr. Devarshi Buch, Executive Director – Promoter

22+ years of experience

Key Responsibilities:

- Sales of solutions/technologies and products, execution of turnkey projects, providing IT consultancy
- Developing domestic business in the area of system integration and support services



Mr. Anurag Shah, COO & Head of Global Operations

12+ years of experience

Key Responsibilities:

- Determining overall business strategy for all International markets
- Global Marketing and M&A



Mr. Ajay Kotkar, CEO, Asia Pacific & Global BFSI Practice Head
23+ years of experience

Key Responsibilities:

- Holds a clear vision from where he wants the company to grow in the Asia Pacific market in sync with the other key management personnel.



Mr. Ed Trautig, CEO, Avensus BV
25+ years of experience

Key Responsibilities:

- To grow Omnitech/Avensus business throughout Europe based on Managed Services, RIM, Business Continuity, Application Services, Cloud Computing and an everlasting strong focus on High Grade Security.



Mr. Nikul Shah, President, Global HR and Corporate Services
38+ years of experience

Key Responsibilities:

- Handling HR, Commercial, Admin, Training and Development departments globally.



Mr. Aniruddha Modak, VP-National Sales
20+ years of experience

Key Responsibilities:

- Aligning business plans and sales with the corporate vision.



Mr. Ravi Khurana, VP-Finance and Accounts
21+ years of experience

Key Responsibilities:

- Overall leadership of the Finance & Accounts at Omnitech.

LEADERSHIP TEAM



- 1 **Dhansing Thakur** - VP - Commercial
- 2 **Sanjay Mishra** - VP - EMEA Operations
- 3 **George Puthusseri** - Integrated Service Delivery Head, India
- 4 **Gaurav Sharma** - Company Secretary & Chief Officer (Compliance & Legal)
- 5 **Amit Patil** - AVP Sales - Services
- 6 **Amit Abhyankar** - AVP Sales - BCP
- 7 **Ayan Mitra** - AVP - Marketing
- 8 **Mihir Mohanty** - AVP - Presales
- 9 **Nitin Purohit** - AVP - Technology Services
- 10 **Kosal Sharaff** - Head - Strategic Account Manager
- 11 **Nilesh Thakkar** - GM Operations - DR & BCP
- 12 **Machhindranath Tapare** - National Delivery Manager - Tech Support
- 13 **Rajesh Bhosle** - National Delivery Manager - Operations
- 14 **Anil Singh** - National Delivery Manager - CRM
- 15 **Ramesh T.** - Deliverylead, Consulting Services
- 16 **Rajish Rajan** - Technical Manager - WCC
- 17 **Dinesh Rane** - Sr. Manager - Accounts
- 18 **Akanksha Misra** - Manager - L&D
- 19 **Farzana Adenwalla** - Manager - Corporate Relation
- 20 **Ganesh Ganguli** - Manager - Administration
- 21 **Mahalakshmi Chowdhary** - Manager - HR
- 22 **Mahendra Bhande** - Manager - Strategy and MIS
- 23 **Sanket Mangrulkar** - Manager - M&A and IR
- 24 **Shabina Khan** - Manager - Quality Assurance
- 25 **Yugal Hemani** - Manager - IT

Management Discussion & Analysis

ECONOMIC OVERVIEW

Global economic recovery continued gaining strength, aided by improving financial conditions throughout 2010. Improving private demand in developed economies and robust overall demand in emerging market economies helped the global economy to come back on the growth track. Global Economy grew by 4½ percent in 2010. High unemployment in the developed economies, geopolitical uncertainty in certain regions and rising food and commodity prices are the challenges that might weaken the economic growth. IMF has forecast the world real GDP growth to be about 4½ percent in 2011 and 2012. Real GDP in advanced economies and emerging and developing economies is expected to expand by about 2½ percent and 6½ percent, respectively.

Indian Economy has been thriving on its strong fundamentals – led primarily by domestic-demand; well-diversified



mature segments like industry, agriculture and services etc.; well regulated financial sector and capital markets; promising demography of young and skilled population and sizeable and prospering middle class. Riding on these very fundamentals and supported by a favourable south-west monsoon, Indian Economy posted strong recovery in the fiscal years 2010-11(FY 11). Revised estimates of Central Statistical Office have projected the Indian Economy to grow by 8.5 percent in FY 11.

INDUSTRY OVERVIEW

Global IT Scenario

After the y-o-y contraction recorded in 2009, global technology products and services related spends registered an estimated growth of 4 percent in 2010 to reach USD 1.6 trillion. The growth was driven by US in addition to emerging verticals and emerging geographies. Hardware spends worldwide increased by 6.4 percent. The IT services spend increased by 1.4 percent within which IT outsourcing grew by 2.4 percent. Business Process Outsourcing (BPO) grew by 4 percent while software products grew by 3.7 percent. Within IT outsourcing, global sourcing grew by 10.4 percent.

Restructuring in wide ranging contracts and reduction in deal sizes were witnessed in 2010 as customers came to terms with new business models and budgetary constraints. There was an increased adoption of multi-sourcing,

which was partly precipitated by increased maturity of Indian providers. Established service providers went ahead with select acquisitions in order to enhance skills and scale. Despite cost and talent remaining the essential considerations, customers are constantly demanding more. They are asking for more immediate value from IT besides evaluating its participation in their forward business strategies that support growth and innovation. Service providers, subsequently, are adopting agile methods aimed at operational excellence through ongoing innovation, diversification, partnerships/alliances and new business models.

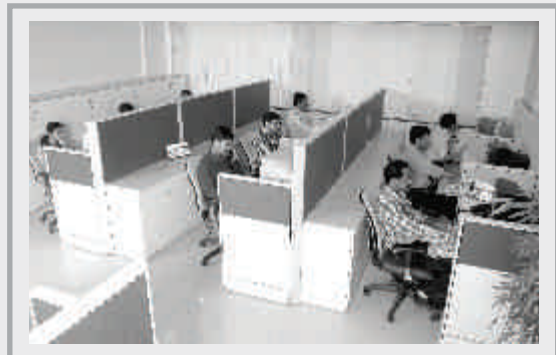
Indian IT-BPO Sector

India has maintained its dominance as the leading global shoring destination with a 55 percent share of global IT outsourcing and BPO market in 2010. This can be attributed to a set of factors unique to India. Besides unparalleled cost advantage, India has the world's largest pool of employable talent, service delivery infrastructure across multiple geographically dispersed locations within the country and a supportive policy regime. Transcending these basic value propositions, Indian industry is increasingly aligning itself for more collaborative contracts with inherent performance management and risk-reward frameworks. It is increasingly being driven by transformational business impact, service delivery maturity, scalability and sustainability.

Indian IT-BPO sector recorded estimated revenue of USD 88.1 billion in FY 2011. IT software and services sector (excluding hardware) accounted for USD 76.1 billion. With an estimated addition of 240,000 employees, direct employment is expected to reach nearly 2.5 million, while indirect job creation is estimated to reach 8.3 million during FY 2011. As a proportion of national GDP, its contribution is estimated at 6.4 percent. With export revenues at USD 59 billion, its share of total Indian exports (merchandise and services) is estimated to reach 26 percent in FY 2011.

Exports market: During the year, there was a consistent demand from the US resulting in its share increasing to 61.5 percent. The growth was significantly aided by growth from emerging markets in Asia Pacific and rest of the world. The year was characterised by broad based demand across traditional segments such as BFSI at the one hand and emerging verticals of Retail, Healthcare, Media and Utilities at the other. With a growth of 22.7 percent and revenue of USD 33.5 billion, IT services segment was the fastest growing. BPO segment grew by 14 percent to reach USD 14.1 billion in FY 2011. The engineering design and product development segment grew by 13.6 percent to take its revenue to USD 9 billion.

Domestic market: Sustained economic momentum, rapid advancement in technology infrastructure, increasing competitiveness of Indian organisations, emergence of business models that help provide IT to new customer segments and enhanced focus by the government are the key drivers for increased technology adoption in India. IT-BPO revenues (excluding hardware) in domestic market grew by 16 percent to reach ₹787 billion in FY 11.



- Government sector continue to be a key catalyst for increased IT adoption- through sectoral reforms that encourage IT acceptance. These include National eGovernance Programmes (NeGP) and the Unique Identification Development Authority of India (UIDAI) programme.
- IT services features amongst the fastest growing segments in the Indian domestic market. Driven by localised strategies of service providers, it grew by 16.8 percent to reach ₹501 billion during FY 11.

- Driven by demand from voice based services, in addition to adoption from emerging verticals, new customer segments, and value based transformational outsourcing platforms; domestic BPO segment is expected to grow by 16.9 per cent in FY2011 to reach ₹127 billion.
- Indian software product segment is estimated to have grown by 14 per cent to reach ₹157 billion.

Future Outlook

IT spend is directly linked to growth in GDP. In line with the projected Global GDP growth, IT spends are expected to grow by about 4 percent in 2011. Accelerated recovery in emerging markets is expected to generate more than half of all new IT spends worldwide. 2011 is likely to see a major surge in the use of private and public cloud and mobile computing on a variety of devices and through a range of new apps. IT services is expected to grow about 3.5 percent in 2011 and 4.5 percent in 2012. Customers will increasingly evaluate how their investment in IT can further their business objectives of ROI based transformation, leading to an increase in project based spending. Services such as virtualisation, consolidation and managed services will drive opportunities in the market. In order to reduce hardware infrastructure cost and achieve scalability on-demand, organisations will look for alternative IT models such as Cloud, On-demand, SaaS, etc.

In the coming years, the global IT-BPO industry is likely to undergo a paradigm shift across five parameters:



1. Growth will be driven by new markets. SMBs, Asia, public sector and government-influenced entities will form the priority customer base.
2. Customers will demand transformative value proposition that go beyond low cost replications. As technology creates virtual supply chains, customers will require a seamless experience across time zones and geographies which will increase demand for innovation and end-to-end transformation.
3. Offerings that are high-end and deeply embedded in customer value chains will emerge. Services and delivery will become location-agnostic leading to new opportunities like Remote Infrastructure Management. Solutions for domestic market will be a key focus area.
4. Government pressure to create local jobs coupled with the need for local knowledge will alter the employee mix. There will be a much greater focus on ongoing development of specialised skills and capabilities.
5. Driven by a focus on expertise and intellectual property, offerings will shift from piecemeal, technology-centric applications to a range of integrated solutions and higher-end services, spanning new service lines.

Indian IT-BPO sector has begun to explore market opportunities beyond US and UK. By 2020, new segments (SMBs), new verticals (Public Sector and Defence, Healthcare, Utilities, Printing and Publishing) and new geographies (BRIC) will account for 50-55 percent growth in addressable market. India supply base is well placed to tap this potential and suitably exploiting these emerging opportunities both in global and domestic markets can help India reach USD 130 billion revenues by FY 15, a CAGR of 14 per cent. By then, Indian IT-BPO industry is expected to contribute about 7 percent to the annual GDP and create about 14.3 million employment opportunities (direct and indirect).

(Source: NASSCOM Strategic Review, 2011)

OPERATIONAL OVERVIEW

In 23 years of our active participation, we have witnessed several phases in the evolution of Information Technology, in India and across the globe. We have also evolved as an organization all along and transformed ourselves from pure-play System Integrator to a pure-play Technology Services Company. In the process, we have grown. Today, we serve over 450 clients globally, employ over 1185 people, and have direct business presence in India, Singapore, Hong Kong, Netherlands and USA. Our revenue has grown at a CAGR of 36% over the last five years. We are the first Company in India to have multi-location DR sites. Today, we stand tall as a global organization that offers tailored solutions for SMBs, has a non-linear business model, is a leader in business continuity domain, enjoys excellent EBITDA margins and proactively adopts newer technologies.

Having achieved a significant spread, scale and maturity, we are fast emerging as IT transformational partner for mid market customers in emerging markets. Increasingly our customers are engaging us at strategic levels. Increasingly, we are getting turnkey projects and long-term projects thereby securing better visibility.

Strategic Acquisition: Our consistent efforts towards widening and deepening our footprints in Europe culminated in strategic acquisition of Avenus, a Netherlands based managed service provider in February 2011. Avenus has annual revenues of USD 15 million and EBITDA margin of 8% (FY 2010). The acquisition was done at a total consideration of USD 9 million. We engaged KPMG towards post merger integrations and expect to complete the integration in the first half of FY 12. Besides its existing business revenues, the acquisition brings with itself tremendous opportunities for cross selling of Omnitech's Managed Services, Software Testing Services, Disaster Recovery and Business Continuity Services. Avenus is a pioneer in the high grade security services and solutions in Europe and the same opens equally promising cross selling opportunities for Omnitech in Asia Pacific region including India, Singapore and Hong Kong.



Cloud based offerings: Cloud as a technology is not new. What's new is cloud as a business model, as an operational model. We have seen this trend ahead of time and prepared ourselves. At Omnitech, we have already been providing IaaS (Infrastructure as a Service) through our DR/BCP practice and SaaS (Software as a Service) through our PMS practice. We have tested and done soft launch of our private cloud service offering and are ready for its full commercial launch in the first half of FY 12. Our two DR centers at Navi Mumbai and Hyderabad provide us a ready infrastructure to launch as well as scale up our services. We have been fast moving away from linear to non-linear model and the launch of our Cloud offerings will further improve our Revenue per employee

Remote Infrastructure Management Services (RIMS): We started offering RIMS to our customers as early as in 2008, with a Network Operating Center (NOC) manned by 5 people. The success of our RIMS offerings had led to a 120 seat NOC, now operating from our DR centers at Navi Mumbai and Hyderabad. Owing to increasing demand, we plan to further ramp up our NOC capacity in FY 12. We also plan to offer remote application management services and remote back up services in addition to RIMS.

Industry Vertical Focus: While BFSI continues to remain the major focus vertical for us, we have widened our industry vertical focus to include education, retail and healthcare as new focus areas. Going by our initial results and the future projection for these three verticals, we expect them to contribute close to 20% of our revenues by FY 13.

Expanding Sales Network: Another major initiative undertaken during the year was to strengthen our sales network across key metros and cities in India. We opened up sales offices in Ahmedabad, Bangalore, Chennai and Hyderabad and branch offices in Gurgaon and Pune during the year in order to penetrate further into the domestic market. We also set up a step down subsidiary in Hongkong to cater to the Far East market and provide BFSI specific services. We plan to set up sales office in UK in FY12 to meet the increasing demand of our existing clients and to attract new business.

Core Executive Committee: At Omnitech, our key to success lies in an enabling and empowering organization structure. We have always been driven by our philosophy of talent acquisition, talent development and talent deployment. During FY 11, we further strengthened our organisation structure with creation of a Core Executive Committee as the immediate next layer below the Board of Directors and above the Key Management People.

PERFORMANCE OVERVIEW

At Omnitech, we continued to grow ahead of our economy and industry once again. Our strategy of seeking sustainable growth based on the four pillars – People, Process, Infrastructure and Tools & Technology – is working well for us. Our approach towards business continues to be driven by Innovation, Operational Excellence and Customer Delight. Together with these, we are rigorously implementing our business vision of crossing ₹11,000 million revenue benchmark by FY 14. Innovation, expansion, alliances and M&A continue to be the key constituents of our business strategy.



The way we have been managing qualitative aspect of our growth gets reflected in the sheer consistency which we have achieved in the recent years. Between FY 08 and FY 11, the compounded annual growth rate (CAGR) of our revenues is 26.42%, our EBIDTA is 26.85% and our PAT is 16.09%. The fact that we have been scaling up our people, infrastructure and geographical capabilities all along makes our profitability even robust.

Key points of our financial performance in the fiscal year 2010-11

are as follows:

- Our total operating income grew by 58.55 percent to reach 346.34 crores in FY 11 from ₹218.53 crores in FY 10
- Our EBIDTA grew by 58.46 percent to reach ₹107.09 crore in FY 11 from ₹67.58 crores in the previous year
- Our Profit after Tax grew by 35.95 percent to reach ₹51.77 crores from ₹38.08 crores in the previous year

We have consciously been reducing our dependence on top 10 customers. Revenue contribution from top 10 customers came down to 45% in FY 11 from 60% in the previous year. We have also been geographically diversifying our revenue base in order to reduce our dependence on a particular geographic market. India continues to be the single largest contributor to our revenues. However, its contribution to our revenues came down to 74.5% in FY 11 from 79% in the previous year. Revenues from Far East & Japan recorded the fastest rise during the year by taking its contribution to 9.6% from 4% in the previous year.

REVIEW OF FINANCIALS

Share Capital

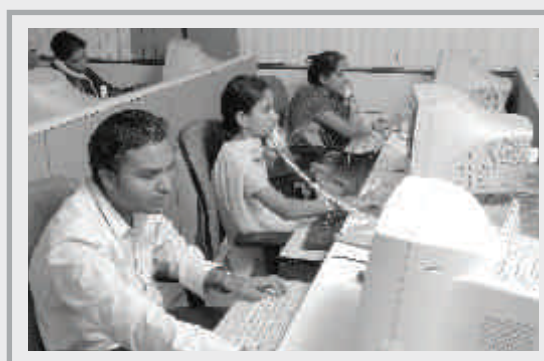
Omnitech has only one class of shares – equity shares of face value of ₹10 each. The Company's authorised share capital is ₹2,000 Lac, sub-divided into 200 Lac shares of ₹10 each. The paid up capital of the Company is ₹1,386.04 Lac divided into 138.60 Lac shares of ₹10 each. During the year under review 2000 warrants were converted into equity shares at a price of ₹122.23.

Rs in Lacs

	As on 31st March, 2011	As on 31st March, 2010
Authorised Share Capital	2,000.00	2,000.00
Paid Up Capital	1,386.04	1,385.84

Reserves & Surplus

During the year under review, the Share Premium Account increased by ₹2.25 Lac on account of conversion of 2000 warrants. The Company credited ₹527.62 Lac from profits to General Reserves. The balance retained in Profit & Loss Account post appropriation for proposed Dividend and Dividend Tax was ₹4183.52 Lac.



Equity Share Warrants

During the year under review, the Company did not issue any warrants. The warrants outstanding from the previous financial year are convertible into shares at a premium of ₹112.59 per share and the conversion ratio is 1:1 for the same. The amount brought forward by the warrant holders was 25 per cent of the conversion price i.e. ₹122.59 per share as per the provisions of SEBI guidelines on Preferential Allotment. Out of the 862,000 warrants issued 2000 warrants have been exercised and Company has issued the shares against the same in the year 31st March 2011.

Deferred Tax Liability

The Company reported cumulative net deferred tax liability of ₹1686.06 Lac as against ₹902.35 Lac incurred in the previous financial year. Deferred Income Taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognised only if there is reasonable certainty of their realisation and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Secured Loans

During the year there was a net increase of ₹2047.49 Lac in Secured Loans. This increase was primarily due to additional Working Capital facility we acquired. The Working Capital facility was availed to fund our working capital needs.

(₹ in Lacs)

Loan Type	31 st March, 2011	31 st March, 2010
Cash Credit	1661.98	1713.83
Term Loan	996.89	882.66
Letter of Credit	865.97	755.01
Packing Credit in Foreign Currency	800.06	724.6
Working Capital Demand Loan	2092.31	300
Vehicle Loan	21.77	15.39
Total Loan Outstanding	6439.00	4391.51

Fixed Assets

(₹ in Lacs)

Assets	31 st March, 2011	31 st March, 2010	Growth
Business Acquisition	45.5	45.5	0.00%
Office Building	265.32	265.32	0.00%
Land at MIDC	133.34	133.34	0.00%
Land at Pune	283.61	283.61	0.00%
Software and Software pro	36.06	36.06	0.00%
Computer Systems	18681.23	13845.12	34.93%
Furniture & Fixture	619.84	613.76	0.99%
Office Equipments	80.26	40.15	99.90%
Car	69.88	52.42	33.31%
Capital Expenditure	-	7.23	-100.00%
Gross Block	20,215.04	15,322.51	31.93%
Less: Accumulated Depreciation	4,230.62	3,066.21	37.98%
Less: Provision for Impairments	6.10	6.10	0.00%
Add: Work in progress	1,866.94	1,385.97	34.70%
Net Block	17,845.26	13,636.17	30.87%

The increase in Computer systems and office equipments was mainly due to investments made in:

1. Investments in R&D
2. Partial technology refresh at Mahape center, Navi Mumbai
3. Customer specific investments

Investments

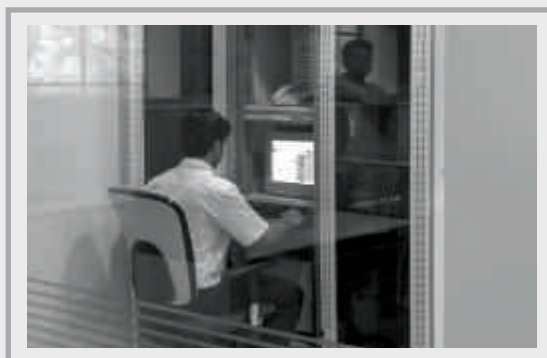
(₹ in Lacs)

Investments	As on 31st March, 2011	As on 31st March, 2010
Short-Term Investments	0.00	0.00
Long-Term Investments	455.81	258.52
Investment in Subsidiaries	448.38	251.10
Bombay Mercantile Co-Op Bank	3.81	3.81
FCD/PCD of Lloyd Finance	3.62	3.62
Total Investments	455.81	258.52

Long term investments consist of investments made in subsidiaries and Joint Ventures. The Company invested additional ₹49.35 Lac for the Singapore Joint Venture, OSPL and ₹102.52 Lac for wholly owned subsidiary Omnitech Technologies B.V., Netherland. We invested ₹45.41 Lac in our Singapore holding company. The total investment at the end of 31st March, 2011 in OSPL stands at ₹220.99 Lac, in Omnitech Technologies B.V., Netherlands stands at ₹169.04 Lac and in Omnitech (Singapore) Holding Pte Ltd. Stands at ₹45.41 lac. This increase in the investment was mainly for the Working Capital needs of the company.

