

ANNUAL REPORT


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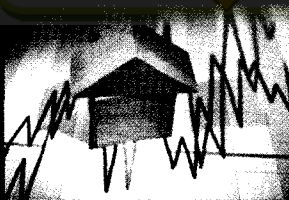


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Visu International Ltd.

ELEVENTH
ANNUAL REPORT
2007 - 2008



Board of Directors	Sri C. Chandrasekhar Reddy	Chairman
	Dr. Y. Sonia Reddy	Managing Director
	Sri B. Prabhakar Reddy	Director
	Sri B. Siva Kumar Reddy	Director
	Dr. K. Viswanath Reddy	Director
	Dr. Dennis Dunham	Director

Bankers	Indian Overseas Bank, Main Branch, Koti Hyderabad - 500 095
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Auditors	M/s. P. Murali & Co., Chartered Accountants, 6-3-655/2/3, Somajiguda, Hyderabad-500 082. Ph. No.:040-23326666 Fax: 040-23392474
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Registered Office	104, Lumbini Enclave, Opp. NIMS, Punjagutta, Hyderabad - 500 082. Phone: 040-23399241, 23398359 Fax: 23395214
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Share Transfer Agents	M/s. Aarthi Consultants Pvt. Ltd., 1-2-285, Domalguda, Hyderabad - 500 029 Phone: 27634445, 27638111 Fax: 27632184
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NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the company will be held on Tuesday, the 30th day of September, 2008, at 3.00 P.M. at Sundarayya Kala Nilayam, (Sundarayya Vignana Kendram), Baghlingampally, Hyderabad-500 044 to transact the following Business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Sri B. Prabhakar Reddy, who retires by rotation and being eligible offers himself for re-appointment
3. To appoint a Director in place of Sri B.Siva Kumar Reddy, who retires by rotation and being eligible offers himself for re-appointment
4. To appoint M/s. P. Murali & Co., Chartered Accountants, Hyderabad as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956 and all other applicable provisions if any, of the said Act, including any statutory modification(s) or re-enactment(s) thereof for time being in force and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to increase and pay a monthly remuneration of Rs.2,00,000/- to Dr. Y. Sonia Reddy, Managing Director of the Company for remaining term of her office on the terms and conditions as mentioned below w.e.f. 1st October, 2008:

- a. Salary: Rs.2,00,000/- (Rupees Two Lakhs only) per month. This includes dearness allowance and all other allowances not otherwise specified herein.
- b. Commission: Commission shall be allowed up to One (1) percent on the net profits of the Company calculated as per the provisions of Section 349 & 350 of the Companies Act, 1956.
- c. Perquisites: In addition, the Managing Director will be entitled to the following perquisites as under:
 1. Housing: Rent free accommodation will be entitled to the appointee. In addition, the appointee shall be allowed free use of the Company owned furniture and other consumable durables if required.

Visu International Limited



2. The expenditure incurred by the appointee on gas, electricity, water and furnishing shall be reimbursed by the Company.
3. All medical expenses incurred by the appointee for self and family shall be reimbursed.
4. Leave travel concession for the appointee and her family will be allowed once in a year as may be decided by the Board.
5. Fees of club subject to a maximum of two clubs, this will not include the admission and life membership fee.
6. Personal accident insurance, the premium of which shall not exceed Rs.10000/- p.a.
7. Contribution to Provident fund, superannuation fund, Annuity fund to the extent the same are not taxable under the Income Tax Act.
8. Provision of car with driver for use of the Company's Business and telephone at residence.

RESOLVED FURTHER THAT the remuneration as set out in this resolution including benefit, amenities and perquisites shall be allowed and paid to Dr.Y.Sonia Reddy, Managing Director as minimum remuneration during the currency of her tenure, notwithstanding the absence or inadequacy of profits for any financial year, but shall not, in any such financial year, exceed the ceiling laid down in this behalf in Schedule XIII to the Companies Act, including amendments made thereto from time to time."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956 and all other applicable provisions if any, of the said Act, including any statutory modification(s) or re-enactment(s) thereof for time being in force and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to increase and pay a monthly remuneration of Rs.1,50,000/- on consolidated basis to Sri.C.Chandrasekhar Reddy, Whole Time Chairman of the Company for remaining term of his office w.e.f. 1st October, 2008.

RESOLVED FURTHER THAT the remuneration as set out in this resolution including benefit, amenities and perquisites shall be allowed and paid to Sri C.Chandrasekhar Reddy, Whole time Chairman as minimum remuneration during the currency of his tenure, notwithstanding the absence or inadequacy of profits for any financial year, but shall not, in any such financial year, exceed the ceiling laid down in this behalf in Schedule XIII to the Companies Act, including amendments made thereto from time to time."