Current Assets

The Company's gross Debtors outstanding position stood at ₹7558.51 Lac, from ₹5,139.20 Lac last year. Debtors mixed also changed from 26 per cent Debtors over 6 months last year to 16 per cent Debtors over 6 months now. Cash and Bank balance increased from ₹386.13 Lac to ₹637.82 Lac. Majority of increase in Loans and Advances can be attributable to the increase in advances to our suppliers to a tune of ₹3144.76 Lac. The higher inventory is because of our order book position, which stood at ₹20000 Lac at the end of Fy11.



(₹ in Lacs)

	As on 31st March, 2011	As on 31st March, 2010
Receivables	7558.51	5,139.19
Under 6 months period	84%	74%
Over 6 months period	16%	26%
Cash & Bank Balance	637.82	386.13
Inventories	4259.90	2,871.13
Loans and Advances	4792.86	3,552.58
Total Current Assets	17249.11	11,949.04

Revenue Analysis

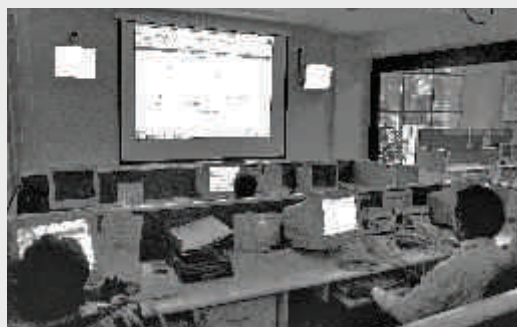
Total Gross Income stood at ₹31,697.15 Lac from ₹21,775.45 Lac last year, which is higher by 46 per cent. Income from Operations was substantially higher at ₹31,625.11 Lac from ₹21,649.66 Lac. Export sales stood at ₹6658.94 Lac. Other Income came down from ₹76.24 Lac last year to ₹218.51 Lac this year, this is due to decrease in dividend income owing to redemption of short-term investments.

Expenditure Analysis

Total Expenditure increased to ₹21,814.98 Lac from ₹15,180.77 Lac, an increase by 44 per cent.

Increase in Total Expenditure was mainly due to the following reasons:

- Increase in material cost by 41.5 per cent.
- Increase in staff costs by 90.5 per cent, the increase is mainly due to salary hike, hiring at the top and also increase in employee strength.
- Increase in the finance cost by 28 per cent.



Profit Analysis

Net Profit Before Tax increased to ₹7,432.69 Lac from ₹5,028.80 Lac, higher volumes helped the company post a 48 per cent rise in Profit Before Tax. Company made a Tax provision of ₹2,285.16 Lac for the current year as against ₹1,089.84 Lac for previous year. Profit After Tax showed an improvement by 31 per cent at ₹5147.52 Lac. The PAT growth is less as compared to revenue growth because of high higher Tax outgo.

Dividend Policy

The company declared 7th consecutive annual dividend this year. The rate of dividend stands at 27 per cent vs. 15% per cent last year. The company provided ₹436.39 Lac compared to ₹243.21 Lac last year for Final Dividend and Dividend Tax. The Dividend Payout Ratio improved to 7.3 per cent, against 5.46 per cent last year. We have been conservative in our dividend distribution policy given we stare at a huge capex in the next 2 years.

RISK MANAGEMENT

The business domain of IT products and services is a fast evolving. Human Capital is the most critical asset in the business of IT. In addition to the usual risks faced by any business, the specific risks facing the business of IT emanate from the speed of evolution and people-centricity.

With our business being in the realm of IT, the set of risks we stand to face are similar to those faced by the IT industry. The Company, however, have a definite set of practices and strategies in place to mitigate various risks facing its business. Company's diverse bouquet of offerings are organised under Business Availability, Business Continuity and Business Enhancement. The diversity of these offerings translates into set of unique risks to each of them. Yet, at company level, they provide cushion for one another.

Revenue Concentration risk

The company's top 10 clients account for 55 per cent of its Total Revenue. Any attrition in the key clientele might have adverse impact on the revenue growth.

We have a proven track record of retaining key clients with some of the relations going back up to 20 years. However, the Company has cautiously been minimising its dependence on select clients by diversifying the clientele across various business verticals. Recent initiatives on securing inorganic growth will help us address the said risk in coming years. From top 10 clients' contribution to Total Revenue being 66 per cent in FY 07, we have already lowered our dependence on them to the current levels.

Attrition risk

Our business currently is in accelerated growth phase and attritions at key levels might adversely impact the prospects.

Being promoted and led by techno-commercial professionals, we value talent and engage it with effective and efficient talent management policies and programmes. We acknowledge the value of our key people by offering ESOP to members of the Core Executive Committee, Key Management Personnel and even to rising stars. Transcending the usual employment considerations, the members of the key team shape and share Company's vision and work towards realising them. While shared vision binds the members together, we continue to create future leaders from within and maintain a robust second line.

Competition risk

We operate in a competitive environment of managed IT services and face competition from the established organised players as well as the fragmented unorganised segment.

We have carefully chosen niche domains and built a formidable reputation, clientele and scale in each of them. We continue to look at unexplored segments and geographies and approach them with a definitive plan. Our fortification in the SME segment, pioneering entry and subsequent growth in Disaster Recovery domain and ahead of competition penetration in European markets bear testimony to our ability to stay ahead of the competition.



Outsourced Service Risk

We deploy third-party services to service clients at remote locations. Any deficit in service quality from these vendors might adversely impact our reputation.

We screen our partners on pre-defined parameters and practice utmost care in choosing the right partners. Once the partner is engaged, we orient the partner and its frontline personnel through a structured programme. They are aligned with our values and customer-centricity before being deployed. A close monitoring of their performance is done on periodic basis.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Our approach towards internal control is aimed at optimising resources at one hand and protecting our assets on the other. We deploy a robust system of internal controls that facilitates the accurate and timely compilation of financial statements and management reports; ensures the regulatory and statutory compliance; and safeguards investors' interest by ensuring highest level of governance and periodical communication with investors. Our

internal auditors M/s Ganesh Jagadeesh & Co. conduct internal audits and submit reports to the Audit Committee.

On monthly basis, meeting is held with an internal auditor, wherein all the department personnel and the Company Secretary participate. In the meeting, observations made by auditors are discussed and the department personnel are asked what measures they have taken to rectify the discrepancies. Further, if any serious discrepancy is found out by the internal auditors during their audit, which requires immediate attention of Management, the same is brought to the notice of the Company Secretary, who has been entrusted with the task of looking after internal audit function and immediate action is taken thereon.

Our Audit Committee consists of three directors and is chaired by an Independent Director. The role and terms of reference of the Audit Committee include overseeing the Company's financial reporting process, reviewing periodic financial results, financial statements, internal control and internal audit systems, accounting policies and practices, related party transactions and performance of internal and external auditors.

The committee also holds discussions with statutory auditors, internal auditors and the management on matters pertaining to internal controls, auditing and financial reporting periodically.

FUTURE OUTLOOK



At Omnitech, our business strategy is modeled to seek sustained growth. Accordingly, we have been continuously strengthening our growth engines organically as well as inorganically. The slew of alliances and acquisitions that we have made are at various stages of maturing. The scaling up of our IT and talent infrastructure together with our increasing product offerings and customer base augur well for future. Courtesy its competitive strengths, managed services would be the key growth driver for us, at Omnitech. Asia Pacific appears to be the major contributor to the revenue as well as growth for the

company. Our Cloud based offerings are nearing the commercial launch. Besides revenue growth, they will also bring the cost advantage. We are slated for significant organic growth in all our geographies. Clubbing the cross selling opportunities of unique strengths/services of our allies and those of acquired companies shall further augment our growth prospects. We are also looking at inorganic growth in Europe and US by way of acquisition and strategic alliances in the Managed services space. We are also planning to tap new and upcoming verticals like healthcare, pharma and retail. We are planning to provide vertical specific solutions and services to penetrate deeper into the existing verticals. Deploying these strengths, we aim for an organic growth of about 20-25% in FY 12.

DIRECTORS' REPORT

The Members of
Omnitech InfoSolutions Limited

Your Directors have pleasure in presenting the 21st Annual Report together with the audited accounts of the company for the year ended 31st March 2011.

I. FINANCIAL HIGHLIGHTS:

The Performance of the Company for the financial year ended March 31, 2011 is summarised below:

	(₹ In Lacs)	
PARTICULARS	2010-11	2009-10
Income from Operations	31625.12	21649.66
Profit before Interest, Depreciation and Tax (PBIDT)	10472.71	7057.12
Interest including Finance Expenses	590.54	462.45
Depreciation	2449.48	1565.89
Profit before Tax (PBT)	7432.69	5028.80
Provision for Taxation including FBT & Deferred Tax	2285.17	1089.84
Profit after Tax (PAT)	5147.52	3938.96
Balance brought forward from previous year	10645.47	7150.61
Amount Available for Appropriation	15792.99	11089.57
Appropriations:		
Proposed Dividend	374.23	207.88
Dividend Tax	62.16	35.33
General Reserve	527.62	200.89
Balance Carried Forward to Balance Sheet	14828.98	10645.47

II. REVIEW OF PERFORMANCE

a. Operating Results:

Your Company continued to achieve strong and desired growth in the financial year 2010-11 into international as well as domestic markets. In the current slowdown where companies were looking at reducing costs, your Company offered its customers a solution that can help them to reduce the costs substantially and this has helped your Company to post a healthy growth rate in spite of the current economic downturn. It has also helped your Company to renew most of the contracts with existing customers.

During the Year, your Company achieved Income from Operations amounting to ₹31625.12 Lacs as compared to ₹21649.66 Lacs in the previous year thereby recording an increase of 46.08%. The Net Profit after tax (PAT) for the year was ₹5147.52 Lacs as compared to ₹3938.96 Lacs in the previous year, thereby an increase of 30.68%.

b. Financing Cost:

The Finance Cost has increased by ₹128.10. Lacs as compared to the previous year, which is mainly due to raising of additional working capital facility for covering up the increase in Gross Sales.

III. DIVIDEND

Your Board of Directors recommends Dividend @ 27%. i.e ₹2.7 per equity share for the year ended 31st March, 2011. Dividend as recommended if declared will absorb ₹374.23 lacs for the payment to the shareholders and ₹62.16 Lacs as Corporate Dividend Tax.

IV. FIXED DEPOSITS

Your company has not accepted or invited any deposits from the public during the year.

V. SUBSIDIARY COMPANIES

The Company has the following 4 subsidiaries as on 31st March, 2011.

1. Omnitech Technologies Inc. USA
2. Europe Omnitech Technology Services B.V., Netherlands
3. Omnitech Services Pte. Ltd., Singapore
4. Omnitech (Singapore) Holding Pte Ltd, Singapore

As required under the provisions of Section 212 of the Companies Act, 1956, a statement showing the holding Company's interest in the subsidiary companies forms part of the Annual Report.

During the Year ended 31st March, 2011, the Company's Subsidiary Europe Omnitech Technology Services B.V. acquired 95% stake in Aventus Nederland B.V., a company based in Netherlands.

During the Year ended 31st March, 2011, the Company's Subsidiary Omnitech Services Pte. Ltd., Singapore has formed a wholly-owned subsidiary viz. Omnitech Services Limited, Hongkong.

The operational performance of the Subsidiaries during the year has been as per the projections anticipated by your Company.

VI. CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in presenting Consolidated Financial Statements which form part of the Annual Report. However, since there has not been any operations in Omnitech (Singapore) Holding Pte. Ltd during the Financial Year 2010-11, its accounts have not been considered for consolidation.

VII. QUALITY

Your Company recognizes quality as an important differentiator in industry. Therefore, it has well defined stringent quality standards with customer focus and management commitment and involvement across hierarchies. During the Year, your Company has been certified for ISO 9001:2008 ISO 20000:2005, ISO 27001:2005 and BS 25999:2007. These certifications reflect that your Company has well defined Quality processes and procedures in place, which lead to total customer satisfaction as regards Quality Management.

Quality Policy: "To achieve business leadership in IT solutions and services through customer loyalty, satisfaction & trust, integrating innovative technology, quality processes, secured information, resilient infrastructure & trained manpower supported by effective customer relationship & efficient services."

VIII. HUMAN RESOURCES

Your company's HR policies and processes are aligned to effectively drive its expanding business and emerging opportunities. This has been achieved by continuously investing in learning and development programs, creating an employee-friendly work environment, empowering employees at all levels and maintaining well-structured reward and recognition mechanisms. Your company recognizes its employees as Key Assets and strives to retain and attract them.

Your company employed a total of 1125 employees as on 31st March, 2011. During the year, your Company organized various Learning and Development programs for its employees such as Conflict Management, Inter-departmental communication skills, Entry Level Training Program (ELTP) etc. During the year, your company held open House forums to provide transparent platform for employees to share their views, ideas, suggestions, grievances directly with the management etc. During the year, the Company took various other employee friendly initiatives.

During the year, your company organized Dusshera Puja, Holi and various sports events and small get together to combine fun with work.

During the year, your Company granted 19714 further options to 5 selected employees under Omnitech ESOS 2009. These options have been granted at a discounted price of ₹140/- per option.

Your company has approached various top notch B Schools and colleges across the country. Today the company is one of the preferred places to work for professionals across the country.

IX. AWARDS & RECOGNITIONS

During the year, your Company was recognized and awarded with the following:

1. Channel World Premier 100, 2010 Award
2. Kaseya 'Managed Services Award', 2010
3. Forbes Asia Best under Billion Company Award 2010
4. BCI Continuity & Resilience Awards, 2010
5. WebSphere Partner of the Year 2010' award by IBM Software Universe
6. The Second Annual Inc. India 500 Awards (2010)
7. Deloitte Technology Fast 500 Asia Pacific 2010
8. Channel Excellence Awards 2011
9. Channel World Premier 100, 2011 Award
10. Cyberoam Award, 2011

X. CORPORATE GOVERNANCE

A report on Corporate Governance along with Auditors' certificate on compliance with the conditions of Corporate Governance as stipulated in clause 49 of the listing agreement, is provided elsewhere in the Annual report.

XI. CORPORATE SOCIAL RESPONSIBILITY

Your Company believes that society is one of its important stakeholders and approaches its social responsibility as a corporate citizen. Reaffirming its role as a contributing member of the social and economic milieu it occupies, the Company aligns its

business operations with social values. As a responsible corporate citizen, the Company is committed to extend its hand to the under privileged in areas of education, healthcare, etc. During the year, your Company participated in various forums for creating awareness for Disaster Management. As a part of Corporate Social Responsibility, your company organised Eye Testing Camp for employees and their families.

XII. DIRECTORS

In terms of the Articles of Association of your Company, Mr. V.V. Kamath, Independent Director and Prof. V. H. Iyer, Independent Director retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. Brief Resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas, the names of the Companies in which they hold Directorships & memberships/chairmanships of Board Committees and their shareholdings in the Company, as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges in India, are provided in the Notice of Annual General Meeting.

Further, the tenure of MD & Whole Time Directors has expired. Hence, a resolution is incorporated in the Notice of Annual General Meeting, proposing their re-appointment.

XIII. AUDITORS' REPORT

The observations made in the Auditors' report are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

Your Directors request you to appoint Auditors for the Financial Year 2011-12. In this regard, attention of the Members is invited to Item No.5 of the accompanying Notice convening forthcoming Annual General Meeting.

XIV. STATUTORY INFORMATION

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of continued Particulars in the Report of Board of Directors) Rules, 1988, are set out in the **Annexure 'A'** included in this report.

As required by the provisions of Section 217 (2A) of the Companies Act, 1956 as amended, read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of the employees are set out in the **Annexure 'B'** to this Report

As required by SEBI (ESOP & ESOS) Guidelines, 1999, the relevant disclosure is set out in the **Annexure 'C'** to this report.

XV. DIRECTORS' RESPONSIBILITY STATEMENT

Based on representations from the Management, the Directors state, in pursuance of Section 217 (2AA) of the Companies Act, 1956, that:

- i) the Company has, in the preparation of the annual accounts for the year ended 31st March 2011, followed the applicable accounting standards along with proper explanations relating to material departures, if any;
- ii) the Directors have 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 as at 31st March 2011 and of the profit of the Company for the financial year ended 31st March 2011;
- iii) the Directors have 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; and
- iv) the Directors have prepared the annual accounts on a going concern basis.

XVI. ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank all the Shareholders, Customers, Vendors, Bankers, and Regulatory & Government Authorities for the strong support that they have continued to extend to your Company.

The Board also takes this opportunity to place on record its appreciation of the outstanding performance and dedication of your Company's employees at all levels, without whose commitment the achievement of results as indicated above could not have been possible.

By Order of the Board of Directors
Omnitech InfoSolutions Limited

Sd/-

(Atul Hemani)

Managing Director & CEO

Sd/-

(Avinash Pitale)

Jt. Managing Director

Place: Mumbai

Date: 27th May, 2011

Annexure 'A' to the Directors' Report

Particulars as prescribed under section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of continued Particulars in the Report of Board of Directors) Rules, 1988

1. Details of Conservation of Energy

Your Company's operations consume very low levels of energy. It is pleasure to announce that your Company's technology center has latest technology energy management system based on human occupancy. As the cost of energy consumed by the Company forms a very small portion of the total costs, the impact of changes in energy cost on total cost is insignificant.

2. Technology Absorption

Your Company is a technology driven organization and understands the importance of acquisition of technical expertise from time to time. It has successfully built such expertise over a period of years and shall continue to with emerging technologies to be on a leading edge to offer its customers the state of art solutions. Your Company has concentrated on Banking, Financial Services and Insurance (BFSI), IT & ITES, Manufacturing and Retails as vertical industry, which demand continuous research and development in the areas of business analysis, developments, upgrades. Focused efforts have been put into consulting, deployment and management methodologies and tools to help your Company to deliver the best of solutions to customers. Your company has unique proprietary methodology "**APDIMA**" (Assess, Plan, Design, Implement, Manage and Audit) for technology practices to deliver such solutions.

- a) As part of its Continuous Improvement Program, company has formed core team of highly skilled professionals having expertise in functional as well technical areas. This team aims at improvement of business processes, technologies and people productivity. Your company carries out methodical surveys, market research programs and also participates with global technology leaders to identify and track the new trends.

Your company has been a niche player in the areas of IT Infrastructure management, application Management and Performance management space and to remain leader in this space, your company continues to invest further to develop technology products, technical skills and processes. The core team works closely with technology partners to derive implied benefits of their technology. Your company has now world-class labs at its technology center to develop and design the technology products. This core team is currently focusing on development and enhancement of tools for Infrastructure management and performance management area.

OmniMonitor - An infrastructure and application monitoring appliance has been deployed for various customers for remote monitoring services. This is further enhanced with feature to monitor infrastructure and SAP application in the current year to cater to manufacturing segment.

Team of experts is further working on developing the accelerators/tools for automation of performance management.

b) Benefits derived as a result of the above R&D:

The new technologies and skill sets available with your Company have resulted in development of Intellectual Property (IP) products. These products help your company to offer unique proposition to global customers and also help to derive competitive advantage to win over its competitors. Such products when blended with technology services help your company to save from license costs of various other tools which would have to be used otherwise. Development of software tools and components help your company to offer world-class application solutions in lesser time and most competitive ways. Such tools also enable your company to differentiate from competitors in terms of satisfying customer need.

c) Future plan of action

Your Company will continue to invest on continual development of skills, procedures and processes to ensure optimal utilization of resources available in this highly dynamic industry. Your company will further continue to work in the areas of remote monitoring, management and Disaster Recovery monitoring tools.

d) Expenditure on R&D

Your Company has not incurred any expenditure on R & D during this year.

3. Technology Absorption, Adoption and Innovation

Your Company's quality systems are ISO 9001:2008 certified, which reflects a high degree of technology absorption, adoption and innovation across various operating layers within the company. During the year technology absorption activities have mainly centered on:

- Network Operations Center
- Disaster Recovery Center
- IT Infrastructure Management
- Offshore Development Center using BOT delivery model
- Software Testing Service using SaaS model

4. Foreign Exchange Ingo and Outgo

(₹ in Lacs)

	Year ended 31st March, 2011	Year ended 31st March, 2010
Foreign Exchange Earnings:		
Export Sales (F.O.B Basis)	6658.94	4671.05
Commission Received	1.1	6.87
Foreign Exchange Expenditure:		
Import of Software (C.I.F. basis)	286.33	1471.73
Import of Capital Goods (C.I.F. basis)	4315.23	5466.71
Expenditure on Foreign Travel	15.6	52.38
Other Expenditure	10.71	18.11

By Order of the Board of Directors
Omnitech InfoSolutions Limited

Place : Mumbai
Date : 27th May, 2011

Sd/-
(Atul Hemani)
Managing Director & CEO

Sd/-
(Avinash Pitale)
Jt. Managing Director

Annexure 'B' to the Directors' Report

Particulars as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 forming part of the Directors' Report for the year ended March 31, 2011.

No permanent employee of the Company is covered in the limits stated in the above-mentioned section.