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

"RESOLVED THAT pursuant to the provisions of Section 314 (1B) read with Director's Relatives (Office or Place or Profit) Rules, 2003 and other applicable provisions, if any of the Companies Act, 1956 ("the Act") (including any statutory modifications or re-enactment thereof for the time being in force), and subject to the approval of Central Government and such modifications and variations as the Central Government may suggest, which the Directors of the Company are hereby authorized to accept, consent be and is hereby accorded to revise, increase and pay a remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) to Ms. C. Sophia Reddy, CEO of the Company who is the daughter of Chairman (Sri. C. Chandrasekhar Reddy) and sister of Managing Director (Dr. Y. Sonia Reddy), and that she shall further be entitled, as per rules and regulations of the Company to such extra increments allowances, benefits, amenities and facilities including medical, superannuation fund, retirement benefits and provident fund benefits which are applicable to other employees occupying similar post or posts w.e.f. 1st October, 2008.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps as may be necessary for giving effect to this Resolution."

BY ORDER OF THE BOARD

PLACE : HYDERABAD
DATE : 01-09-2008

Dr. Y. SONIA REDDY
Managing Director

NOTES

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
- b) The Register of Members/Register of Beneficiaries and Share Transfer books of the company will remain closed from 27th September, 2008 to 30th September, 2008 (both days inclusive).
- c) The relevant explanatory statement in respect of the special business set out above, as required by sec.173 (2) of the companies act, 1956 is annexed hereto.
- d) Members who hold shares in dematerialised form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
- e) Members holding shares in physical form are requested to notify/send any change in their address to the company's share transfer agents, or to the company at its registered office.
- f) Members holding shares in dematerialisation form are requested to notify/send any change in their address to the concerned depository participant (s).

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- g) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- h) Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the company. Therefore, the shareholders willing to avail this facility may make nomination in form 2B.
- i) Members / Proxies should bring duly filled attendance slips sent herewith for attending the meeting along with the copies of annual reports to the Annual General Meeting.

ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

Brief Details of Directors seeking reappointment at this Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Sri B. Prabhakar Reddy	Sri B.Siva Kumar Reddy
Date of Appointment	01.09.1999	05.10.2001
Date of Birth	01.06.1949	01.07.1951
Qualification	B.Sc.	M.Sc.
Expertise in Specific functional areas	Has got vast experience in the field of education and associated with the company for more than 9 years.	More than 28 years experience in education field.
List of Companies in which Directorships held as on 31.03.2008	NIL	NIL
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2008	NIL	NIL

EXPLANATORY STATEMENT

(Pursuant to Section.173 (2) of the companies act, 1956)

Item No.5 :

The members are informed that Dr.Y.Sonia Reddy, Managing Director of the Company has been devoting her entire time efforts and energy to develop the Company in all aspects including strategic business planning and analysis of future competition and threats. This analytical skill and experience has brought the Company into one of the eligible competitors list. Her extensive involvement in wealth maximization and net worth build-up is clearly evident from the financial structure of the Company.

The Board of Directors proposes to revise the remuneration payable to her as mentioned in the resolution supra. Such proposal requires the approval of members in general meeting as per the Companies Act, 1956. Remuneration Committee has approved the revision in remuneration payable to her.



None of the Directors except Dr. Y. Sonia Reddy and Mr. C. Chandrasekhar Reddy are interested or concerned directly or indirectly in this Resolution.

Item No.6 :

Sri C.Chandrasekhar Reddy has been rendering services effectively and efficiently since the date of inception of the Company. Sri C.Chandrasekhar Reddy has been consistently engaged in business promotion at various places including identification and establishment of branch offices and supervising the efficiency of such branch offices. His inter-personnel skills and active involvement in the business affairs has encouraged and reached the Company's goals to maximum extent and also creating self motivation ambience in the organization. In view of the above facts and on the recommendations of the Remuneration Committee, the remuneration to Sri C. Chandrasekhar Reddy has been proposed for revision. Accordingly, the board has recommended the remuneration as specified in the notice above.

The Board of Directors proposes to revise the remuneration payable to him as mentioned in the resolution supra. Such proposal requires the approval of members in general meeting as per the Companies Act, 1956. Remuneration Committee has approved the revision in remuneration payable to him.

None of the Directors except Dr. Y. Sonia Reddy and Mr. C. Chandrasekhar Reddy are interested or concerned directly or indirectly in this Resolution.

Item No.7 :

Approval of the members is sought under section 314(1B) of the Companies Act, 1956 read with Director's Relatives (Office or Place or Profit) Rules, 2003 for approving the increase and revision in remuneration as mentioned in the notice above to Ms.C. Sophia Reddy, Chief Executive Officer (CEO) of the company by passing a special resolution. Ms. C. Sophia Reddy is the daughter of Sri. C. Chandrasekhar Reddy – Chairman and Sister of Dr. Y.Sonia Reddy–Managing Director of the Company. She is being paid the remuneration is subject to the approval of the Central Government for the payment of the aforesaid remuneration.