By Order of the Board of Directors
Omnitech InfoSolutions Limited

Place : Mumbai
Date : 27th May, 2011

Sd/-
(Atul Hemani)
Managing Director & CEO

Sd/-
(Avinash Pitale)
Jt. Managing Director

Annexure 'C' to the Directors' Report

Omnitech ESOS 2009					
	Grant 1	Grant 2	Grant 3	Grant 4	Total
(a) Options granted (Grant 1 was in the previous year)	211857	6000	9464	4250	231571
(b) Pricing Formula	₹123.20	₹140.00	₹140.00	₹140.00	
(c) Options vested	0	0	0	0	0
(d) Options exercised	0	0	0	0	0
(e) Total number of shares arising as a result of exercise of options	0	0	0	0	0
(f) Options lapsed (as at 31 st March 2011)	1400	0	0	0	1400
(g) Variation of terms options (as at 31 st March 2011)	No change during the year				
(h) Money realized by exercise of options	0	0	0	0	0
(i) Total number of options in force (as at 31 st March 2011)	210457	6000	9464	4250	230171
(j) Options Granted to:					
1 Senior Managerial Personnel	0	0	0	0	
2 Employees to whom more than 5% options granted during the year	0	0	0	0	
3 Employees to whom options more than 1% of issued capital granted during the year	0	0	0	0	
(k) Diluted EPS, pursuant to issue of shares on exercise of options					34.45
(l) 1 Method of calculation of employee compensation cost	Calculation is based on intrinsic value method				
2 Intrinsic Value per share	Nil	₹112.05	₹112.05	₹112.05	
3 Difference between the above and employee compensation cost that shall have been recognized if it had used the fair value of the options	Employee compensation cost would have been higher by ₹68,56,673/- had the Company used fair value method for accounting the options issued under ESOS				
4 Impact of this difference on Profits and on EPS of the Company	Profits would have been lower by ₹68,56,673/- and EPS would have been lower by ₹0.49, had the Company used fair value method of accounting the options issued under ESOS				
(m) 1 Weighted average exercise price	₹123.20	₹140.00	₹140.00	₹140.00	
2 Weighted average fair value of options based on Black Scholes methodology	₹81.02	₹139.04	₹147.17	₹158.08	
(n) Significant assumptions used to estimate fair value of options including weighted average					
1 Risk free interest rate	7.00%	8.00%	8.00%	8.00%	
2 Expected life	Average life taken as 2 years from date of grant				
3 Expected volatility	87.00%	45.00%	45.00%	45.00%	
4 Expected dividends	Not considered separately included, factored in volatility working				
5 Closing market price of share on a date prior to date of grant	₹123.20	₹252.05	₹252.05	₹252.05	

Report on Corporate Governance

The Company has complied in all respects with the applicable provisions on Corporate Governance stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges. A Report on the Corporate Governance compliance is furnished below:

(I). COMPANY'S PHILOSOPHY ABOUT CORPORATE GOVERNANCE

The Company is highly committed to the adoption and adherence of good Corporate Governance Practices so as to ensure that all the stakeholders of the Company obtain requisite information about the Company and its operations in an efficient and timely manner. Such Corporate Governance Practices also help enhancement of long term shareholder value and interest of other Stakeholders.

The Board of Directors of the Company fully understand and appreciate the need of increased awareness for transparency and professionalism for effective control and management of the organization.

(II). MANDATORY REQUIREMENTS:

1. Board of Directors

(a) Composition of Board of Directors

The Board of Directors of the Company presently comprises of 8 Directors including one Non-Executive Chairman, 3 Executive Directors and 4 Independent Directors. Except Managing Director, the other Directors are liable to retire by rotation.

Sr. No.	Particulars of Directors	Category
1	Mr. Maganlal K. Hemani	Non – Executive Chairman
2	Mr. Atul M. Hemani	Executive Director
3	Mr. Avinash C. Pitale	Executive Director
4	Mr. Devarshi D. Buch	Executive Director
5	Mr. Kalimohan J. Bhattacharya	Non –Executive & Independent Director
6	Mr. Ram K. Mangal	Non –Executive & Independent Director
7	Prof. Venkateshwaran H. Iyer	Non –Executive & Independent Director
8	Mr. Vasudeva V. Kamath	Non –Executive & Independent Director

(b) Details about Board Meetings Held During the Year

During the Year, the Board held eight meetings on the following dates:

Board Meeting	Date
First	18 th May, 2010
Second	20 th July, 2010
Third	23 rd August, 2010
Fourth	29 th September, 2010
Fifth	26 th October, 2010
Sixth	31 st January, 2011
Seventh	03 rd February, 2011
Eighth	24 th March, 2011

(c) Attendance of Directors at Board Meetings and the last AGM held on 29th September, 2010

Sr. No.	Name of Director	No. of Board Meetings Attended	Attendance in the Last AGM (Yes/No)
1	Mr. Maganlal K. Hemani	6	Yes
2	Mr. Atul M. Hemani	8	Yes
3	Mr. Avinash C. Pitale	8	Yes
4	Mr. Devarshi D. Buch	8	Yes
5	Dr. Kalimohan J. Bhattacharya	8	Yes
6	Dr. Ram K. Mangal	7	Yes
7	Prof. Venkateshwaran H. Iyer	7	Yes
8	Mr. Vasudeva V. Kamath	7	Yes

Notes:

- None of the Directors has any business relationship with the Company.
- None of the Directors received any loans and advances from the Company during the year.

(d) Details about Directorship/Membership of Board Committees held by Directors in Other Companies

Sr. No.	Name of Director	Directorship(s) Held in Other Companies	Membership of Board Committee Held in Other Companies
1	Mr. Maganlal K. Hemani	Omnitech Technologies Limited, India	None
2	Mr. Atul M. Hemani	1. Omnitech Technologies Limited, India 2. Omni Gulf Technologies W.L.L., Bahrain 3. Omnitech Technologies Inc., USA 4. Omnitech Services Pte Ltd, Singapore 5. Omnitech Services Ltd, Hong Kong 6. Europe Omnitech Technology Services BV (EOTS) 7. Avensus Netherland B.V. 8. Omnitech (Singapore) Holding Pte Ltd	None
3	Mr. Avinash C. Pitale	1. Omnitech Technologies Limited, India 2. Omni Gulf Technologies W.L.L., Bahrain 3. Omnitech Technologies Inc., USA 4. Omnitech Services Pte Ltd, Singapore 5. Europe Omnitech Technology Services BV (EOTS) 6. Avensus Netherland B.V.	None
4	Mr. Devarshi D. Buch	1. Omnitech Technologies Inc., USA 2. Omnitech Services Pte Ltd, Singapore 3. Europe Omnitech Technology Services BV (EOTS)	None
5	Dr. Kalimohan J. Bhattacharya	1. Gansons Limited, India 2. Marshall Sons & Co (India) Ltd, India	None
6	Dr. Ram K. Mangal	None	None
7	Prof. Venkateshwaran H. Iyer	None	None
8	Mr. Vasudeva V. Kamath	None	None

Notes:

- A) None of the Directors hold directorships in more than 15 public limited Companies.
 B) None of the Director holds membership of more than 10 Committees of Board.
 C) None of the Director holds chairmanship of more than 5 Committees of Board.

(e) Code of Conduct

Omnitech Code of Conduct laid down by the Company is applicable to all the Directors and Senior Management of the Company. The Code of Conduct is posted on the Company's website. All the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2011. A declaration to this effect, duly signed by the Managing Director & CEO is annexed hereto.

2. Audit Committee:**(a) Composition**

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreement with the Stock Exchanges. The Audit Committee currently consists of the following three Directors:

1. Dr. Kalimohan J. Bhattacharya - Chairman
2. Prof. Venkateshwaran H. Iyer - Member
3. Mr. Devarshi D. Buch - Member

The Company Secretary of the Company acts as a secretary to the Audit Committee.

All the members of the Audit Committee have good knowledge of finance, accounts and Company Law.

(b) Terms of Reference

The role and terms of reference of the Audit Committee covers the matters specified for Audit Committee under Clause 49 of Listing Agreement and Section 292A of the Companies Act, 1956 which, inter alia, include overseeing the company's financial reporting process, reviewing periodic financial results, financial statements, internal control and internal audit systems, accounting policies and practices, related party transactions and performance of internal and external auditors.

(c) Meetings and Attendance during the year

During the year 2010-11, 4 Audit Committee Meetings were held on 18th May, 2010, 20th July, 2010, 26th October, 2010, and 2nd February, 2011. Attendance of Committee Members at Committee Meetings is as follows:

Name	No. of Meetings Attended
Dr. Kalimohan J. Bhattacharya	4
Prof. Venkateshwaran H. Iyer	4
Mr. Devarshi D. Buch	4

3. Shareholders' Grievance Committee**(a) Composition**

The Shareholder's Grievance Committee currently consists of the following three Directors:

1. Prof. Venkateshwaran H. Iyer - Chairman
2. Dr. Ram K. Mangal - Member
3. Mr. Avinash C. Pitale - Member

(b) Terms of Reference

The terms of reference of the Shareholders' Grievance Committee inter alia include reviewing status of approval of transfer/ transmission of shares, issue of duplicate share certificates and redressal of complaints of investors.

(c) Status of Shareholders' Complaints as on 31st March, 2011

Complaints Pending at the beginning of the Year	Complaints received during the year	Complaints resolved during the Year	Complaints Pending at the end of Year
NIL	11	11	NIL

The Company has appointed M/s. Link Intime India Pvt Ltd to act as Registrar and Share Transfer Agent of the Company.

4. Share Transfer Committee**(a) Composition**

The Share Transfer Committee currently consists of the following three Directors:

1. Mr. Atul M. Hemani - Chairman
2. Dr. Ram K. Mangal - Member
3. Dr. Kalimohan J. Bhattacharya - Member

(b) Terms of Reference

The terms of reference of the Share Transfer Committee inter alia include approving transfer of shares and taking note of dematerialization of shares.

5. Shares Allotment Committee**(a) Composition**

The Shares Allotment Committee currently consists of the following three Directors:

1. Mr. Atul M. Hemani - Member
2. Mr. Avinash C. Pitale - Member
3. Mr. Devarshi D. Buch - Member

(b) Terms of Reference

The terms of reference of the Shares Allotment Committee inter alia include allotting of shares pursuant to Omnitech Employees Stock Option Scheme, 2009 and allotting shares pursuant to conversion of convertible warrants.

During the Year, the Shares Allotment committee held its meeting on 9th September, 2010.

6. General Body Meetings:

The Company held its last three Annual General Meetings as under:

Date	Time	Venue	No. of Special Resolutions passed
13 th June, 2008	10:30 am	Hotel Tunga Paradise, MIDC Central Road, Andheri (E), Mumbai – 400093	8*
12 th September, 2009	11:00 am	Hotel Tunga Paradise, MIDC Central Road, Andheri (E), Mumbai – 400093	2**
29 th September, 2010	11:00 am	The Mirador Hotel, New Link Road, Chakala, Andheri (East), Mumbai – 400 099	1***

In the last three AGMs, there was no resolution passed through postal ballot.

* At the annual general meeting of the company held on 13th June, 2008, Special Resolutions passed were for (a) Issue of share warrants to Wintel Computers Private Limited; (b) Issue of Share Warrants to Mr. Atul Hemani; (c) Issue of Share Warrants to Mr. Avinash Pitale; (d) Issue of Share Warrants to Mr. Devarshi Buch (e) Issue of Share Warrants to Mr. Nikul Shah; (f) Issue of Share Warrants to Mrs. Anuradha Shah; (g) Issue of Share Warrants to Meticulous Fiscal Company Private Limited; (h) Issue of Share Warrants to Mr. Sanjay Asher

** At the annual general meeting of the company held on 12th September, 2009, Special Resolutions passed were for (a) Granting of options under the Employee Stock Option Scheme – 2009 to the Employees of the Company (b) Granting of options under the Employee Stock Option Scheme – 2009 to the Employees of the subsidiaries of the Company.

*** At the annual general meeting of the company held on 29th September, 2010, Special Resolution was passed were for Issue of 223725 share warrants to Mr. Devarshi D. Buch, Mr. Anurag Shah, Mr. Nitin Purohit, Dr. Kalimohan Bhattacharya, Prof. V. H. Iyer and Dr. Ram K. Mangal.

During the Financial Year 2009-10, the Company held an Extraordinary General Meeting on November 2, 2009 for passing special resolutions relating to:

- Preferential Allotment of shares warrants
- Issue of FCCBs / ADRs / Convertible Bonds / Qualified Institutional Placement etc
- Revision in remuneration payable to Managing Director and the whole time Directors
- Modification in Omni Employees Stock Option Scheme 2009

7. Subsidiary Companies

Since the Company does not have any material Non-listed Indian Subsidiary Company, the Company is not required to have an Independent Director of the Company on the Board of such Subsidiary Company as per the requirement of Clause 49 to the Listing Agreement with the Stock Exchanges.

8. Disclosures

- Related Party Transactions:** The Company has not entered into any transaction of material nature with the promoters, the directors or the management, their subsidiaries or relatives etc that may have any potential conflict with the interests of the company. Transactions with related parties have been disclosed in Notes to Annual Accounts in the Annual Report.
- No Penalty:** The Company has been continuously complying with various legal requirements of the stock exchanges, SEBI and other statutory authorities since the day of listing and no penalties have been imposed on the company by them till date.
- Disclosure of Accounting Treatment:** All mandatory Accounting Standards have been followed in preparation of financial statements and no deviation has been made in following the same.
- Disclosures on risk management:** The Company has laid down procedures to inform Board members about risk assessment and minimization procedures. These procedures are periodically reviewed by a properly defined framework so as to ensure control management.
- Proceeds from the preferential issue of warrants:** The details of utilization proceeds raised through the issue of equity warrants have been disclosed to the audit committee and the same have been provided in the notes to Accounts. The Company has not utilised these funds for purposes other than those stated in the notice convening the General Meeting.

9. Remuneration of Directors

The Remuneration is paid to Directors in accordance with the Provisions of the Companies Act, 1956. Non-executive Directors are paid Sitting Fees at the rate of ₹15000/- for Meeting of Board and ₹7500 for any Committee meetings. The details of remuneration paid/payable to each of Director for the year ended March 31, 2011 are as under:

Sr. No.	Name of Director	Category	Salary (In ₹)	Contribution to PF (In ₹)	Other Perquisites & Allowances (In ₹)	Sitting Fees (In ₹)	Other Payment to independent directors (In ₹)	Total Remuneration (In ₹)
1	Mr. Maganlal K. Hemani	Non-Executive Chairman	0	0	0	90000	0	90000
2	Mr. Atul M. Hemani	Managing Director & CEO	3316319	9360	450672	0	0	3776351
3	Mr. Avinash C. Pitale	Jt. Managing Director	3240551	9360	463922	0	0	3713833
4	Mr. Devarshi D. Buch	Executive Director	2876462	226858	383732	0	0	3487052
5	Dr. Kalimohan J. Bhattacharya	Non-Executive Independent Director	0	0	0	157500	7500	165000
6	Dr. Ram K. Mangal	Non-Executive Independent Director	0	0	0	135000	0	135000
7	Prof. Venkateshwaran H. Iyer	Non-Executive Independent Director	0	0	0	150000	0	150000
8	Mr. Vasudeva V. Kamath	Non-Executive Independent Director	0	0	0	105000	0	105000

All Executive directors are appointed under contracts each for a period of five years and with termination notice of 180 days.

10. Shares held by Non- Executive Directors as on 31st March, 2011

Name	Number of Shares held	% of total shareholding
Mr. Maganlal K. Hemani	2000	0.0144
Dr. Kalimohan Bhattacharya	25	0.00
Dr. Ram K. Mangal	12000	0.0865
Prof. V. H. Iyer	2200	0.0158
Mr. V.V. Kamath	Nil	Nil

** The Company has not allotted Stock options to any of the Directors of the Company.

11. Means of communication

The quarterly, half-yearly, nine months and annual financial statements viz., balance sheet, profit and loss account, including schedules and notes thereon, press releases, and presentations are posted on the Company's website i.e. <http://www.omnitechglobal.com/html/investors.asp>

The half-yearly, nine months Financial Results are normally published in "The Free Press Journal" and "The Navshakti". All material information about the Company is promptly sent to the Stock Exchanges where the Company's shares are listed and released to wire services and the press for information of the public at large. Also the official news releases and presentations made to FII's/Analysts are displayed on the website. Transcripts of Analyst calls are also displayed on the website.

12. Management Discussion and Analysis Report

As required by sub-clause IV (F) of clause 49 of the listing agreement, Management Discussion and Analysis Report is provided elsewhere in the annual report.

13. General Shareholder Information**(a) Shareholding Pattern as on 31st March, 2011**

Category	No. of equity shares	Percentage (%)
1. Promoter Group:		
(i) Directors	3566462	25.73%
(ii) Directors relatives/HUF	2587243	18.66%
(iii) Body Corporate	1459060	10.53%
2. Public:		
(i) Mutual Funds	-	-
(ii) Body Corporate	1927604	13.91%
(iii) Non- Residents	708361	5.11%
(iv) Residents	3611763	26.06%
Total	13860493	100%

(b) Distribution of Shareholding as on 31st March, 2011

No. of Shares	Shareholders		Shares Held	
	Number	%	Number	%
1-500	9259	90.1997	938301	6.7696
501-1000	445	4.3351	369896	2.6687
1001-2000	228	2.2211	344049	2.4822
2001-3000	92	0.8962	230187	1.6607
3001-4000	51	0.4968	185359	1.3373
4001-5000	44	0.4286	209336	1.5103
5001-10000	59	0.5748	451638	3.2585
Above 10000	87	0.8475	11131727	80.3126
Total	10265	100	13860493	100

(c) Listing on Stock Exchanges

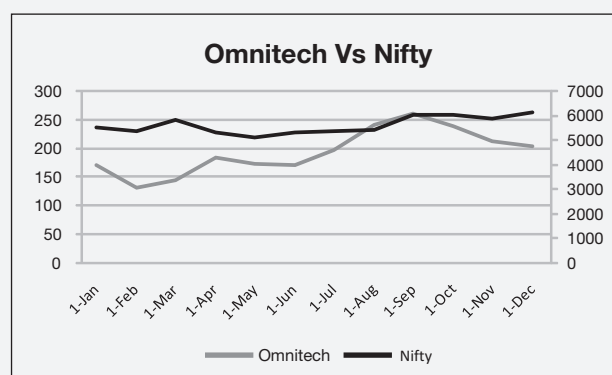
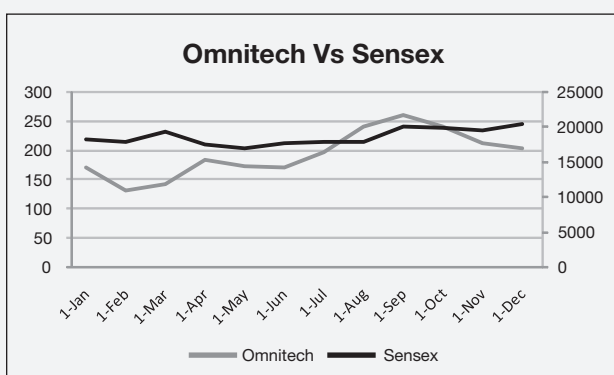
Stock Exchange	Stock Code
Bombay Stock Exchange Limited	532882
National Stock Exchange of India Limited	OMNITECH

(d) Listing Fees and Annual Custodial Fee

The Company has paid the Annual Listing fees of the Stock Exchanges and Annual Custodial Fees of the Depositories for the year 2010-11.

(e) Market Price Data

Month	Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
Apr-10	204.25	162.05	6130162	204.25	162.00	6006758
May-10	186.95	151.55	964814	188.00	150.60	1024838
Jun-10	184.00	168.00	882764	184.30	167.85	906659
Jul-10	205.00	166.00	3145937	204.80	165.55	4056642
Aug-10	262.15	197.00	8229860	261.95	197.00	11879437
Sep-10	275.95	233.10	3263312	275.80	234.20	4712797
Oct-10	270.85	236.70	1210431	271.00	225.05	1655824
Nov-10	255.00	192.05	817263	248.00	189.9	1036861
Dec-10	224.00	166.05	893394	224.00	163.05	1209835
Jan-11	220.95	158.60	819561	220.30	158.70	1071280
Feb-11	178.85	122.90	434746	179.00	124.00	918369
Mar-11	150.00	128.25	707282	150.00	127.30	889980

Index Comparison**(f) 21st Annual General Meeting**

Date	30 th September, 2011
Time	11 A.M.
Venue	The Mirador Hotel, New Link Road, Chakala, Andheri (East), Mumbai – 400 099
Tentative Financial calendar 11-12:	
1 st Quarter Results	2 nd week of August, 2011
2 nd Quarter /half yearly results	2 nd week of November, 2011
3 rd Quarter Results	2 nd week of February, 2012
Annual Results	3/4 th week of May, 2012
Financial Year	1 st April to 31 st March
Date of book closure (Both days inclusive)	16 th September to 30 th September, 2011
Dividend payment Date	On or after 30 th September, 2011

(g) Share Transfer System

The company's Registrar and Transfer Agent have been entrusted with the handling of physical transfer of shares as well as dematerialization of shares. The Board of Directors of the company has delegated the power of approval of share transfer processed by Registrar and Transfer Agent to **Shareholders' Grievance Committee** which comprises of Chairman, one Executive Director and one Non-Executive Independent Director.

(h) Dematerialization of Shares

The Company's RTA has the required infrastructure for dematerialization of shares. As per the defined norms of dematerialization process, shares received for dematerialization are generally taken care within a time span of five days from the date of receipt. As on March 31st 2011, 97.54% of the outstanding shares are in electronic form.

(i) Outstanding Convertible Warrants

During the Financial year ended on 31st March, 2010, the Company had issued 862000 Convertible warrants on preferential basis in accordance with SEBI Guidelines. The said convertible warrants were to be converted into the equity shares within 18 months of the issue. As on 31st March, 2011, 2000 of the said warrants have been converted into Equity Shares. However, as on 31st March, 2011, the Company is awaiting listing & trading approval from the Stock Exchanges for the said 2000 shares.

At the Annual General Meeting held on 29th September, 2010, the Shareholders of the Company had approved the issuance of 2,23,725 Convertible warrants on preferential basis in accordance with SEBI Guidelines to certain Promoters and non-promoters. However, as on 31st March, 2011, the Company is awaiting in – principal approval from the Stock Exchanges for the said warrants.

(j) Registrar & Share Transfer Agent and address of correspondence

Any clarification/grievances/queries/suggestions pertaining to share transfer/Dematerialisation can be addressed to the company's Registrar and Transfer Agent at their following address:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
LBS Road, Bhandup (W), Mumbai - 400078
Ph: (022) 25963838; Fax: (022) 25962691
E-mail: rnt.helpdesk@linkintime.co.in

(k) Compliance Officer

Mr. Gaurav Sharma, Company Secretary & Chief Officer (Compliance & Legal)
Omnitech House, A/13, Cross Road No. 5,
Marol MIDC, Andheri (E), Mumbai - 400093
Ph: (022) 40956666; Fax: (022) 40956565

(l) Plant Location

- (i) A-13, Cross Road No.5, Kondivita Road, Marol M.I.D.C., Andheri (E), Mumbai – 400093
- (ii) A-812, T.T.C. Industrial Area, Koparkhairane, Navi Mumbai 400703
- (iii) 106, 1st Floor, Building No.17, Mind Space, Pocharam, Opp. Sanskrit Township, Gatkesar (Township), Hyderabad – 500 087

14. CEO/CFO Certification

As required under Clause 49 of the Listing Agreement, a Certificate duly signed by Managing Director & CEO was placed at the meeting of the Board of Directors held on 27th May, 2011.

(III). NON-MANDATORY REQUIREMENTS**1. Compensation Committee****(a) Composition**

The Compensation Committee currently consists of the following three Directors:

- | | | |
|----------------------------------|---|----------|
| 1. Dr. Ram K. Mangal | - | Chairman |
| 2. Dr. Kalimohan J. Bhattacharya | - | Member |
| 3. Prof. Venkateshwaran H. Iyer | - | Member |

(b) Terms of Reference

The terms of reference of the Committee are to review and recommend/approve remuneration payable to the Managerial Personnel.

(c) Meetings and Attendance during the year

During the year, Compensation Committee meeting was held on 23rd August, 2010. The details of attendance of the members are as follows:

Members	Meeting held during the year	Meeting attended
Prof. Venkateshwaran H. Iyer	1	1
Dr. Ram K. Mangal	1	1
Mr. Kalimohan J. Bhattacharya	1	1

By Order of the Board of Directors
Omnitech InfoSolutions Limited

Sd/-

(Atul Hemani)

Managing Director & CEO

Place: Mumbai
Date: 27th May, 2011

CEO's Certification

All the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of Clause 49 of the Listing Agreement made with the Stock Exchanges.

For and on behalf of Board of Directors
Sd/-

Place: Mumbai
Date: 27th May, 2011

(Atul Hemani)
MD & CEO

Certification by the Chief Executive Officer (CEO)/ Chief Financial Officer (CFO) on Financial Statements of the Company

- (1) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2011 and that to the best of my knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (2) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, violative of the Company's code of conduct.
- (3) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (4) I have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to financial statements; and
 - (iii) Instances of significant fraud of which I have become aware at the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: 27th May, 2011

Sd/-
(Atul Hemani)
MD & CEO

Auditors' Certificate on Compliance of Corporate Governance

To the Members of

OMNITECH INFOSOLUTIONS LIMITED

Omnitech House, A/13, Cross Road, No 5,
Kondivita Road, Marol, M.I.D.C., Andheri (East),
Mumbai – 400093

We have examined the compliance of conditions of Corporate Governance by Omnitech InfoSolutions Limited for the year ended 31st March, 2011 as stipulated in Clause 49 of the listing agreements entered into by the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which management has conducted the affairs of the Company.

For SHAH JADAVJI & CO.
[Chartered Accountants]

Sd/-

Navin R. Gala

Partner

Membership No. 40640

Firm Reg. No. 109620W

Place : Thane

Date : 27.05.2011

Auditors' Report on Standalone Financial Statements

To the Members of

OMNITECH INFOSOLUTIONS LIMITED

Omnitech House, A/13, Cross Road, No 5,

Kondivita Road, Marol, M.I.D.C., Andheri (East),

Mumbai – 400093

1. We have audited the attached Balance Sheet of OMNITECH INFOSOLUTIONS LIMITED as at 31st March, 2011 and the attached Profit & Loss account and the Cash Flow statement of the Company 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 have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. I believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003, (the said order) issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, (the Act), as amended by the Companies (Auditors Report) amendment Order, 2004, and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanation given to us during the course of our audit, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. In our opinion, proper books of accounts 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 and Cash Flow statement dealt with by this report are in agreement with the books of accounts.
 - iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
 - v. On the basis of written representations received from the directors of the Company as at 31st March, 2011 and taken on record by the Board of Directors, none of the directors is prima facie disqualified as on above date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. Subject to the forgoing, in our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with the notes on accounts and other notes thereon, give the information as 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 Balance Sheet of the State of affairs of the Company's as at 31st March 2011 ;
 - b. In the case of the Profit & Loss Account ,of the profit for the year ended on that date; and
 - c. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For SHAH JADAVJI & CO.
[Chartered Accountants]

Sd/-

Navin R. Gala

Partner

Membership No. 40640

Firm Reg. No. 109620W

Place : Thane

Date : 27.05.2011

Annexure to the Auditor's Report

(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 its fixed assets.
- (b) The fixed assets are physically verified by the Management at reasonable intervals having regard to size of the Company and nature of its assets. We have been informed that no material discrepancies were noticed during such physical verification.
- (c) According to information and explanation given to us, we are of the opinion that during the year, the company has not sold/disposed off any substantial part of its fixed assets; accordingly, going concern is not affected and hence the provisions of sub clause (c) of clause (i) of this order are not applicable
- ii. (a) According to information and explanation given to us, the inventory has been physically verified during the year by the management at regular intervals. In our opinion, the frequency of verification carried out by the management is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventories as compared to book records were not material.
- iii. The Company has neither granted nor taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under Section 301 of the Act. As the Company has neither granted nor taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under Section 301 of the Act, paragraphs of (iii) (b), (iii) (c) and (iii) (d) of the Order are not applicable.
- 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 for the purchase of inventory, fixed assets and for the sale of goods. Further based on our examinations and according to the information and explanations given to us, we have neither come across nor have we been informed of any major weakness in the internal control.
- v. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956, if any, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regards to prevailing market prices at the relevant time.
- vi. The Company has not taken any deposits from the public within the meaning of section 58 - A & 58 AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) rules 1975 and hence the provisions of the clause of 4(vi) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. In our opinion and according to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956, for the products manufactured / traded by the Company.
- ix. (a) Undisputed Statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, value added tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it, have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at March 31, 2011 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of vat tax, customs duty wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- x. The company has neither accumulated losses as at March 31, 2011 nor it as incurred cash losses during the financial year ended on that date and the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayments of dues to banks or financial institution as at balance sheet date.

- xii. In our opinion and according to information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 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 those investment which are held as investments. Accordingly the provisions of clause 4 (xiv) of the companies (Auditor's Report) are not applicable to the company.
- xv. According to information and explanation given to us, the company has given guarantee to ICICI Bank amounting to Rs. 5346 Lakhs for granting loan to M/S Europe Omnitech Technology Services, subsidiary company at Netherlands for acquisition of company abroad.
- xvi. In our opinion, the term loans have been applied for the purpose for which they were raised.
- xvii. On the overall examinations of the balance sheet of the company, in our opinion and according to information and explanations given to us, no instances of application of long term funds for short term purposes and short term fund for long term purposes were noticed.
- xviii. According to the information and explanations given to us, the company has not made any preferential allotment of equity shares to parties covered in the register maintained under section under section 301 of the Act, hence the provisions of clause (xviii) are not applicable.
- xix. The Company has not issued any debentures during the year; hence the provisions of clause (xix) are not applicable.
- xx. In our opinion, in respect of monies raised by way of public issue during the year, the management has disclosed the end use of money raised and the same has been verified.
- 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.

For SHAH JADAVJI & CO.
[Chartered Accountants]

Sd/-
Navin R. Gala
Partner

Membership No. 40640
Firm Reg. No. 109620W

Place : Thane
Date : 27.05.2011

Balance Sheet as at 31st March 2011

(₹ In Lacs)

	Sch. No	As at 31 st March 2011	As at 31 st March 2010
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	1386.05	1385.85
Reserves & Surplus	2	20433.47	15720.08
Equity Share Warrants	3	263.57	266.02
Deferred Tax Liability		1686.06	902.35
Loan Funds			
Secured Loans	4	6439.01	4391.52
Unsecured Loan		173.80	-
		30381.96	22665.82
APPLICATION OF FUNDS			
Fixed Assets			
	5	20215.05	15322.51
Less : Depreciation		4230.62	3066.21
Net Block		15984.43	12256.31
Less : Impairment of Assets		6.10	6.10
		15978.33	12250.21
Capital Work in Process		1866.95	1385.97
Investments	6	455.81	258.53
Current Assets, Loans and Advances			
Receivables	7	7558.52	5139.19
Cash & Bank Balance including Fixed Deposits	8	637.83	386.13
Inventories	9	4259.91	2871.13
Loans and Advances	10	4792.86	3552.58
Sub Total		17249.12	11949.04
Current Liabilities and Provisions			
Current Liabilities	11	2727.61	866.52
Provisions	12	2440.64	2311.41
Sub Total		5168.25	3177.93
Net Current Assets		12080.87	8771.11
Misc Expenditure (to the extent not written off)			
Preliminary Expenses		-	-
		30381.96	22665.82
Significant Accounting Policies & Notes on Accounts	19		

The Schedules referred to above and the notes thereon form an integral part of the Balance Sheet.

As per our Report of even date

For M/s. Shah Jadavji & Co.
Chartered Accountants

Sd/-
(Navin R. Gala)
Partner
M. No. 40640
Firm Reg. No. 109620W

Place : Thane
Date : 27.05.2011

Sd/-
(Atul Hemani)
Managing Director
& CEO

For and on Behalf of Board of Directors

Sd/-
(Avinash Pitale)
Jt. Managing
Director

Sd/-
(Gaurav Sharma)
Company Secretary &
Chief Officer
(Compliance & Legal)

Profit & Loss Account for the year ended 31st March, 2011

(₹ In Lacs)

	Sch. No	Year ended 31 st March 2011	Year ended 31 st March 2010
INCOME			
Income from Operations		31625.12	21649.66
Other Income	13	76.34	105.30
(Loss) / Profit on Sale of Fixed Assets		-4.30	20.49
Total Income		31697.16	21775.45
EXPENDITURE			
Materials Consumed and Other Direct Expenses	14	17332.32	12250.73
Staff Cost	15	2520.87	1323.13
Administrative and Other Expenses	16	1163.80	838.04
Selling and Distribution Expenses	17	207.46	300.40
Financial Expenses	18	590.54	462.45
Miscellaneous Expenditure Written Off		-	6.02
Total Expenditure		21814.99	15180.77
Net Profit before Depreciation and Tax		9882.17	6594.68
Less : Depreciation		2449.48	1565.89
Net Profit before Tax		7432.70	5028.80
Less : Provision for Taxation - Current Year		1501.46	846.35
Less : Provision for Fringe Benefit Tax		-	-
Less : Provision for Deferred Tax		783.71	243.50
Net Profit after Tax		5147.53	3938.95
Less : Proposed Dividend		374.23	207.88
Less : Dividend Tax		62.16	35.33
Less : Transfer to General Reserves		527.62	200.89
Balance carried forward to Balance Sheet		4183.51	3494.86
Significant Accounting Policies & Notes on Accounts	19		

The Schedules referred to above and the notes thereon form an integral part of the Profit & Loss Account.

As per our Report of even date

For M/s. Shah Jadavji & Co.
Chartered Accountants

Sd/-
(Navin R. Gala)
Partner
M. No. 40640
Firm Reg. No. 109620W

Place : Thane
Date : 27.05.2011

For and on Behalf of Board of Directors

Sd/-
(Atul Hemani)
Managing Director
& CEO

Sd/-
(Avinash Pitale)
Jt. Managing
Director

Sd/-
(Gaurav Sharma)
Company Secretary &
Chief Officer
(Compliance & Legal)

Cash Flow Statement for the year ended 31st March 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
A) Cash flow from operating activities		
Net profit before tax & extra ordinary items & prior period items	7432.70	5028.80
Adjustment for:		
Profit on sale of fixed assets	-	-20.49
Discount	-	-21.82
Unrealised foreign exchange Gain	-3.10	-6.54
Dividend income	-	-18.43
Investment written Back	-	-3.81
Interest Income	-4.61	-10.80
Capital gain	-	-53.56
Guarantee Fees	-57.50	-
	7367.49	4893.35
Miscellaneous expenses	-	6.02
Bad Debt	15.09	59.53
Depreciation	2449.48	1565.89
Financial Expenses	590.54	462.45
Sundry balance written back	-	-
Loss on sale of Fixed Assets	4.30	-
Provision for tax	-	-
Provision for decline in value of investments	-	-
	3059.41	2093.89
Operating profits before working capital changes	10426.90	6987.24
Changes in working capital		
(Increase)/Decrease in Receivables	-2419.32	709.94
(Increase)/Decrease in Other Current Assets	-1433.53	-1453.80
(Increase)/Decrease in Loans and Advances	-1953.57	-1348.23
Increase/(Decrease) in Trade & Other Payable	1861.09	347.50
Increase/(Decrease) in Provision for Expenses	244.40	92.18
Tax Paid	-1097.21	-557.19
	-4798.14	-2209.60
Cash flow from operating activities	5628.76	4777.64
TOTAL [A]		

Cash Flow Statement for the year ended 31st March 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
B) Cash flow from investing activities		
Purchase of fixed assets	-6177.59	-7040.29
Dividend received	-	18.43
Interest Income	4.61	10.80
Increase in Investment	-197.28	1184.77
Capital Work in progress	-480.98	-592.48
Guarantee Fees	57.50	-
Net cash used in investing activities	-6793.74	-6418.77
TOTAL [B]		
C) Cash flow from financing activities		
Repayment of loan)/proceeds from borrowing (Net)	2221.29	1068.92
Financial Expenses	-590.54	-462.45
Dividend Paid	-207.95	-157.42
Dividend Tax Paid	-35.33	-26.80
Issue of Warrants		146.98
Increase in Share Capital and Premium		1190.36
Net cash used in financing activities	1387.47	1759.59
TOTAL [C]		
Net changes in cash or cash equivalents (A+B+C)	222.49	118.46
Cash & Cash equivalents		
Opening balance	269.72	151.26
Closing balance	492.21	269.72

As per our Report of even date

For M/s. Shah Jadavji & Co.
Chartered AccountantsSd/-
(Navin R. Gala)
Partner
M. No. 40640
Firm Reg. No. 109620WPlace : Thane
Date : 27.05.2011

For and on Behalf of Board of Directors

Sd/-
(Atul Hemani)
Managing Director
& CEOSd/-
(Avinash Pitale)
Jt. Managing
DirectorSd/-
(Gaurav Sharma)
Company Secretary &
Chief Officer
(Compliance & Legal)

Schedules forming part of Balance Sheet as at 31st March, 2011

(₹ In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
1 SHARE CAPITAL		
Authorised Share Capital		
20000000 (20000000) Equity Shares of ₹10/- each	2000.00	2000.00
Issued , Subscribed and Paid up Share Capital		
13860493(13858493) Equity Shares of ₹10/- each, fully paid up.	1386.05	1385.85
(a) Of the above 3024820 (3024820) Equity Shares of ₹10/- each have been issued as fully paid up bonus shares by capitalisation of free reserves		
(b) Of the above 400000 (400000) equity shares of ₹10/- each issued at a premium of ₹90/- per share on preferential basis.		
(c) Of the above 3333333 (3333333) equity shares of ₹10/- each issued at a premium of ₹95/- per share In Initial Public Offer.		
(d) Of the above 719210 (719210) equity shares of ₹10/- each issued at a premium of ₹155.51 per shares pursuant to conversion of Share Warrants		
(e) Of the above 2000 (Nil) equity shares of ₹10/- each issued at a premium of ₹112.59 per shares pursuant to conversion of Share Warrants		
	1386.05	1385.85
2 RESERVES AND SURPLUS		
Share Premium		
Amount Brought Forward	4622.92	3504.47
Add: Additions During the Period	2.25	1118.44
	4625.17	4622.92
General Reserve		
Amount Brought Forward	351.43	150.55
Add: Additions During the Period	527.62	200.89
	879.06	351.43
Profit and Loss Account		
Amount brought forward	10645.47	7150.61
Transferred from Profit and Loss A/c	4183.51	3494.86
	14828.98	10645.47
Capital Reserve		
Amount forfeited due to lapse of Share Warrants	100.26	100.26
	100.26	100.26
	20433.47	15720.08
3. EQUITY SHARE WARRANTS		
Upfront Consideration at 8,60,000 (8,62,000) Equity Warrants of ₹10 each to be converted into one Equity Share at a premium of ₹112.59 (₹112.59) in exercise of Warrant Holders on or before 22 nd June, 2011 (22 nd June, 2011)	263.57	264.18
Remaining Consideration at, Nil (2000) Equity Warrants out of 8,62,000 Equity Warrants pending conversion	-	1.84
	263.57	266.02

Schedules forming part of Balance Sheet as at 31st March, 2011

(₹ In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
4. SECURED LOANS		
(A) From Kotak Mahindra Bank Ltd.:		
Term Loan	996.90	847.65
(Secured against first pari passu charge on movable assets, second pari passu charge on current assets, mortgage of immovable properties of the company situated at Andheri by second pari passu charge and first charge on property at MBP) [Amount due within one year is ₹67918406/- (35075270/-)]		
Working Capital Demand Loan	1187.70	300.00
(Secured against first pari passu charge on Movable assets, hypothecation of entire current assets, stocks and book debts of the company, mortgage of immovable properties of the company situated at Andheri by second pari passu charge)		
(B) From Standard Chartered Bank Ltd.:		
Cash Credit	604.98	404.75
(Secured against first pari passu charge on movable assets and hypothecation of stocks and book debts of the company)		
Packing Credit in Foreign Currency	800.06	724.60
(Secured against first pari passu charge on movable assets and hypothecation of stocks and book debts of the company)		
(C) From ICICI Bank Ltd.:		
Car Loan	18.80	9.98
(Secured against hypothecation of Cars) [Amount due within one year is ₹402437/- (191584/-)]		
(D) From HDFC Bank:		
Car Loan	2.97	5.41
(Secured against hypothecation of Cars) [Amount due within one year is ₹272787/- (244482/-)]		
(E) From IDBI Bank Ltd.:		
Working Capital Demand Loan	904.61	-
(Secured against first pari passu charge on movable assets, first pari passu charge on current assets, mortgage of immovable properties of the company by second pari passu charge)		
Cash Credit	1057.00	1309.08
(Secured against first pari passu charge on movable assets, first pari passu charge on current assets, mortgage of immovable properties of the company by second pari passu charge)		
Letter of Credit	865.98	755.02
(Secured against first pari passu charge on movable assets, first pari passu charge on current assets, mortgage of immovable properties of the company by second pari passu charge)		
(F) From Axis Bank Ltd. :		
Term Loan	-	35.02
(Secured against first charge on movable assets, current assets, mortgage of immovable properties of the company and personal guarantee of some of the Directors) [Amount due within one year is ₹ Nil (₹3501706/-)]		
	6439.01	4391.52

Schedules forming part of Balance Sheet as at March 31, 2011

5. FIXED ASSETS

(₹ in Lacs)									
Sr. No.	Descriptions of Fixed Assets	Gross Block			Depreciation			Net Block	
		Opening Bal. as on 01.04.2010	Additions	Deletion	Total	As at 31.03.2010	For the Year	On Deductions	As at 31.03.2011
1	Business Acquisition	45.50	-	-	45.50	45.50	-	-	-
2	Office Building	265.32	-	-	265.32	19.25	4.32	-	241.75
3	Land at MIDC	133.34	-	-	133.34	14.36	2.05	-	116.93
4	Land at Pune	283.61	-	-	283.61	8.59	2.86	-	272.15
5	Software and software products	36.06	-	-	36.06	28.85	7.21	-	7.21
6	Computer Systems	13845.12	6551.45	1715.34	18681.23	2788.57	2386.24	1285.06	14791.48
7	Furniture & Fixture	613.76	6.08	-	619.85	127.00	38.72	-	454.13
8	Office Equipments	40.15	40.11	-	80.26	14.31	2.55	-	63.41
9	Car	52.42	17.46	-	69.88	19.78	5.52	-	44.58
10	Capital Expenditure	7.23	-	7.23	-	-	-	-	-
	Total	15322.51	6615.11	1722.57	20215.05	3066.21	2449.48	1285.06	15984.43
	Previous Year	8795.85	7530.93	1004.26	15322.51	2007.30	1565.89	506.98	-

Schedules forming part of Balance Sheet as at 31st March, 2011

(₹ In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
6. INVESTMENTS		
Long Term Investment		
(Other than traded - Unquoted)		
12709 (12709) Shares of Bombay Mercantile Co-op Bank Ltd of ₹30/- each fully paid up	3.81	3.81
31300 (31300) shares of USD 1/- each of Omnitech Technologies Inc, USA	12.93	12.93
180 (180) shares of EURO 100/- each of Europe Omnitech Technology Services B.V., Netherlands	169.04	66.52
467139 (367233) shares of USD 1/- each of Omnitech Services Pte. Ltd., Singapore	220.99	171.64
100000 (nil) shares of USD 1/- each of Omnitech (Singapore) Holding Pte Ltd.	45.41	-
Investment in FCD/PCD of Lloyds Finance Ltd.	3.62	3.62
[Aggregate amount of unquoted investments ₹4,55,81,232/- (Previous Year ₹2,58,52,835/)]	455.81	258.53
7. RECEIVABLES		
(Unsecured, Considered Good)		
Debts outstanding for a period exceeding six months	1196.47	1340.73
Other Debtors	6362.04	3798.46
	7558.52	5139.19
8. CASH AND BANK BALANCES		
Cash-in-hand	19.52	16.32
Balances with Scheduled Banks	472.70	253.43
Deposit Accounts	145.25	116.02
On Margin Money Accounts	0.37	0.37
	637.83	386.13
9. INVENTORIES		
Finished Goods	4259.91	2871.13
(Inventory valued at cost or market value whichever is lower and as certified by the management)		
	4259.91	2871.13
10. Loans and Advances		
(Unsecured, Considered Good)		
Advances recoverable in cash or in kind or for value to be received	4724.76	3458.80
Deposits	68.10	93.79
	4792.86	3552.58