Since Ms. C. Sophia Reddy holding office or place of profit carrying monthly remuneration in excess of Rs. 50,000, therefore prior consent of the members by special resolution and approval of the Central Government is required in terms of Section 314(1B) of the Companies Act, 1956. After the consent of the members is so obtained, an application will be made to the Central Government for its approval.

The Board recommends this resolution for the approval of the members in the Annual General Meeting.

None of the Directors except Sri C. Chandrasekhar Reddy and Dr. Y.Sonia Reddy are directly or indirectly interested or concerned in this resolution.

BY ORDER OF THE BOARD

PLACE : HYDERABAD
DATE : 01-09-2008

Dr. Y. SONIA REDDY
Managing Director

Visu International Limited



DIRECTORS' REPORT

To
The Members
VISU INTERNATIONAL LIMITED

Your Directors have pleasure in presenting you the **Eleventh Annual Report** together with the Audited Balance Sheet, Profit & Loss Account and Cash Flow Statement for the financial year ended 31st March, 2008.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	2007-2008	2006-2007
Total Income	5893.54	9069.91
Coaching / Training Services	755.21	724.35
Educational Consultancy	407.59	864.68
Software Exports	4418.95	7182.40
Merchant Exports	275.68	163.03
Trading	32.85	60.41
Other Income	3.26	75.04
Profit before Financial Charges & Depreciation	1138.45	1680.88
Financial Charges	130.80	84.19
Depreciation	157.79	129.39
Net Profit Before Tax	849.86	1467.30
Profit After Tax	754.04	1352.68
Basic Earning Per Share (Rs.)	1.97	3.83

PERFORMANCE

During the reporting period your company has recorded a turnover of Rs.5893.52 Lakhs and registered a net profit after tax of Rs.754.04 Lakhs.

BUSINESS OVERVIEW

The Company has been successful in exploring various business opportunities and maintaining business growth both vertically as well as horizontally.

As you are aware, VISU has been a house name for providing unparalleled coaching and training in prerequisite tests such as TOEFL, GRE, SAT, GMAT & IELTS. The company has been successfully developing and implementing educational software products to expand its horizon.



In view of the constant endeavor, to bring out new products and services to cater to the needs of global student community, VISU is coming out with a new Portal in the name of My Career Port.Com (MCP).

FOREIGN OPERATIONS

The wholly owned subsidiary Company viz., Visu-F.Z.E, Dubai, UAE has performed well during the reporting period. Hence, your Directors expect better future in the years to come.

CONVERSION OF WARRANTS

During the year your company has converted warrants issued Pursuant to the special resolution passed by the members of the company under Section 81(1A) of the Companies Act, 1956, in the 9th Annual General Meeting held on 29th September, 2006..

MERGER AND DEMERGER

Your Directors have proposed to merge M/s.Visu Films Private Limited and Visu Communications Private Limited with your company and also proposed to demerge the non-education division by way of arrangement with Visu Publication & Media Limited for which the Company has made an application to the Stock Exchange for it's in principle approval. The other procedural formalities like filing a petition before Hon'able High Court of Andhra Pradesh will be made after obtaining approval from the Stock Exchange.

DIVIDENDS

As informed above, the Company is in the process of merger and demerger. In order to meet the implementation cost your Directors have not recommended any dividend for the reporting period.

FIXED DEPOSITS

The Company has not accepted fixed deposits as on 31st March, 2008 so as to attract the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of the Deposits) Rules, 1975 as amended from time to time.

INFORMATION REQUIRED UNDER SECTION 217(1)(e) OF THE COMPANIES ACT 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

a) Conservation of Energy:

The consumption of Electrical energy for the Company is limited to air conditioning the premises, Computers systems & accessories and lighting which is low intensive in nature and does not require any specific arrangements. In spite of this, the Company has been adopting necessary measures to control the power consumption wherever applicable and to the extent required.



b) Research and Development and Technology Absorption:

The R & D is a continuous process for exposure to new technology in respect of software engineering, technology in related avenues and products thereof. This environment creates aggravated minds to deliver efficiently and effectively thereby increasing the productivity level. Hence, to keep abreast of the challenges and competition, due importance to R & D will be on.

c) Foreign Exchange Earnings and Outgo:

Earnings: Rs.4694.63 lakhs towards Exports

Outgo: Rs. 21.59 lakhs towards Foreign Travel and Rs. 30.81 lakhs towards others

PARTICULARS OF EMPLOYEES

In pursuance of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, the Directors are to report that no employee was in receipt of remuneration of Rs. 24,00,000/- or more per annum or Rs. 2,00,000/- or more per month where employed for a part of the year.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance Report is set out as separate Annexure to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

This has been dealt with in the separate Annexure to this Report.

COMPLIANCE OF LISTING AGREEMENT

The Company is complying with the Listing Agreement from time to time. The company has paid the Annual Listing Fees. There are no listing fees dues pending.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) we 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 at the end of the financial year and/or of the Profit or Loss of the company for that period;
- iii) we 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;
- iv) we have prepared the annual accounts on a going concern basis.