Schedules forming part of Balance Sheet as at 31st March, 2011

(₹ In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
11. CURRENT LIABILITIES		
Sundry Creditors	2603.97	705.22
Duties & Taxes	92.45	99.33
Unpaid Dividend	7.50	7.57
Deposits Received	23.68	54.39
	2727.61	866.52
12. PROVISIONS		
Provision For Expenses	357.58	166.51
Provision For Gratuity	57.35	42.75
Provision For Leave Encashment	87.86	49.12
Provision For Income Tax	1501.46	1776.34
Provision For FBT	-	33.47
Provision For Proposed Dividend	374.23	207.88
Provision For Dividend Tax	62.16	35.33
	2440.64	2311.41

Schedules forming part of Profit & Loss Account for the year ended 31st March, 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
13. OTHER INCOME		
Rent Received	9.87	-
Capital Gain	-	53.56
Interest Income	4.62	10.80
Discount Received	2.81	-
Guarantee Charges	57.50	-
Dividend from Mutual Funds on short term investments	-	18.43
Miscellaneous Income	1.55	22.51
	76.34	105.30
14. MATERIALS CONSUMED AND OTHER DIRECT EXPENSES		
Cost of Sales	16846.41	11911.46
Consumable Spares Parts and Stores	169.16	111.46
Transportation	10.50	1.71
Technical Repairs and Service Charges	306.25	226.09
	17332.32	12250.73

Schedules forming part of Profit & Loss Account for the year ended 31st March, 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
15. STAFF COST		
Salaries & Bonus	2328.84	1199.30
PF & ESIC Contribution	75.81	32.44
Remuneration to Whole Time Directors	109.77	89.09
Sitting Fees to Non-Executive Directors	6.45	2.30
	2520.87	1323.13
16. ADMINISTRATIVE AND OTHER EXPENSES		
Conveyance	19.97	9.64
Rent, Rates and Taxes	192.46	140.44
Communication Cost	110.02	69.52
Legal and Professional Charges	454.68	377.85
Postage & Courier	17.06	9.18
Printing & Stationery	24.83	14.45
Diwali and Pooja Expenses	6.02	4.20
Office Maintenance	19.82	16.50
Electricity Charges	46.50	30.81
Insurance	20.03	10.25
Vehicle Maintenance Expenses	9.18	11.61
Books & Periodicals	0.19	0.12
Statutory Fees	3.98	10.06
License Renewal Fees	1.45	-
Fuel Charges	3.51	3.63
Membership & Subscription	8.52	5.35
Office Expenses	40.51	45.24
Packing Expenses	0.25	0.83
Recruitment and verification Expenses	69.31	16.30
Registration Expenses	0.27	0.16
Stock Exchange Expenses	2.25	0.79
Donation	52.35	23.07
Staff welfare	32.61	-
Assessment dues	2.47	-
Sales Tax Paid (Prior Period)	-	27.62
Service Tax Expenses	-	1.07
Custodian and demat charges	0.87	-
Miscellaneous Expenses	24.69	9.35
	1163.80	838.04

Schedules forming part of Profit & Loss Account for the year ended 31st March, 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
17. SELLING AND DISTRIBUTION EXPENSES		
Transportation Outward	10.71	37.40
Travelling Expenses	98.33	88.14
Advertisement Expenses	11.02	12.56
Bad Debts	15.09	59.53
Discount	13.54	5.64
Business Promotion Expenses	40.56	39.18
Commission on Sales	12.95	4.00
Rentals Computers	3.16	53.77
Tender Expenses	0.50	-
Value Added Tax Paid / Sales Tax	-	0.01
Exhibition & Conference Expenses	1.59	0.19
	207.46	300.40
18 Financial Expenses		
Interest Paid	487.16	385.72
Processing Charges & Other Finance Cost	21.50	23.19
Bank Charges	44.32	29.03
L C / BG Charges	37.55	24.51
	590.54	462.45

Schedules to the Profit & Loss Account & Balance Sheet

19. SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements :

- The financial statements have been prepared under historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and in compliance with the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956 as adopted consistently by the company.
- Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made, that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported year. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

2. Revenue recognition :

- Revenue from sales in respect of hardware is recognized when they are completed with passing of the title and are exclusive of sales tax, octroi and other incidental expenses.
- Revenue from software development is recognized in accordance with the percentage of completion method and revenue from sale of licenses of software products and other products is recognized on delivery / installation, as the case may be.
- Revenue from IT infrastructure networking, annual service contracts and facilities management services is deferred and recognized ratably over the period of the underlying maintenance agreement.
- Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

E. Dividend Income is recognized when the shareholders' right to receive payment is established by the Balance Sheet Date.

3. Expenditure :

Expenses are accounted on accrual basis and the provisions are made for all known losses and liabilities. No provisions are made towards likely expenses on providing post-sales client support for fixed priced contracts as well as in respect of annual technical service contracts in so far as it pertains to the period beyond the current accounting year.

4. Fixed Assets and Depreciation :

A. Fixed Assets

- a) Fixed assets are stated at their original cost of acquisition including incidental expenses related to acquisition & installation of the concerned assets less accumulated depreciation and impairment losses, if any.
- b) Costs that are directly associated with identifiable and unique software products controlled by the Company, whether developed in-house or acquired, and have probable economic benefits exceeding the cost are recognized as product development.
- c) Assets acquired under lease are at cost of acquisition including incidental expenses related to acquisition & installation of such assets.
- d) Advances paid towards acquisition of fixed assets and the cost of assets not ready for use as at the Balance Sheet date are disclosed under capital work-in-progress.

B. Depreciation /Amortization

- a) Depreciation on Software and Computer Systems is provided based on Management's estimate of useful life of Software/System however subject to maximum period of 6 years. Depreciation on Fixed Assets other than Land and those mentioned above has been provided on Straight Line Method at the following rates:

Asset Group	Rates (SLM)
Furniture & Fixtures	6.33%
Vehicles	9.50%
Office Equipments	4.75%
Office Premises	1.63%

- b) Product Development Expenses capitalized are amortized over its useful life for a period not exceeding ten years.
- c) Leasehold assets are amortized over the period of lease.
- d) Miscellaneous expenditure is amortized over a period of 5 years from the year in which it has been incurred.

5. Impairment of Assets:

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the income statement for items of fixed assets carried at cost. The recoverable amount is higher of an assets net selling price and value in use. The net selling price is the amount obtained from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset, from its disposal at the end of its useful life.

6. Inventories :

Inventories have been valued on the following basis:

- i) Raw Materials, packing material, stores and spares - At cost
- ii) Work-in-progress - At cost plus appropriate allocation of overheads
- iii) Finished Goods - At cost plus appropriate allocation of overheads or net realizable value, whichever is lower

7. Investments :

Investments are classified into current investment and long term investments. Current investments are stated at lower of cost or fair market value. Long Term Investments are stated at cost less provision for permanent diminution in value if any, of investments.

8. Foreign Exchange Transactions :

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Realized gains and losses on settlement of foreign currency transactions are recognized in the Profit and Loss account. Foreign currency assets and liabilities at the year end are translated at the year end exchange rates and the resultant exchange difference is recognized in the Profit and Loss Account. Exchange differences relating to fixed assets are adjusted in the cost of the respective assets.

9. Research & Development :

- A. Revenue expenditure on R&D is charged to profit & loss account in the year in which it is incurred where the Company is not certain of realizing future economic benefits from such activities.
- B. Capital expenditure on R&D is included under the relevant fixed assets.

10. Employee Benefits:**(a) Short Term Employee Benefits**

All short term employee benefits such as salaries, wages, bonus, medical benefits which fall due within 12 months of the period in which the employee renders the related services are charged to the profit and loss account.

(b) Long Term & Post- Employment Benefits**(i) Defined Contribution Plan**

Company's contribution paid/payable during the year towards Provident Fund Scheme, ESIC is recognized in the Profit & Loss Account.

(ii) Defined Benefit Plan

The Company's Gratuity Benefit Scheme is a defined benefit plan. The Company's liability for gratuity is determined by actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gains and Losses are immediately recognized in Profit & Loss Account as income and expense.

11. Borrowing Costs :

Borrowing costs directly attributable to acquisition, construction and production of qualifying assets are capitalized as a part of the cost of such asset up to the date of completion. Other borrowing costs are charged to the Profit & Loss Account.

12. Deferred tax :

Deferred Income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty of their realization and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

13. Provision for Tax:

Provision for current tax is determined on the basis of estimated taxable income for the period as per the provisions of Section 115JB Income Tax Act, 1961.

14. Earnings per Share (EPS) :

The earnings considered in ascertaining the Company's EPS are computed as per Accounting Standard 20 on "Earning per Share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

15. Provision and Contingent Liabilities

Provisions are recognized and computed in accordance with Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets" issued by the Institute of Chartered Accountants of India i.e. they are recognized if the following conditions are satisfied:

- (a) The Company has a present obligation as a result of past event;
- (b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) A reliable estimate can be made of the amount of the obligation.

Similarly, the Contingent liabilities are disclosed in Accordance with the Accounting Standard 29 i.e. they are disclosed when the Company has a possible obligation or a present obligation and it is probable that a Cash Outflow will not be required to settle the obligation.

16. Leases

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the profit and loss account on a straight-line basis over the period of lease.

B. NOTES TO THE ACCOUNTS:

1. The previous year's figures have been recast/restated, wherever necessary, to confirm to current year's classification.

2. **Contingent Liabilities**

(₹ In lacs)

	31 st March, 2011	31 st March, 2010
Contingent Liability (Outstanding guarantees given by banks in favor of various government authorities and others, corporate guarantees)	7221.57	61.69

3. **Managerial Remuneration.**

(₹ in lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
(i) To Executive Directors:		
Basic Salary	94.33	37.68
Contribution to PF	2.46	1.60
Other Perquisites & Allowances	12.98	49.81
TOTAL	109.77	89.09
(ii) To Non-Executive Directors:		
Directors' sitting fees	6.45	2.30

Computation of Net profit in accordance with the Section 349 of the Companies Act, 1956 for Calculation of Remuneration Payable to Directors

(₹ in lacs)

	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Profit before Depreciation as per Profit & loss Account	9882.17	6594.68
Add:		
1. Directors' Remuneration	109.77	89.09
2. Loss on Sale of Assets	4.30	-
	9996.24	7043.77
Less:		
1. Profit on sale of Assets	-	20.49
2. Depreciation under Section 350	2449.48	1565.87
Net Profit computed under Section 349	7546.76	5457.41
Maximum Permissible Remuneration payable to Managing Director and Whole Time Directors under Section 309 (3)	10%	10%
Maximum Permissible Managerial Remuneration	754.67	545.74

4. **Foreign exchange Income & Expenditure**

(₹ in Lacs)

	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Foreign Exchange Earnings:		
Export Sales (F.O.B Basis)	6658.94	4671.05
Commission Received	1.1	6.87
Foreign Exchange Expenditure:		
Import of Software (C.I.F Basis)	286.33	1471.73
Import of Capital Goods (C.I.F Basis)	4315.23	5466.71
Expenditure on Foreign Travel	15.6	52.38
Other Expenditure	10.71	18.11

5. Major components of deferred tax assets and deferred tax liabilities

(₹ in Lacs)

Deferred Tax Liabilities	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Due to difference between book depreciation and tax depreciation	803.76	259.13
Expenses allowable on payments and others	(20.05)	(15.64)

6. Payment to Auditors

(₹ in Lacs)

Deferred Tax Liabilities	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Audit fees	6	5.75
Taxation Matters	0.8	0.30
Certification & Other Matters	3.06	1.92
For Service Tax	1.01	0.82

7 Dues to Micro, Small and Medium Enterprises

The Company has not received any memorandum (as required to be filed by the Suppliers with the notified authorities under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2011 as micro, small or medium Enterprises. Consequently the amount paid/payable to these parties during the year is unascertainable.

8. Balances standing to the account of the debtors, creditors, advances, receivables and deposits are subject to confirmations.

9. Earnings Per Share

(₹ in Lacs)

Particulars	Financial Year 31 st March, 2011	Financial Year 31 st March, 2010
Face Value Per Share (₹)	10	10
(A) Weighted average number of Equity shares		
1 Number of Equity Shares at the Beginning of the year	1,38,58493	1,31,39283
2 Number of Equity Shares at the End of the year	1,38,60493	1,38,58493
3 Weighted average number of Equity Shares Outstanding During the year (On annualized basis)	1,49,42828	1,41,21357
(B) Net Profit after tax available for Equity Shareholders (₹ In Lakhs)	5147.52	3938.95
(C) Basic earnings per share (in ₹) (annualized)	37.14	29.57
(D) Diluted earnings per share (In ₹) (annualized)	34.45	27.89

10. Related Party Disclosures**(a) List of Parties where control exists, irrespective of transactions****i) Subsidiary Companies**

- | | |
|--|---|
| 1. Omnitech Technologies Inc., USA | 2. Omnitech Services Pte. Ltd., Singapore |
| 3. Europe Omnitech Technology Services B.V., Netherlands | 4. Omnitech (Singapore) Holding Pte Ltd |

ii) Key Management Personnel

- | | |
|--|---|
| 1. Mr. Atul Hemani – Managing Director & CEO | 2. Mr. Avinash Pitale – Jt. Managing Director |
| 3. Mr. Devarshi Buch – Executive Director | |

iii) Relatives of Key Management Personnel

- | | | |
|--------------------------|-----------------------|---------------------------|
| 1. Mrs. Amisha A. Hemani | 2. Mrs. Vanita Hemani | 3. Mr. Nirav Hemani |
| 4. Ms. Vidhi Hemani | 5. Mr. Bharat Hemani | 6. Mr. Chandrakant Pitale |
| 7. Mr. Amit Buch | 8. Ms. Juhi Buch | 9. Mr. Maganlal Hemani |
| 10. Ms. Sheetal Pitale | 11. Mr. Nitish Pitale | 12. Mrs. Shubhangi Pitale |
| 13. Mrs. Beejal D. Buch | 14. Mr. Dushyant Buch | 15. Mrs. Jayshree Buch |

iv) Enterprises owned or significantly influenced by Key Management Personnel or their relatives

- | | |
|---|-------------------------------------|
| 1. Omnitech Technologies Limited, India | 2. Wintel Computers Private Limited |
| 3. Atul Hemani HUF | 4. Avinash Pitale HUF |
| 5. Omnitech Employees' Welfare Trust | |

v) Step-down subsidiaries

- | | |
|---|--|
| 1. Omnitech Services Limited, Hong Kong | 2. Avensus Netherland B.V, Netherlands |
|---|--|

(b) Following are the transactions entered into with the related parties:

Sr. No.	Description of Transaction	Subsidiary Companies		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives	
		Year ended 31 st March 2011	Year ended 31 st March 2010	Year ended 31 st March 2011	Year ended 31 st March 2010	Year ended 31 st March 2011	Year ended 31 st March 2010	Year ended 31 st March 2011	Year ended 31 st March 2010
1	Remuneration:								
	Mr. Atul Hemani	-	24.06	37.76	-	-	-	-	-
	Mr. Avinash Pitale	-	22.50	37.14	-	-	-	-	-
	Mr. Devarshi Buch	-	42.52	34.87	-	-	-	-	-
2	Sitting Fees*:								
	Mr. Maganlal Hemani	-	-	-	0.90	0.35	-	-	-
3	Dividend Paid:								
	Mr. Atul Hemani	-	21.99	28.25	-	-	-	-	-
	Mr. Avinash Pitale	-	16.72	21.65	-	-	-	-	-
	Mr. Devarshi Buch	-	2.88	3.60	-	-	-	-	-
	Mrs. Amisha A. Hemani	-	-	-	14.19	11.95	-	-	-
	Mrs. Vanita Hemani	-	-	-	0.36	0.30	-	-	-
	Mr. Nirav Hemani	-	-	-	1.14	0.91	-	-	-
	Ms. Vidhi Hemani	-	-	-	1.14	0.91	-	-	-
	Mr. Bharat Hemani	-	-	-	0.02	0.01	-	-	-
	Mr. Maganlal Hemani	-	-	-	0.14	0.12	-	-	-
	Ms. Sheetal Pitale	-	-	-	1.14	0.91	-	-	-
	Mr. Nitish Pitale	-	-	-	1.14	0.91	-	-	-
	Mrs. Shubhangi Pitale	-	-	-	20.29	17.42	-	-	-
	M/s. Atul Hemani HUF	-	-	-	-	-	0.29	0.95	-
	M/s. Avinash Pitale HUF	-	-	-	-	-	1.14	0.91	-
	M/s. Wintel Computers Private Limited	-	-	-	-	-	19.67	9.20	-
	M/s. Omnitech Employees' Welfare Trust	-	-	-	-	-	2.25	1.80	-

(₹ in Lacs)

(b) Following are the transactions entered into with the related parties:

Sr. No.	Description of Transaction	Subsidiary Companies		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives	
		Year ended 31 st March 2011	Year ended 31 st March 2010	Year ended 31 st March 2011	Year ended 31 st March 2010	Year ended 31 st March 2011	Year ended 31 st March 2010	Year ended 31 st March 2011	Year ended 31 st March 2010
4	Upfront consideration received Issue of Convertible Warrants: Mr. Atul Hemani Mr. Avinash Pitale Mr. Devarshi Buch M/s. Wintel Computers Private Limited M/s. Omnitech Technologies Limited	- - - - -	- - - - -	- - - - -	35.24 35.24 35.24 - -	- - - - -	- - - - -	- - - - 153.24	- - - - -
5	Consideration received upon Conversion of Convertible Warrants Mr. Atul Hemani Mr. Avinash Pitale M/s. Wintel Computers Private Limited	- - -	- - -	- - -	74.48 74.48 -	- - -	- - -	- - 810.65	- - -
6	Investment towards Capital: Omnitech Services Pte. Ltd., Singapore Europe Omnitech Technology Services B.V., Netherlands Omnitech (Singapore) Holding Pte Limited, Singapore	49.35 102.52 45.41	171.64 66.52 -	- - -	- - -	- - -	- - -	- - -	- - -
7	Recoverable Expenses paid on behalf of Europe Omnitech Technology Services B.V., Netherlands	78.01	34.46	-	-	-	-	-	-
8	Guarantee Charges received from** Europe Omnitech Technology Services B.V., Netherlands	57.50	-	-	-	-	-	-	-

* This excludes the sitting fees paid to Independent Directors as per Accounting Standard Interpretation 21 issued by the Institute of Chartered Accountants of India.

** The Guarantee Charges pertain to charges received in relation to Corporate Guarantee provided by the Company for the money borrowed by Europe Omnitech Technology Services B.V., Netherlands.

11. Disclosure of loans /advances & investments in its own shares in terms of Clause 32 of Listing Agreement with Stock Exchanges
(₹ in Lacs)

Sr. No.	Particulars	Name of the Parent/Associate /Subsidiary Company	Amount Outstanding as on 31.03.2011	Maximum amount due at any one time during the year
1	Loan and Advances in the nature of loans to Subsidiaries	-	Nil	Nil
2	Loan and Advances in the nature of loans to Associates	-	Nil	Nil
3	Loans and advances in the nature of loans where there is no repayment schedule or repayment beyond seven years	-	Nil	Nil
4	Loans and advances in the nature of loans where there is no interest or interest below section 372A of Companies Act, 1956	-	Nil	Nil
5	loans and advances in the nature of loans to firms /companies in which directors are interested	-	Nil	Nil

Note: Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan - N.A

12. Remittance of Dividend in Foreign Currency

During the year, the Company has not remitted any amount in foreign currencies on account of dividends and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by/on behalf of non-resident shareholders. The particulars of dividends payable to non-resident shareholders which were declared during the year are as under:

Sr. No.	Particulars	Year Ended 31 st March 2011	Year Ended 31 st March 2010
1	Number of non-resident Shareholders	121	118
2	Number of Equity Shares held by them	354878	71663
3	Gross amount of dividends (₹ In lacs)	5.32	0.86
4	Year to which the Dividend relates	2009-10	2008-09

13. Retirement Benefits

The employee's gratuity fund scheme is managed by Life Insurance Corporation of India. The said scheme is a defined benefit scheme. The present obligation is based upon actuarial valuation using the projected unit credit method. The summary of computation of present obligation, actuarial gain/loss etc. is as under:

(₹ in Lacs)

Sr. No.	Particulars	Year Ended 31 st March 2011	Year Ended 31 st March 2010
1	Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
	Present value of obligations as at beginning of year	56.57	27.46
	Interest cost	5	2.2
	Current Service Cost	20.05	8.36
	Benefits Paid	(3.75)	(0.47)
	Actuarial (gain)/Loss on obligations	15.55	19.02
	Present value of obligations as at end of year	92.94	56.57
2	Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets		
	Fair value of plan assets at beginning of year	13.82	0.56
	Expected return on plan assets	2.66	0.43
	Contributions	20.05	13.29
	Benefits paid	(3.75)	(0.47)
	Actuarial Gain / (Loss) on Plan assets	NIL	NIL
	Fair value of plan assets at the end of year	32.79	13.82

(₹ in Lacs)

Sr. Particulars No.	Year Ended 31 st March 2011	Year Ended 31 st March 2010
3 Fair value of plan assets		
Fair value of plan assets at beginning of year	13.82	0.56
Actual return on plan assets	2.66	0.43
Contributions	20.05	13.29
Benefits Paid	(3.75)	(0.47)
Fair value of plan assets at the end of year	32.79	13.82
Funded status	(60.16)	(42.75)
Excess of Actual over estimated return on plan assets	NIL	NIL
(Actual rate of return = Estimated rate of return as ARD falls on 31 st March)		
4 Actuarial Gain/Loss recognized		
Actuarial gain/(Loss) for the year –Obligation	(15.55)	(19.02)
Actuarial (gain)/Loss for the year - plan assets	NIL	NIL
Total (gain)/Loss for the year	15.55	19.02
Actuarial (gain)/Loss recognized in the year	15.55	19.02
5 The amounts to be recognized in the Balance Sheet and Statement of profit and loss		
Present value of obligations as at the end of year	92.94	56.57
Fair value of plan assets as at the end of the year	32.79	13.82
Funded status	(60.16)	(42.75)
Amount recognized in balance sheet	60.16	42.75
6 Expenses Recognised in statement of Profit & loss		
Current Service cost	20.05	8.36
Interest Cost	4.53	2.2
Expected return on plan assets	(2.66)	(0.43)
Net Actuarial (gain)/Loss recognised in the year	15.55	19.02
Expenses recognised in statement of Profit & loss	37.46	29.14
7 Assumptions		
Discount Rate	8%	8%
Salary Escalation	5%	3%

14. Equity Share Warrants

- (a) Out of 862000 convertible warrants allotted by the Company during the F.Y. 2009-10, 2000 warrants were converted into equity shares by the Company and consequentially 75% of the total price due on the conversion was duly paid to the Company by the warrant holder. Against the said conversion of warrants, 2000 equity shares were allotted on 9th September, 2010. As on 31st March, 2011, listing application for 2000 Equity shares is pending with Stock Exchanges for approval.

The money received on account of issue/conversion of warrants has been fully utilized by the Company towards expansion of technology centres as on 31st March, 2011.

- (b) At the Annual General Meeting held on 29th September, 2010, the Shareholders of the Company had approved the issuance of 2,23,725 Convertible warrants on preferential basis in accordance with SEBI Guidelines to certain Promoters and non-promoters. However, as on 31st March, 2011, the Company is awaiting in – principal approval from the Stock Exchanges for the said warrants.

15. Derivative Instruments

The Company uses Forward Contracts to hedge against its Foreign Exchange Exposure. The Company does not enter into any derivative instruments for Trading or Speculative purposes. As on 31st March, 2011, there are no outstanding Forward Contracts.

16. Segmental Reporting

The Company is mainly engaged in the business of Information Technology and Information Technology enabled services. Considering the nature of business and financial reporting of the Company, the Company has only one segment viz. Information Technology.

The Company operates in Local and Export geographically of which export sales have amounted to ₹6658.94 lacs. But due to nature of business, the assets/liabilities and expenses thereof cannot be bifurcated separately.

17. Accounting for Employees Stock Option

Employee Stock Options are evaluated and accounted on intrinsic value method as per the accounting treatment prescribed by Guidance Note on 'Accounting for Employee Share-based payments' issued by ICAI read with SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines 1999 issued by SEBI. The excess of market value, if any, of the stock options as on the date of grant over the exercise price of the options is recognised as deferred employee compensation and is charged to the profit and loss account on vesting basis over the vesting period of the options. The un-amortized portion of the deferred employee compensation is reduced from Employee Stock Option Outstanding, which is shown under Reserves and Surplus.

- The Compensation Committee of the Company granted 19,714 options during the year under Omnitech ESOS 2009. Each option is convertible into One equity share of ₹10/- each at price of ₹140/- per share. The options granted would vest over a vesting period of two and half to three years from the date of grant. The market price of share at the time of grant was ₹252.05 per share.
- The employee compensation cost on account of this grant applicable for the year is ₹5,07,788 as a result of discounted rate at which options have been granted.

Calculation of EPS, diluted EPS and impact on EPS based on fair value method:

	Scheme I				Total
	Grant 1	Grant 2	Grant 3	Grant 4	
Date of Grant	6-Oct-09	23-Aug-10	23-Aug-10	23-Aug-10	
No of days in 2010-11 after grant	365	221	221	221	
Options granted	2,11,857	6,000	9,464	4,250	
Options surrendered/lapsed	1,400	0	0	0	
Net options granted	2,10,457	6,000	9,464	4,250	
Options exercised	0	0	0	0	
No of shares which may arise out of options	2,10,457	6,000	9,464	4,250	
Weighted average no of such shares for 2010-11	2,10,457	3,633	5,730	2,573	2,22,393
No of existing shares					1,38,58,493
Diluted no of shares for the year 2010-11					1,49,42,828
PAT for the year					51,47,52,996
EPS for the year					37.14
Diluted EPS for the year					34.45
Market price of share on date of grant	123.20	252.05	252.05	252.05	
Exercise price	123.20	140.00	140.00	140.00	
Intrinsic value of option	-	112.05	112.05	112.05	
Weighted average of fair value of option	81.02	139.04	147.17	158.08	
Excess of fair value over intrinsic value of option	81.02	251.09	259.22	270.13	
Impact on profit if fair option method is used instead of intrinsic value					
No of net options	2,10,457	6,000	9,464	4,250	2,30,171

	Scheme I				
	Grant 1	Grant 2	Grant 3	Grant 4	Total
Excess value per option	81.02	251.09	259.22	270.13	
Aggregate of excess value	17051226	1506540	2453258	1148053	22159077
Vesting period days	1095	952	923	1076	
Excess value per date over vesting period	15572	1583	2658	1067	
Excess value 2010-11	5683742	349733	587400	235799	6856673
EPS would have been lower in case of fair value method					0.4948
Weighted average EPS would have been lower in case of fair value method					0.4589

For M/s. Shah Jadavji & Co.
Chartered Accountants

Sd/-
(Navin R. Gala)
Partner
M. No. 40640
Firm Reg. No. 109620W

Place : Thane
Date : 27.05.2011

For and on Behalf of Board of Directors

Sd/-
(Atul Hemani)
Managing Director
& CEO

Sd/-
(Avinash Pitale)
Jt. Managing
Director

Sd/-
(Gaurav Sharma)
Company Secretary &
Chief Officer
(Compliance & Legal)

Balance Sheet Abstract and Company's General Business Profile

1 Registration Details

Registration No.	:	L30007MH1990PLC055256	State	:	11
Balance Sheet Date	:	31-03-2011			

2 Capital Raised During the Year (₹ in Lacs)

Public Issue	:	NIL	Right Issue	:	NIL
Bonus Issue	:	NIL	Private Placement	:	0.20

3 Portion of Mobilisation & Deployment of Funds (₹ in Lacs)

Total Liabilities:	:	30381.96	Total Assets	:	30381.96
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Sources of Funds

Paid-up Capital	:	1386.05	Reserves and Surplus	:	20433.47
Secured Loan	:	6439.01	Unsecured Loan	:	173.80
Equity Share Warrants	:	263.57	Deferred Tax Liability	:	1686.06

Application of Funds

Net Fixed Assets	:	15978.33	Investment	:	455.81
Net Current Assets	:	12080.87	Misc. Expenditure	:	NIL
Capital WIP	:	1866.95	Accumulated Losses	:	NIL

4 Performance of Company (₹ in Lacs)

Turnover/Income from Operations :	31625.12	Total Expenditure	:	21814.99
Profit/(Loss) Before Tax	: 7432.70	Profit/(Loss) After Tax	:	5147.53
Earning Per Share (Basic)	: 37.14	Dividend Rate	:	27%
Earning Per Share (Diluted)	: 34.45			

5 Generic Names of Three Principal Products of Company (As per monetary terms)

Item Code No	:	N.A.
Product Description	:	N.A.

STATEMENT PURSUANT TO SECTION 212 (1) (e) OF THE COMPANIES ACT, 1956 AS ON 31ST MARCH, 2011

Sl. No.	Name of the Subsidiary	a) No of equity shares at the end of the financial year of the Subsidiary			b) Extent of Holding			Net Aggregate Profit/ (loss) of the subsidiary so far as it concerns the Members of the Company			
		Omnitech Infosolutions Ltd	Others		Omnitech Infosolutions Ltd	Others		Not dealt with in the Accounts of the Company		Dealt with in the Accounts of the Company	
								(i)	(ii)	(i)	(ii)
								For Subsidiary's Financial Year ended 31.03.2011	For previous Financial years of Subsidiary since it became a subsidiary	For Subsidiary's Financial Year ended 31.03.2011	For previous Financial years of Subsidiary since it became a subsidiary
1	Omnitech Technologies Inc. USA	31300	--	--	100%	--	--	(0.26)	--	--	--
2	Omnitech Services Pte. Ltd., Singapore	467139	101295		82.18%	17.82%		173.01	--	--	--
3	Europe Omnitech Technology Services B.V., Netherlands	180	--	--	100%	--	--	(144.28)	--	--	--

(₹ in Lacs)

Auditors' Report on Consolidated Financial Statements

To the Members of

OMNITECH INFOSOLUTIONS LIMITED

Omnitech House, A/13, Cross Road No.5,
Kondivita Road, Marol, MIDC, Andheri (East),
Mumbai – 400 093

1. We have examined the attached Consolidated Balance Sheet of OMNITECH INFOSOLUTIONS LIMITED(the Company) and its subsidiaries Omnitech Services PTE LTD.(Joint Venture), Omnitech Technologies Inc, Europe Omnitech Technology Services B.V. as at 31st March, 2011, and the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. The company had incorporated one more subsidiary Omnitech (Singapore) Holding Pte Ltd. in Singapore but we have been informed that no activities has been carried in that subsidiary, hence not considered for consolidation.
2. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared in all material respects, in accordance with the financial reporting framework generally accepted in India 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 the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis of our opinion.
3. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirement of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by The Institute of Chartered Accountants of India and on the basis of separate Audited Financial statements of the Company and unaudited figures of its subsidiaries and joint venture included in the Consolidated Financial Statements.
4. On the basis of information and explanation given to us, and on consideration of the separate audit reports on individual audited financial statements of the Company and unaudited figures of its subsidiaries and Joint Venture in our opinion that the Consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In case of Consolidated Balance Sheet, of the Consolidated state of affairs of the Company and its subsidiaries as at 31st March, 2011;
 - b) In case of Consolidated Profit & Loss Account, of the Consolidated results of operations of the Company and its subsidiaries for the year ended on that date; and
 - c) In case of Consolidated Cash Flow Statement, of the Consolidated cash flow operations of the Company and its subsidiaries for the year ended on that date.

For SHAH JADAVJI & CO.
[Chartered Accountants]

Sd/-

Navin R. Gala
Partner

Place : Thane
Date : 27.05.2011

Membership No. 40640
Firm Reg. No. 109620W

Subsidiaries' Balance Sheets As At 31st March 2011

(₹ In Lacs)

	Omnitech Services Pte. Ltd		Omnitech Technologies Inc.		Europe Omnitech Technology Services B.V.	
	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2011	As at 31 st March, 2010
SOURCES OF FUNDS						
SHAREHOLDERS FUNDS						
Share Capital	547.57	209.80	16.30	16.20	11.49	10.90
Reserves & Surplus	208.97	(97.92)	(17.90)	(18.71)	(53.34)	(24.84)
Minority Interest	-	-	-	-	37.39	-
Foreign Currency translation reserve	15.11	1.75	(0.06)	1.12	(5.34)	3.98
LOAN FUNDS						
Secured Funds	-	-	-	-	4469.00	-
Unsecured Funds	-	-	1.76	1.36	-	-
Total	771.65	113.64	0.10	(0.04)	4459.20	(9.97)
APPLICATION OF FUNDS						
Goodwill	-	-	-	-	3694.91	-
Fixed Assets	3.03	1.12	-	-	1344.96	0.95
Less : Depreciation	3.03	1.12	-	-	-	-
Net Block	-	-	-	-	1344.96	0.95
Less : Impairment of Assets	-	-	-	-	-	-
	-	-	-	-	1344.96	0.95
Capital Work In Progress	-	-	-	-	-	-
Investments	280.65	-	-	-	-	-
CURRENT ASSETS, LOANS AND ADVANCES						
Receivables	369.56	150.60	-	-	667.18	6.36
Cash & Bank Balance	274.67	30.90	0.10	0.36	133.36	15.45
Inventories	-	-	-	-	48.99	-
Loans & Advances	12.92	2.64	-	-	242.01	-
Sub Total	657.16	184.13	0.10	0.36	1091.54	21.81
CURRENT LIABILITIES & PROVISIONS						
Current Liabilities	101.73	53.39	-	0.39	492.52	13.01
Provisions	64.43	17.11	-	-	1179.68	19.71
Sub Total	166.16	70.49	-	0.39	1672.20	32.73
Net Current Assets	491.00	113.64	0.10	(0.04)	(580.67)	(10.92)
Total	771.65	113.64	0.10	(0.04)	4459.20	(9.97)

Note: Balance Sheets of Subsidiaries have been converted into rupee using respective closing exchange rates.

Subsidiaries' Profit & Loss Account for the year ended 31st March, 2011

(₹ In Lacs)

	Omnitech Services Pte. Ltd		Omnitech Technologies Inc.		Europe Omnitech Technology Services B.V.	
	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2011	As at 31 st March, 2010	As at 31 st March, 2011	As at 31 st March, 2010
INCOME						
Income From Operations	2286.22	203.79	-	-	722.71	-
Other Income	4.63	0.24	-	-	0.46	0.01
Profit/ (Loss) on Sale Of Fixed Asset	-	-	-	-	-	-
Total Income	2290.85	204.03	-	-	723.17	0.01
EXPENDITURE						
Materials Consumed & Other Direct Expenses	11.34	-	-	-	251.61	-
Staff Cost	1437.09	246.21	-	-	350.70	55.30
Administrative & Other Expenses	444.06	51.94	0.18	0.64	189.09	19.65
Selling & Distribution Expenses	15.79	2.40	-	0.63	-	-
Financial Expenses	0.41	0.22	0.08	0.05	38.29	0.17
Miscellaneous Expenses Written Off	-	-	-	-	-	-
Total Expenditure	1908.68	300.77	0.26	1.32	829.69	75.12
Net Profit Before Depreciation & Tax	382.17	(96.74)	(0.26)	(1.32)	(106.52)	(75.11)
Less : Depreciation	3.16	1.14	-	-	37.76	-
Net Profit Before Tax	379.01	(97.88)	(0.26)	(1.32)	(144.28)	(75.11)
Less : Provision for Taxation - Current year	64.43	-	-	-	-	-
Less: Provision For Deferred Tax	-	-	-	-	-	-
Net Profit after Tax	314.58	(97.88)	(0.26)	(1.32)	(144.28)	(75.11)
Less : Proposed Dividend	-	-	-	-	-	-
Less : Dividend Tax	-	-	-	-	-	-
Less : Transfer To General Reserves	-	-	-	-	-	-
Balance Carried forward to Balance Sheet	314.58	(97.88)	(0.26)	(1.32)	(144.28)	(75.11)

Note: Profit and Loss Statements of Subsidiaries have been converted into rupee using average of opening and closing of respective exchange rates.

Consolidated Balance Sheet as at 31st March 2011

(₹ In Lacs)

	Sch. No	As at 31 st March 2011	As at 31 st March 2010
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	1386.05	1385.85
Minority Interest		188.66	1.94
Reserves & Surplus	2	20314.97	15572.41
Currency Translation Reserve		2.91	-
Equity Share Warrants	3	263.57	266.02
Deferred Tax Liability		1686.06	902.35
Loan Funds			
Secured Loans	4	10908.01	4391.52
Unsecured Loan	5	175.56	1.36
		34925.80	22521.45
APPLICATION OF FUNDS			
Good will (AS-21)		3691.41	-
Fixed Assets	6	21563.04	15324.58
Less : Depreciation		4233.65	3067.33
Net Block		17329.39	12257.26
Less : Impairment of Assets		6.10	6.10
		17323.29	12251.16
Capital Work in Process		1866.95	1385.97
Investments	7	52.84	7.43
Foreign Currency translation reserve		-	3.09
Current Assets, Loans and Advances			
Receivables	8	8595.26	5296.15
Cash & Bank Balance including Fixed Deposits	9	900.71	432.83
Inventories	10	4308.90	2871.13
Loans and Advances	11	5193.04	3555.22
Sub Total		18997.91	12155.34
Current Liabilities and Provisions			
Current Liabilities	12	3455.54	933.30
Provisions	13	3551.07	2348.23
Sub Total		7006.61	3281.53
Net Current Assets		11991.30	8873.80
Miscellaneous Expenditure (to the extent written off)			
Preliminary Expenses		-	-
		34925.80	22,521.45
Significant Accounting Policies & Notes on Accounts	20		

The Schedules referred to above and the notes thereon form an integral part of the Balance Sheet.

As per our Report of even date

For M/s. Shah Jadavji & Co.
Chartered Accountants

Sd/-
(Navin R. Gala)
Partner
M. No. 40640
Firm Reg. No. 109620W

Place : Thane
Date : 27.05.2011

For and on Behalf of Board of Directors

Sd/-
(Atul Hemani)
Managing Director
& CEO

Sd/-
(Avinash Pitale)
Jt. Managing
Director

Sd/-
(Gaurav Sharma)
Company Secretary &
Chief Officer
(Compliance & Legal)

Consolidated Profit & Loss Account for the year ended 31st March, 2011

(₹ In Lacs)

	Sch. No	Year ended 31 st March 2011	Year ended 31 st March 2010
INCOME			
Income from Operations		34634.05	21853.45
Other Income	14	81.43	105.55
(Loss) / Profit on Sale of Fixed Assets		(4.30)	20.49
Total Income		34711.18	21979.49
EXPENDITURE			
Materials Consumed and Other Direct Expenses	15	17595.27	12250.73
Staff Cost	16	4308.66	1624.64
Administrative and Other Expenses	17	1797.13	910.27
Selling and Distribution Expenses	18	223.25	303.44
Financial Expenses	19	629.31	462.89
Miscellaneous Expenditure Written Off			6.02
Total Expenditure		24553.61	15557.97
Net Profit before Depreciation and Tax		10157.56	6421.52
Less : Depreciation		2490.40	1567.03
Net Profit before Tax		7667.17	4854.49
Less : Provision for Taxation - Current Year		1565.89	846.35
Less : Provision for Fringe Benefit Tax		-	-
Less : Provision for Deferred Tax		783.71	243.50
Net Profit after Tax before Minority Interest		5317.57	3764.65
Less : Minority Interest		139.99	(44.04)
Net Profit after Tax after Minority Interest		5177.58	3808.70
Less : Proposed Dividend		374.23	207.88
Less : Dividend Tax		62.16	35.33
Less : Transfer to General Reserves		527.62	200.89
Balance carried forward to Balance Sheet		4213.57	3364.60
Significant Accounting Policies & Notes on Accounts	20		

The Schedules referred to above and the notes thereon form an integral part of the Profit & Loss Account.

As per our Report of even date

For M/s. Shah Jadavji & Co.
Chartered Accountants

Sd/-
(Navin R. Gala)
Partner
M. No. 40640
Firm Reg. No. 109620W

Place : Thane
Date : 27.05.2011

For and on Behalf of Board of Directors

Sd/-
(Atul Hemani)
Managing Director
& CEO

Sd/-
(Avinash Pitale)
Jt. Managing
Director

Sd/-
(Gaurav Sharma)
Company Secretary &
Chief Officer
(Compliance & Legal)

Consolidated Cash Flow Statement for the year ended 31st March 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
A) Cash flow from operating activities		
Net profit before tax & extra ordinary items & prior period items	7667.17	4854.49
Adjustment for:		
Profit on sale of fixed assets	-	-20.49
Discount	-	-21.82
Unrealised foreign exchange Gain	-3.10	-6.54
Dividend income	-	-18.43
Investment written Back	-	-3.81
Interest Income	-5.07	-10.80
Capital gain	-	-53.56
Guarantee Fees	-57.50	
Share of Minority Interest		44.04
	7601.50	4763.08
Miscellaneous expenses	-	6.02
Bad Debt	15.09	59.53
Depreciation	2490.40	1567.03
Financial Expenses	629.31	462.89
Sundry balance written back	-	-
Loss on sale of Fixed Assets	4.30	-
Provision for tax	-	-
Provision for decline in value of investments	-	-
	3139.10	2095.47
Operating profits before working capital changes	10740.60	6858.55
Changes in working capital		
(Increase)/Decrease in Receivables	-3299.11	552.98
(Increase)/Decrease in Other Current Assets	-1467.10	-1488.36
(Increase)/Decrease in Loans and Advances	-2350.43	-1346.41
Increase/(Decrease) in Trade & Other Payable	2522.24	414.29
Increase/(Decrease) in Provision for Expenses	1253.58	129.00
Tax Paid	-1097.21	-557.19
	-4438.03	-2295.69
Cash flow from operating activities TOTAL [A]	6302.57	4562.86

Consolidated Cash Flow Statement for the year ended 31st March 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
B) Cash flow from investing activities		
Purchase of fixed assets	-7562.53	-7042.36
Dividend received	-	18.43
Interest Income	5.07	10.80
Increase in Investment	-45.41	1441.14
Capital Work in progress	-480.98	-592.48
Guarantee Fees	57.50	
Goodwill	-3694.91	
Net cash used in investing activities TOTAL [B]	-11721.26	-6164.47
C) Cash flow from financing activities		
Repayment of loan)/proceeds from borrowing (Net)	6690.70	1068.92
Financial Expenses	-629.31	-462.89
Dividend Paid	-207.95	-157.42
Dividend Tax Paid	-35.33	-26.80
Issue of Warrants		146.98
Increase in Share Capital and Premium		1190.36
Proceed from Minority Interest	39.24	1.17
Net cash used in financing activities TOTAL [C]	5857.35	1760.34
Net changes in cash or cash equivalents(A+B+C)	438.66	158.74
Cash & Cash equivalents		
Opening balance	316.45	157.71
Closing balance	755.10	316.45

As per our Report of even date

For M/s. Shah Jadavji & Co.
Chartered AccountantsSd/-
(Navin R. Gala)
Partner
M. No. 40640
Firm Reg. No. 109620WPlace : Thane
Date : 27.05.2011

For and on Behalf of Board of Directors

Sd/-
(Atul Hemani)
Managing Director
& CEOSd/-
(Avinash Pitale)
Jt. Managing
DirectorSd/-
(Gaurav Sharma)
Company Secretary &
Chief Officer
(Compliance & Legal)

Consolidated Schedules forming part of Balance Sheet as at 31st March, 2011

(₹ In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
1 SHARE CAPITAL		
Authorised Share Capital		
20000000 (20000000) Equity Shares of ₹10/- each	2000.00	2000.00
Issued , Subscribed and Paid up Share Capital		
13860493(13858493) Equity Shares of ₹10/- each, fully paid up.	1386.05	1385.85
(a) Of the above 3024820 (3024820) Equity Shares of ₹10/- each have been issued as fully paid up bonus shares by capitalisation of free reserves		
(b) Of the above 400000 (400000) equity shares of ₹10/- each issued at a premium of ₹90/- per share on preferential basis.		
(c) Of the above 3333333 (3333333) equity shares of ₹10/- each issued at a premium of ₹95/- per share In Initial Public Offer.		
(d) Of the above 719210 (719210) equity shares of ₹10/- each issued at a premium of ₹155.51 per shares pursuant to conversion of Share Warrants		
(e) Of the above 2000 (Nil) equity shares of ₹10/- each issued at a premium of ₹112.59 per shares pursuant to conversion of Share Warrants		
	1386.05	1385.85
2 RESERVES AND SURPLUS		
Share Premium		
Amount Brought Forward	4622.92	3504.47
Add: Additions During the Period	2.25	1118.44
	4625.17	4622.92
Less: Utilised for issue of fully paid bonus shares	-	-
	4625.17	4622.92
Less : Utilised for writing off Issue Expenses	-	-
	4625.17	4622.92
General Reserve		
Amount Brought Forward	351.43	150.55
Add: Additions During the Period	527.62	200.89
	879.06	351.43
Profit and Loss Account		
Amount brought forward	10495.59	7130.99
Transferred from Profit and Loss A/c	4213.57	3364.60
	14709.16	10495.59
Add: Difference for Fluctuation in Foreign Exchange Rate	1.33	-
	14710.48	10495.59
Capital Reserve		
Amount forfeited due to lapse of Share Warrants	100.26	100.26
	20314.97	15572.41
3. EQUITY SHARE WARRANTS		
Upfront Consideration at, 8,60,000 (8,62,000) Equity Warrants of ₹10 each to be converted into one Equity Share at a premium of ₹112.59 (₹112.59) in exercise of Warrant Holders on or before 22 nd June, 2011 (22 nd June, 2011)	263.57	264.18
Remaining Consideration at, Nil (2000) Equity Warrants out of 8,62,000 Equity Warrants pending conversion	-	1.84
	263.57	266.02

Consolidated Schedules forming part of Balance Sheet as at 31st March, 2011

(₹ In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
4. SECURED LOANS		
(a) From Axis Bank Ltd.:		
Term Loan	-	35.02
(Secured against first charge on movable assets, current assets, mortgage of immovable properties of the company and personal guarantee of some of the Directors)		
[Amount due within one year is ₹ NIL (₹3501706/-)]		
(b) From Kotak Mahindra Bank Ltd.:		
Working Capital Demand Loan	1187.70	300.00
(Secured against first pari passu charge on Movable assets, hypothecation of entire current assets, stocks and book debts of the company, mortgage of immovable properties of the company situated at Andheri by second pari passu charge)		
Term Loan	996.90	847.65
(Secured against first pari passu charge on movable assets, second pari passu charge on current assets, mortgage of immovable properties of the company by second pari passu charge and first charge on property at MBP)		
[Amount due within one year is ₹67918406/- (35075270/-)]		
(c) From Standard Chartered Bank Ltd.:		
Cash Credit	604.98	404.75
(Secured against first pari passu charge on movable assets and hypothecation of stocks and book debts of the company)		
Packing Credit in Foreign Currency	800.06	724.60
(Secured against first pari passu charge on movable assets and hypothecation of stocks and book debts of the company)		
(d) From ICICI Bank Ltd.:		
Car Loan	18.80	9.98
(Secured against hypothecation of Cars)		
[Amount due within one year is ₹402437/- (191584/-)]		
(e) From HDFC Bank:		
Car Loan	2.97	5.41
(Secured against hypothecation of Cars)		
[Amount due within one year is ₹272787/- (244482/-)]		
(f) From IDBI Bank Ltd.:		
Working Capital Demand Loan	904.61	-
(Secured against first pari passu charge on movable assets, first pari passu charge on current assets, mortgage of immovable properties of the company by second pari passu charge)		
Cash Credit	1057.00	1309.08
(Secured against first pari passu charge on movable assets, first pari passu charge on current assets, mortgage of immovable properties of the company by second pari passu charge)		
Letter of Credit	865.98	755.02
(Secured against first pari passu charge on movable assets, first pari passu charge on current assets, mortgage of immovable properties of the company by second pari passu charge)		
(g) From ICICI Bank, Singapore		
Term Loan	4469.00	-
(Euro 70,00,000 taken by Europe Omnitech Technology Services B.V.)		
	10908.01	4391.52
5. UNSECURED LOANS		
Unsecured Loan	175.56	1.36
	175.56	1.36

Consolidated Schedules forming part of Balance Sheet as at 31st March, 2011

6. FIXED ASSETS

(₹ in Lacs)										
Sr. No.	Descriptions of Fixed Assets	Gross Block			Depreciation			Net Block		Rate of Dep.
		Opening Bal. as on 01.04.2010	Additions	Deletion	Total	As at 31.03.2010	For the Year	On Deductions	As at 31.03.2011	
1	Business Acquisition	45.50	-	-	45.50	45.50	-	-	-	-
2	Office Building	265.32	-	-	265.32	19.25	4.32	-	241.75	1.63%
3	Land at MIDC	133.34	-	-	133.34	14.36	2.05	-	116.93	-
4	Land at Pune	283.61	-	-	283.61	8.59	2.86	-	272.15	-
5	Software and Software pro	36.06	-	-	36.06	28.85	7.21	-	-	16.21%
6	Computer Systems	13847.19	7936.25	1754.22	20029.22	2789.69	2427.16	1324.07	16136.45	16.21%
7	Furniture & Fixture	613.76	6.08	-	619.85	127.00	38.72	-	454.13	6.33%
8	Office Equipments	40.15	40.11	-	80.26	14.31	2.55	-	63.41	4.75%
9	Car	52.42	17.46	-	69.88	19.78	5.52	-	44.58	9.50%
10	Capital Expenditure	7.23	-	7.23	-	-	-	-	-	0.00%
Total		15324.58	7999.91	1761.45	21563.04	3067.33	2490.40	1324.07	17329.39	12257.26
Previous Year		8795.85	7533.00	1004.26	15324.58	2007.30	1567.03	507.01	12257.26	6788.55

Consolidated Schedules forming part of Balance Sheet as at 31st March, 2011

(₹ In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
7. INVESTMENTS		
Long Term Investment		
(Other than traded - Unquoted)		
12709 Shares of Bombay Mercantile Co-op Bank Ltd of ₹30/- each fully paid up	3.81	3.81
Investment in FCD/PCD of Lloyds Finance Ltd.	3.62	3.62
100000 (nil) shares of USD 1/- each of Omnitech (Singapore) Holding Pte Ltd.	45.41	-
[Aggregate amount of unquoted investments ₹5284320/- (Previous Year ₹743070/-)]		
	52.84	7.43
8. RECEIVABLES		
(Unsecured , Considered Good)		
Debts outstanding for a period exceeding six months	1196.47	1340.73
Other Debtors	7398.79	3955.42
	8595.26	5296.15
9. CASH AND BANK BALANCES		
Cash-in-hand	19.62	16.32
Balances with Scheduled Banks:		
On Current Accounts	735.48	300.13
On Deposit Accounts	145.25	116.02
On Margin Money Accounts	0.37	0.37
	900.71	432.83
10. INVENTORIES		
Finished Goods	4308.90	2871.13
(Inventory valued at cost or market value whichever is lower and as certified by the management)	4308.90	2871.13
11. LOANS AND ADVANCES		
(Unsecured , Considered Good)		
Advances recoverable in cash or in kind or for value to be received	5122.64	3461.43
Deposits	70.40	93.79
	5193.04	3555.22
12. CURRENT LIABILITIES		
Sundry Creditors	3198.22	772.01
Unpaid Dividend	7.50	7.57
Duties & Taxes	226.14	99.33
Deposits Received	23.68	54.39
	3455.54	933.30

Consolidated Schedules forming part of Balance Sheet as at 31st March, 2011

(₹ In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
13. PROVISIONS		
Provision For Expenses	1403.57	203.33
Provision For Gratuity	57.35	42.75
Provision For Leave Encashment	87.86	49.12
Provision For Income Tax	1565.89	1776.34
Provision For FBT	-	33.47
Provision For Proposed Dividend	374.23	207.88
Provision For Dividend Tax	62.16	35.33
	3551.07	2348.23

Consolidated Schedules forming part of Profit & Loss Account for the year ended 31st March, 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
14. OTHER INCOME		
Capital Gain	-	53.56
Interest Income	5.07	10.80
Rent Received	9.87	-
Discount Received	2.81	-
Guarantee Charges	57.50	-
Miscellaneous Receipts	6.18	22.76
Dividend from Mutual Funds on short term investments	-	18.43
	81.43	105.55
15. MATERIALS CONSUMED AND OTHER DIRECT EXPENSES		
Cost of Sales	17109.36	11911.46
Consumable Spares Parts and Stores	169.16	111.46
Transportation	10.50	1.71
Technical Repairs and Service Charges	306.25	226.09
	17595.27	12250.73
16. STAFF COST		
Salaries & Bonus	4116.63	1500.80
PF & ESIC Contribution	75.81	32.44
Remuneration to Whole Time Directors	109.77	89.09
Sitting Fees to Non-Executive Directors	6.45	2.30
	4308.66	1624.64

Consolidated Schedules forming part of Profit & Loss Account for the year ended 31st March, 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
17. ADMINISTRATIVE AND OTHER EXPENSES		
Conveyance	63.75	12.18
Rent, Rates and Taxes	243.15	144.88
Communication Cost	110.02	69.52
Legal and Professional Charges	808.25	427.08
Postage & Courier	17.06	9.18
Printing & Stationery	24.83	14.45
Diwali and Pooja Expenses	6.02	4.20
Office Maintenance	31.20	17.21
Electricity Charges	49.02	30.81
Insurance	20.03	10.25
Vehicle Maintenance Expenses	70.22	11.61
Books & Periodicals	0.19	0.12
Statutory Fees	3.98	10.06
License Renewal Fees	1.45	-
Fuel Charges	3.51	3.63
Membership & Subscription	8.52	5.35
Office Expenses	80.42	47.04
Packing Expenses	0.25	0.83
Recruitment Expenses	69.31	16.30
Registration Expenses	0.27	0.16
Assessment Dues	2.47	-
Staff Welfare	37.78	-
Stock Exchange Expenses	2.25	0.79
Donation	52.35	23.07
Sales Tax Paid (Prior Period)	-	27.62
Service Tax Expenses	-	1.08
Custodian and demat charges	0.87	-
Miscellaneous Expenses	89.96	22.84
	1797.13	910.27

Consolidated Schedules forming part of Profit & Loss Account for the year ended 31st March, 2011

(₹ In Lacs)

	Year ended 31 st March 2011	Year ended 31 st March 2010
18. SELLING AND DISTRIBUTION EXPENSES		
Transportation Outward	10.71	37.40
Travelling Expenses	98.33	88.14
Advertisement Expenses	11.02	12.56
Acquisition Expenses	-	-
Bad Debts	15.09	59.53
Discount	13.54	5.64
Business Promotion Expenses	56.35	42.21
Commission on Sales	12.95	4.00
Rentals Computers	3.16	53.77
Tender Expenses	0.50	-
Value Added Tax Paid / Sales Tax	-	0.01
Exhibition & Conference Expenses	1.59	0.19
	223.25	303.44
19. Financial Expenses		
Interest Paid	523.75	385.72
Processing Charges & Other finance Cost	21.50	23.19
Bank Charges	46.50	29.47
L C Charges	37.55	24.51
	629.31	462.89

Consolidated Schedules to the Profit & Loss Account & Balance Sheet

20. SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements :

- The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS-21) – “Consolidated Financial Statements” issued by The Institute of Chartered Accountants of India (ICAI). These financial statements comprise Omnitech Infosolutions Limited (The Company) and its subsidiaries Omnitech Technologies Inc., Omnitech Services Pte. Ltd., and Europe Omnitech Technology Services B.V. The financial statements of each of these companies are prepared using uniform accounting policies in accordance with the generally accepted accounting principles in India.
- The consolidated financial statements have been prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and in compliance with the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies act, 1956 as adopted consistently by the company.
- Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the companies shareholders.
- Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- The preparation of consolidated financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made, that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported year. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

2. Revenue recognition :

- A. Revenue from sales in respect of hardware is recognized when they are completed with passing of the title and are exclusive of sales tax, octroi and other incidental expenses.
- B. Revenue from software development is recognized in accordance with the percentage of completion method and revenue from sale of licenses of software products and other products is recognized on delivery / installation, as the case may be.
- C. Revenue from IT infrastructure networking, annual service contracts and facilities management services is deferred and recognized ratably over the period of the underlying maintenance agreement.
- D. Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- E. Dividend Income is recognized when the shareholders' right to receive payment is established by the Balance Sheet Date.

3. Expenditure :

Expenses are accounted on accrual basis and the provisions are made for all known losses and liabilities. No provisions are made towards likely expenses on providing post-sales client support for fixed priced contracts as well as in respect of annual technical service contracts in so far as it pertains to the period beyond the current accounting year.

4. Fixed Assets and Depreciation :**A. Fixed Assets**

- a) Fixed assets are stated at their original cost of acquisition including incidental expenses related to acquisition & installation of the concerned assets less accumulated depreciation and impairment losses, if any,.
- b) Costs that are directly associated with identifiable and unique software products controlled by the Company, whether developed in-house or acquired, and have probable economic benefits exceeding the cost are recognized as product development.
- c) Assets acquired under lease are at cost of acquisition including incidental expenses related to acquisition & installation of such assets.
- d) Advances paid towards acquisition of fixed assets and the cost of assets not ready for use as at the Balance Sheet date are disclosed under capital work-in-progress.

B. Depreciation /Amortization

- a) Depreciation on Software and Computer Systems is provided based on Management's estimate of useful life of Software/System however subject to maximum period of 6 years. Depreciation on Fixed Assets other than Land and those mentioned above has been provided on Straight Line Method at the following rates:

Asset Group	Rates (SLM)
Furniture & Fixtures	6.33%
Vehicles	9.50%
Office Equipments	4.75%
Office Premises	1.63%

- b) Product Development Expenses capitalized are amortized over its useful life for a period not exceeding ten years.
- c) Leasehold assets are amortized over the period of lease.
- d) Miscellaneous expenditure is amortized over a period of 5 years from the year in which it has been incurred.

5. Impairment of Assets:

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the income statement for items of fixed assets carried at cost. The recoverable amount is higher of an assets net selling price and value in use. The net selling price is the amount obtained from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset, from its disposal at the end of its useful life.

6. Inventories:

Inventories have been valued on the following basis:

- i). Raw Materials, packing material, stores and spares - At cost.
- ii). Work-in-progress - At cost plus appropriate allocation of overheads.
- iii). Finished Goods - At cost plus appropriate allocation of overheads or net realizable value, whichever is lower

7. Investments :

Investments are classified into current investment and long term investments. Current investments are stated at lower of cost or fair market value. Long Term Investments are stated at cost less provision for permanent diminution in value if any, of investments.

8. Foreign Exchange Transactions :

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Realized gains and losses on settlement of foreign currency transactions are recognized in the Profit and Loss account. Foreign currency assets and liabilities at the year end are translated at the year end exchange rates and the resultant exchange difference is recognized in the Profit and Loss Account. Exchange differences relating to fixed assets are adjusted in the cost of the respective assets.

9. Research & Development :

A. Revenue expenditure on R&D is charged of to profit & loss account in the year in which it is incurred where the Company is not certain of realizing future economic benefits from such activities.

B. Capital expenditure on R&D is included under the relevant fixed assets.

10. Borrowing Costs :

Borrowing costs directly attributable to acquisition, construction and production of qualifying assets are capitalized as a part of the cost of such asset up to the date of completion. Other borrowing costs are charged to the Profit & Loss Account.

11. Deferred tax :

Deferred Income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty of their realization and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

12. Tax Expense:

Tax Expense includes Indian and International Income Taxes.

13. Earnings per Share (EPS) :

The earnings considered in ascertaining the Company's EPS are computed as per Accounting Standard 20 on "Earning per Share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

14. Provision and Contingent Liabilities

Provisions are recognized and computed in accordance with Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets" issued by the Institute of Chartered Accountants of India i.e. they are recognized if the following conditions are satisfied:

- (a) The Company has a present obligation as a result of past event;
- (b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) A reliable estimate can be made of the amount of the obligation.

Similarly, the Contingent liabilities are disclosed in Accordance with the Accounting Standard 29 i.e. they are disclosed when the Company has a possible obligation or a present obligation and it is probable that a Cash Outflow will not be required to settle the obligation.

15. Leases

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the profit and loss account on a straight-line basis over the period of lease.

B. NOTES TO THE ACCOUNTS :**1. The subsidiary companies considered in consolidated financial statements are :**

Name	Country of Incorporation	%Holding
Omnitech Technologies Inc.	USA	100 %
Omnitech Services Pte. Ltd.	Singapore	82.18 %
Europe Omnitech Technology Services B.V.	Netherlands	100%

2. Earnings Per Share

Particulars	F.Y. 31.03.2011	F. Y. 31.03.2010
Face Value Per Share (₹)	10	10
(A) Weighted average number of Equity shares		
1 Number of Equity Shares at the Beginning of the year	13858493	1,31,39283
2 Number of Equity Shares at the End of the year	1,38,60493	13858493
3 Weighted average number of Equity Shares Outstanding During the year (On annualized basis)	14942828	14121357
(B) Net Profit after tax available for Equity Shareholders (₹ In Lacs)	5177.57	3808.69
(C) Basic earnings per share (in ₹) (annualized)	37.36	28.59
(D) Diluted earnings per share (In ₹) (annualized)	34.65	26.97

For M/s. Shah Jadavji & Co.
Chartered Accountants

Sd/-
(Navin R. Gala)
Partner
M. No. 40640
Firm Reg. No. 109620W

Place : Thane
Date : 27.05.2011

For and on Behalf of Board of Directors

Sd/-
(Atul Hemani)
Managing Director
& CEO

Sd/-
(Avinash Pitale)
Jt. Managing
Director

Sd/-
(Gaurav Sharma)
Company Secretary &
Chief Officer
(Compliance & Legal)

Notice of Annual General Meeting

NOTICE is hereby given that the twenty first Annual General Meeting of **OMNITECH INFOSOLUTIONS LIMITED** will be held on **Friday, 30th September, 2011 at 11.00 a.m. at The Mirador Hotel, New Link Road, Chakala, Andheri (E), Mumbai – 400 099** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2011, the Profit & Loss Account for the year ended on that date together with the Schedules attached thereto and the Report of the Directors' and Auditors' thereon.
2. To declare dividend for the financial year ended on 31st March, 2011.
3. To appoint a Director in place of Prof. V H Iyer, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. V V Kamath, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution as an Ordinary resolution:
"RESOLVED THAT M/s. Shah Jadavji & Co., Chartered Accountants, be and are hereby appointed as the auditors of the Company to hold office from the conclusion of this Annual General Meeting to 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:

6. REAPPOINTMENT OF MR. ATUL M. HEMANI AS MANAGING DIRECTOR:

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

"RESOLVED THAT in terms of the provisions of Section 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time and subject to such approvals and consents as may be necessary, consent of the Company be and is hereby accorded for re-appointment of Mr. Atul M. Hemani, as Managing Director of the Company for the period of Five Years with retrospective effect from 1st April, 2010.

RESOLVED FURTHER THAT pursuant to the provisions of Section 198, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time and subject to such approvals and consents as may be necessary, consent of the Company be and hereby accorded for remuneration payable to Mr. Atul M. Hemani for a period of 3 years with effect from April 1, 2010 as per the details set out in explanatory statement annexed to the notice convening the meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company or Compensation Committee thereof be and are hereby authorized to vary, alter or modify the different components of the above stated remuneration as may be agreed to between the Board of Directors and Mr. Atul M. Hemani."

7. RE-APPOINTMENT OF MR. AVINASH C. PITALE AS WHOLE TIME DIRECTOR:

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

"RESOLVED THAT in terms of the provisions of Section 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time and subject to such approvals and consents as may be necessary, consent of the Company be and is hereby accorded for re-appointment of Mr. Avinash C. Pitale, as Whole Time Director of the Company for the period of Five Years with retrospective effect from 1st April, 2010.

RESOLVED FURTHER THAT pursuant to the provisions of Section 198, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time and subject to such approvals and consents as may be necessary, consent of the Company be and hereby accorded for remuneration payable to Mr. Avinash C. Pitale for a period of 3 years with effect from April 1, 2010 as per the details set out in explanatory statement annexed to the notice convening the meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company or Compensation Committee thereof be and are hereby authorized to vary, alter or modify the different components of the above stated remuneration as may be agreed to between the Board of Directors and Mr. Avinash C. Pitale."

8. RE-APPOINTMENT OF MR. DEVARSHI D. BUCH AS WHOLE TIME DIRECTOR:

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

"RESOLVED THAT in terms of the provisions of Section 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time and subject to such approvals and consents as may be necessary, consent of the Company be and is hereby accorded for re-appointment of Mr. Devarshi D. Buch, as Whole Time Director of the Company for the period of Five Years with retrospective effect from 1st April, 2010.

RESOLVED FURTHER THAT pursuant to the provisions of Section 198, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time and subject to such approvals and consents as may be necessary, consent of the Company be and hereby accorded for remuneration payable to Mr. Devarshi D. Buch for a period of 3 years with effect from April 1, 2010 as per the details set out in explanatory statement annexed to the notice convening the meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company or Compensation Committee thereof be and are hereby authorized to vary, alter or modify the different components of the above stated remuneration as may be agreed to between the Board of Directors and Mr. Devarshi D. Buch."

By order of the Board of Directors
For Omnitech InfoSolutions Limited
Sd/-

(Gaurav Sharma)

Company Secretary & Chief Officer-Compliance & Legal

Place : Mumbai

Dated : 29th August, 2011

Registered Office:-

Omnitech House,
Plot No. A/13, Cross Road No.5,
Kondivita Road, Marol M.I.D.C.,
Andheri (E), Mumbai – 400 093

NOTES:

- 1) As per the requirement of Clause 49 (IV) (G) of the Listing Agreement with the Stock Exchanges on appointment of the New Directors / re-appointment of the retiring Directors, a statement containing details of the concerned Directors is provided in **Annexure 'A'**.
- 2) An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 relating to the special business to be transacted at the Annual General Meeting is provided in Annexure 'B'.
- 3) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THEN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING I.E. BY 11 A.M. ON WEDNESDAY, 28TH SEPTEMBER, 2011. ATTENDANCE SLIP AND PROXY FORM IS ENCLOSED TO THE NOTICE.
- 4) Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote at the Annual General Meeting.
- 5) In case of joint holders attending the meeting, only such joint holder whose name appears higher on the Register of Members will be entitled to vote.
- 6) All the documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company on all the working days between 11.00 A.M to 1.00 P.M up to the date of the Annual General Meeting. Further, the following Statutory Registers are available for inspection for the Members at the Registered Office of the Company:
 - (a) Register of Contracts with Interested Parties under Section 301 of the Companies Act, 1956, on all working days during business hours;
 - (b) Register of Directors' Shareholdings under Section 307 of the Companies Act, 1956, on all working days during business hours during the period beginning fourteen days before the date of the Annual General Meeting and ending three days after the date of its conclusion
- 7) The Register of Members and Transfer Books in respect of Equity Shares of the Company will remain closed from Friday, 16th September, 2011 to Friday, 30th September, 2011 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend, if any, declared at the Annual General Meeting.
- 8) The dividend if declared at the Annual General Meeting will be paid to:
 - (a) to all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as of the end-of-the-day on Thursday, 15th September, 2011, and
 - (b) to all those shareholders holding shares in physical form after giving effect to all the valid share transfers lodged with the Company before the closing hours on Thursday, 15th September, 2011.
- 9) Members holding shares in physical form are advised to furnish, on or before Thursday, 15th September, 2011, particulars of their bank account, if changed, to the share transfer agent i.e. Link Intime India Pvt. Ltd. to incorporate the same in the dividend warrants/payment instruments.
In cases where the payments to the shareholders in electronic form are made by dividend warrants/payment instruments, particulars of bank account with their depository participants will be considered by the Company for printing the same on the dividend warrants/payment instruments.
- 10) Shareholders holding shares in physical form are requested to notify change of address, if any to the share transfer agent i.e. Link Intime India Pvt. Ltd. of the Company on or before Thursday, 15th September, 2011.
Beneficial owners holding shares in electronic form are requested to notify change of address, bank particulars etc. to their respective depository participants and make sure that such changes are recorded by them correctly on or before 15th September, 2011.
- 11) Members may avail nomination facility as provided under Section 109A of the Companies Act, 1956. Members desirous of making nominations are requested to send their requests in Form 2B to the Registrar and Transfer Agent.

ANNEXURE 'A'

Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting [In pursuance of Clause 49 (IV) (G) of the Listing Agreement]

Name of Director	Prof V. H. Iyer	Mr. V. V. Kamath
Age	72 Years	65 Years
Date of Appointment	31/07/2006	26/04/2007
Relationship with other Directors	None	None
Expertise in specific functional areas	Around 30 years of experience, which includes service in L & T, IBM, Rallis India. He is a professor of operations management & Dean of Management Development Centre with Welingkar Institute of Management. He is also a member of the Board of studies of IIMM. He is also a certified Lead Auditor for QMS from IRCA – UK.	Around 40 years of experience in Banking Sector, which includes 'Chief executive' of Canara Bank (UK), Managing Director of CanBank Venture Capital Fund Ltd. He also lead as a member of High Powered Recovery Committee.
Qualifications	Post Graduate in Commerce from University of Mysore, Diploma in Management from JBIMS, Fellowship from Indian Institute of Materials Management.	B.Com (Gold medallist) from Mysore University and a distinction holder in CAIIB (Certified Associate of Indian Institute of Bankers)
Board Membership of other Companies	None	None
Chairmanship/Membership of the Committee of Directors of other Companies in which he is a Director	None	None
Number of shares held in the Company	2200	2000

ANNEXURE 'B'

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

ITEM NO. 6

The Compensation Committee had approved the revision in remuneration payable to Mr. Atul M. Hemani. Such remuneration was approved by the Shareholders at their meeting held on 2nd November, 2009 for a period upto 31st March, 2010. The Details of the remuneration proposed from April 1, 2010 are as under:

(I) **Basic Salary:** Basic Salary will be in the grade of 1.5 lakhs to 8 lakhs per month with authority to the Compensation Committee to fix the remuneration within the said maximum amount from time to time. The annual increment, which will be effective 1st April each year, will be decided by the Compensation Committee and will be merit based and take into account the company's performance.

(II) **Perquisites & Allowances:** In addition to salary and commission, Mr. Atul M. Hemani shall be entitled to the perquisites and allowances up to a limit of 150% of the salary as may be agreed between the Compensation Committee and Mr. Atul M. Hemani.

Such perquisites and allowances will include such items as accommodation, furnished or otherwise or House Rent Allowances and maintenance allowances in lieu thereof together with reimbursement of expenses on utilities such as gas, electricity, water, furnishings, repairs, servant salaries, medical reimbursement, club fees, provision of car and leave travel concession/allowances for himself and his family, medical/accident insurance and such other perquisites and allowances as deemed fit by the Compensation Committee.

(III) **Other Benefits:**

1. Company's contribution towards Provident Fund and Family Pension Fund as per the Rules of the Company.
2. Company's contribution towards Superannuation Fund as per the Rules of the Company.
3. Gratuity as per the Rules.
4. Earned Leave on full pay and allowances as per the Rules of the Company. Leave accumulated shall be en-cashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

It is to be clarified that Company's Contribution to Provident Fund, Superannuation Fund and Gratuity will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

(IV) **Commission:**

Such remuneration by way of commission, in addition to the salary, perquisites and allowances payable and any other benefits calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Compensation Committee, at the end of each financial year, subject to the overall ceilings stipulated in section 198 and 309 of the Companies Act, 1956. The specific amounts payable to Mr. Atul M. Hemani will be based on certain performance criteria to be laid down by the Compensation Committee and will be payable annually after the annual accounts have been approved by the Board of Directors and adopted by the Shareholders.

(V) **Minimum Remuneration:**

Notwithstanding anything specified herein above, where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Atul M. Hemani, the remuneration by way of salary, perquisites and other allowances not exceeding the limits specified under Part II of Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

The copy of appointment letter as given to Mr. Atul M. Hemani will be available for inspection to the members at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day.

None of the Directors except Mr. Atul M. Hemani and Mr. Maganlal Hemani being relative of Mr. Atul M. Hemani are interested or concerned in this resolution.

The Directors recommend the resolution for the approval of the Shareholders.

ITEM NO. 7

The Compensation Committee had approved the revision in remuneration payable to Mr. Avinash C. Pitale. Such remuneration was approved by the Shareholders at their meeting held on 2nd November, 2009 for a period upto 31st March, 2010. The Details of the remuneration proposed from April 1, 2010 are as under:

(I) **Basic Salary:** Basic Salary will be in the grade of 1.5 lakhs to 8 lakhs per month with authority to the Compensation Committee to fix the remuneration within the said maximum amount from time to time. The annual increment, which will be effective 1st April each year, will be decided by the Compensation Committee and will be merit based and take into account the company's performance.

(II) **Perquisites & Allowances:** In addition to salary and commission, Mr. Avinash C. Pitale shall be entitled to the perquisites and allowances up to a limit of 150% of the salary as may be agreed between the Compensation Committee and Mr. Avinash C. Pitale.

Such perquisites and allowances will include such items as accommodation, furnished or otherwise or House Rent Allowances and maintenance allowances in lieu thereof together with reimbursement of expenses on utilities such as gas, electricity, water, furnishings, repairs, servant salaries, medical reimbursement, club fees, provision of car and leave travel concession/allowances for himself and his family, medical/accident insurance and such other perquisites and allowances as deemed fit by the Compensation Committee.

(III) **Other Benefits:**

1. Company's contribution towards Provident Fund and Family Pension Fund as per the Rules of the Company.
2. Company's contribution towards Superannuation Fund as per the Rules of the Company.
3. Gratuity as per the Rules.
4. Earned Leave on full pay and allowances as per the Rules of the Company. Leave accumulated shall be en-cashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

It is to be clarified that Company's Contribution to Provident Fund, Superannuation Fund and Gratuity will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

(IV) **Commission:** Such remuneration by way of commission, in addition to the salary, perquisites and allowances payable and any other benefits calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Compensation Committee, at the end of each financial year, subject to the overall ceilings stipulated in section 198 and 309 of the Companies Act, 1956. The specific amounts payable to Mr. Avinash C. Pitale will be based on certain performance criteria to be laid down by the Compensation Committee and will be payable annually after the annual accounts have been approved by the Board of Directors and adopted by the Shareholders.

(V) **Minimum Remuneration:** Notwithstanding anything specified herein above, where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Avinash C. Pitale, the remuneration by way of salary, perquisites and other allowances not exceeding the limits specified under Part II of Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

The copy of appointment letter as given to Mr. Avinash C. Pitale will be available for inspection to the members at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day.

None of the Directors except Mr. Avinash C. Pitale are interested or concerned in this resolution.

The Directors recommend the resolution for the approval of the Shareholders.

ITEM NO. 8

The Compensation Committee had approved the revision in remuneration payable to Mr. Devarshi D. Buch. Such remuneration was approved by the Shareholders at their meeting held on 2nd November, 2009 for a period upto 31st March, 2010. The Details of the remuneration proposed from

April 1, 2010 are as under:

- (I) **Basic Salary:** Basic Salary will be in the grade of 1.5 lakhs to 8 lakhs per month with authority to the Compensation Committee to fix the remuneration within the said maximum amount from time to time. The annual increment, which will be effective 1st April each year, will be decided by the Compensation Committee and will be merit based and take into account the company's performance.
- (II) **Perquisites & Allowances:** In addition to salary and commission, Mr. Devarshi D. Buch shall be entitled to the perquisites and allowances up to a limit of 150% of the salary as may be agreed between the Compensation Committee and Mr. Devarshi D. Buch. Such perquisites and allowances will include such items as accommodation, furnished or otherwise or House Rent Allowances and maintenance allowances in lieu thereof together with reimbursement of expenses on utilities such as gas, electricity, water, furnishings, repairs, servant salaries, medical reimbursement, club fees, provision of car and leave travel concession/allowances for himself and his family, medical/accident insurance and such other perquisites and allowances as deemed fit by the Compensation Committee.
- (III) **Other Benefits:**
1. Company's contribution towards Provident Fund and Family Pension Fund as per the Rules of the Company.
 2. Company's contribution towards Superannuation Fund as per the Rules of the Company.
 3. Gratuity as per the Rules.
 4. Earned Leave on full pay and allowances as per the Rules of the Company. Leave accumulated shall be en-cashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- It is to be clarified that Company's Contribution to Provident Fund, Superannuation Fund and Gratuity will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- (IV) **Commission:** Such remuneration by way of commission, in addition to the salary, perquisites and allowances payable and any other benefits calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Compensation Committee, at the end of each financial year, subject to the overall ceilings stipulated in section 198 and 309 of the Companies Act, 1956. The specific amounts payable to Mr. Devarshi D. Buch will be based on certain performance criteria to be laid down by the Compensation Committee and will be payable annually after the annual accounts have been approved by the Board of Directors and adopted by the Shareholders.
- (V) **Minimum Remuneration:** Notwithstanding anything specified herein above, where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Devarshi D. Buch, the remuneration by way of salary, perquisites and other allowances not exceeding the limits specified under Part II of Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration.
- The copy of appointment letter as given to Mr. Devarshi D. Buch will be available for inspection to the members at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day.
- None of the Directors except Mr. Devarshi D. Buch are interested or concerned in this resolution.
- The Directors recommend the resolution for the approval of the Shareholders.

ANNEXURE TO ITEM NOS. 6 TO 8 OF THE EXPLANATORY STATEMENT

STATEMENT OF INFORMATION AS REQUIRED UNDER SCHEDULE XIII, PART II OF THE COMPANIES ACT, 1956

I: General Information:

1. **Nature of Industry:** Omnitech is a technology services and solutions provider company in the Business Availability and Business Continuity space. The Business Availability services include Infrastructure Management, Application Management and Performance Management services whereas Business Continuity services include Disaster Recovery Consulting and Management, Data Vaulting and Workplace Recovery Services.
2. **Date of Commencement of Commercial Production:** The Company was incorporated on 30th January, 1990. Immediately after incorporation, the company has commenced commercial operation and till date the Company is engaged in providing Business Availability services and Business Continuity services.
3. **Financial Performance based on Given Indicators:** The financial data as per last audited Balance Sheet as on 31st March, 2011 are as under:

(₹ In Lacs)	
Particulars	For the Year ended 31.03.2011
Income from Operations	31625.12
Profit before Interest, Depreciation and Tax (PBITD)	10472.71
Interest	590.54
Depreciation	2449.48
Profit before Tax (PBT)	7432.69
Provision for Taxation	2285.17
Profit after Tax (PAT)	5147.52

4. **Export Performance:** The 21.06% of the total turnover of the Company was from exports which stood at Rs. 6658.94 Lacs during the year ended 31st March, 2011.
5. **Foreign Investments or Collaborators:** As on 31st March, 2011, the Company had the investments made in the following foreign body corporate or foreign entities:

(₹ In Lacs)	
Name of Entity	Amount Invested
Omnitech Technologies Inc, USA	12.93
Europe Omnitech Technology Services B.V., Netherlands	169.04
Omnitech Services Pte. Ltd., Singapore	20.99
Omnitech (Singapore) Holding Pte Ltd	45.41

However, the Company has not received any money towards foreign collaboration and hence no information to be provided in this respect.

II: Information about the Appointee:

Atul M. Hemani

Managing Director

1. **Brief Profile of Appointee:** Mr. Atul M. Hemani, Managing Director, aged 48 years, is an Engineering Graduate from Bombay University having an experience of over 20 years in IT industry. He is a co-founder of our Company and had worked for 2 years with Hindustan Computers Ltd prior to starting this company. He is responsible for overall business strategy and direction for the organization. He has undergone various soft skills programs. He has also been instrumental in tying up business relationships with Intel, Microsoft, HP, CA and IBM. As Managing Director, he provides strategic direction to the company and currently focuses on designing international business strategy and promotion of

outsourcing services in the area of Infrastructure Management, Application Development and Software Testing.

2. Past Remuneration: With effect from 1st April, 2009, his remuneration was on the same lines as proposed in the explanatory statement.
3. Recognition and Award received in past: Mr. Atul M. Hemani has achieved following awards:
Was awarded 'Udyog Ratna' Award in the year 1995.
4. Job Profile and Suitability: Mr. Atul M. Hemani is responsible for overall business strategy and direction for the organization. He would also be instrumental in tying up business relationships with major players in IT Industry.
5. Remuneration Proposed: Same as mentioned in the explanatory statement.
6. Comparative Remuneration in the Industry: There are only few companies in the Country of Omnitech's size. The remuneration of Mr. Atul M. Hemani has been very conservative as compared to others.
7. Material Pecuniary Relationship: Mr. Atul M. Hemani has no other material pecuniary relationship, directly or indirectly with the Company or with the Managerial Personnel.

Avinash C. Pitale

Whole Time Director

1. Brief Profile of Appointee: Avinash C. Pitale, Whole Time Director: aged 49 years, is an Engineering Graduate from Bombay University having an experience of over 21 years in IT industry. He is a certified BS15000 and DRI professional. He has a rich experience of service delivery on various hardware and software platforms and has undergone various Customer Relationship Programs. He is also a co-founder of our Company and had worked for 3 years with Hindustan Computers Ltd prior to starting this company. He is responsible for conceptualization, execution & delivery model set up for various services viz., Infrastructure Management Services and Disaster recovery Services. He is also responsible for setting up business processes & policies and overall quality initiatives for the organization. His areas of specialization are Business Continuity Planning and Facilities Management Services. Currently he focuses on building Remote Management Center including Network Operating Centre for Infrastructure Management Services.
2. Past Remuneration: With effect from 1st April, 2009, his remuneration was on the same lines as proposed in the explanatory statement.
3. Recognition and Award received in past: Mr. Avinash C. Pitale has achieved following awards:
He has participated successfully for the Disaster Recovery Course a certified BS15000 and DRI professional. He has a rich experience of service delivery on various hardware and software platforms and has undergone various Customer Relationship Programs.
4. Job Profile and Suitability: Mr. Avinash C. Pitale is responsible for conceptualization, execution & delivery model set up for various services viz., Infrastructure Management Services. He is also responsible for setting up business processes & policies and overall quality initiatives for the organization. His areas of specialization are Business Continuity Planning and Facilities Management Services.
5. Remuneration Proposed: Same as mentioned in the explanatory statement.
6. Comparative Remuneration in the Industry: There are only few companies in the Country of Omnitech's size. The remuneration of Mr. Avinash C. Pitale has been very conservative as compared to others.
7. Material Pecuniary Relationship: Mr. Avinash C. Pitale has no other material pecuniary relationship, directly or indirectly with the Company or with the Managerial Personnel.

Devarshi D. Buch

Whole Time Director

1. Brief Profile of Appointee: Devarshi Buch, Whole Time Director: aged 47 years, is an Engineering Graduate from Bombay University having an experience of 20 years in IT industry. He has undergone various pre-sales and technical certification programs. He is certified executive and has certification like Intel Certified Solutions Specialist, Compaq Technical Certified Engineer, Cisco Certified Networks Associate (CCNA) and Cisco Systems Design Associate (CSDA). Prior to joining our Company in 1994, he was working with Minicomp Ltd. as Product Manager. His areas of specialization are execution of Turnkey Projects, providing IT Consultancy in the areas of enterprise computing, connectivity solutions and server-based solutions, DR Planning, Security solution. He is responsible for developing domestic business in the area of System Integration and Services with the help of principles like IBM, HP, Microsoft and many more.
2. Past Remuneration: With effect from 1st April, 2009, his remuneration was on the same lines as proposed in the explanatory statement.
3. Recognition and Award received in past: Mr. Devarshi D. Buch has achieved following awards:
He has undergone various pre-sales and technical certification programs like an Intel Certified Solutions Specialist, Compaq Technical Certified Engineer, Cisco Certified Networks Associate (CCNA) and Cisco Systems Design Associate (CSDA).
4. Job Profile and Suitability: Considering the areas of specialization of Mr. Devarshi D. Buch, such as execution of Turnkey Projects, providing IT Consultancy in the areas of enterprise computing, connectivity solutions and server-based solutions he shall be responsible for developing domestic business in the area of System Integration and Disaster Recovery Services.
5. Remuneration Proposed: Same as mentioned in the explanatory statement.
6. Comparative Remuneration in the Industry: There are only few companies in the Country of Omnitech's size. The remuneration of Mr. Devarshi D. Buch has been very conservative as compared to others.
7. Material Pecuniary Relationship: Mr. Devarshi D. Buch has no other material pecuniary relationship, directly or indirectly with the Company or with the Managerial Personnel.

III: Other information:

1. Expected Increase in Profits in Measurable Terms: Considering the proposed businesses and the projects of the Company it is not possible to ascertain and quantify the expected increase in profits in measurable terms at this stage. However company expects 20% to 40% growth in income and profitability in next 3 years.
2. Abstract of terms of Appointment: The appointment can be terminated by either party by giving 3 months notice. The above may also be treated as an abstract of the terms of appointment as required under Section 302 of the Companies Act, 1956.

IV. Disclosures:

Information on Remuneration is given in the explanatory statement.

By order of the Board of Directors
For Omnitech InfoSolutions Limited
Sd/-

(Gaurav Sharma)

Company Secretary & Chief Officer-Compliance & Legal

Place : Mumbai

Dated : 29th August, 2011

Registered Office:-

Omnitech House,
Plot No. A/13, Cross Road No.5,
Kondivita Road, Marol M.I.D.C.,
Andheri (E), Mumbai – 400 093

