



AJEL INFOTECH LIMITED
(formerly Choksh Infotech Limited)

16th Annual Report

2009 - 2010

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CORPORATE INFORMATION

Board of Directors:

1. Mr.Bharat C Sutaria	--	Chairman
2. Mr.Arikatla Srinivasa Reddy	--	Vice Chairman & Managing Director
3. Mr.Vijay S Chokshi	--	Whole Time Director
4. Mr.Venkateswarlu Arikatla	--	Director
5. Mrs. Malathy Bhimavarapu	--	Director
6. Mr.Darshan D Majmudar	--	Director
7. Mr.Jadda Amara Reddy	--	Director
8. Mr. Mahender R. Musuku	--	Director

Registered Office:

106, 2nd Floor, Mahadashopping Complex,
New Link Road, Jogeshwari, Mumbai - 400102

Branch Office:

Hyderabad
2nd Floor, 189, Road No. 72
Prashasan Nagar, Jubilee
Hills, Hyderabad - 500 033
Andhra Pradesh

Auditors:

KN Murthy & Co.,
Chartered Accountants,
A 418, Majestic Mansion,
Shyamlal Buildings, Begumpet,
Hyderabad -500 016

Audit Committee:

- 1) Mr. Vijay S Chokshi
- 2) Mr.Darshan Majmudar
- 3) Mr. Jadda Amara Reddy

Investor Grievance Committee:

- 1) Mr.Arikatla Srinivasa Reddy
- 2) Mrs. Malathy Bhimavarapu
- 3) Mr.Jadda Amara Reddy

Bankers:

- 1) Syndicate Bank
- 2) Axis Bank
- 3) Laxmi Vilas Bank
- 4) Central Bank of India.

NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the Shareholders of **AJEL INFOTECH LIMITED** will be held on Monday the 30st day of September 2010 at 10.00 AM at Indian Medical Association Hall, 1st Floor, Lupin Auditorium, Near Chandan Cinema, J.V.P.D. Scheme, Juhu, Mumbai - 400 049 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the period ended as on that date and the report of the Board of Directors and Auditor's thereon:

"RESOVED THAT the Audited Balance Sheet as at 31-03-2010 and the Profit and Loss Account for the period ended 31-03-2010 together with the Directors' Report and Auditor's Report thereon be and are hereby received and adopted."

2. To appoint a Director in place of Mrs. Malathy Bhimavarapu, Who retires by rotation and being eligible, offers her self for reappointment:

"RESOLVED THAT Mrs. Malathy Bhimavarapu, Director of the Company, retiring by rotation at this Annual General Meeting be and is hereby re-appointed as Director of the Company."

3. To appoint a Director in place of Mr. Darshan D Majmudar who retires by rotation and being eligible, offers himself for reappointment:

"RESOLVED THAT Mr. Darshan D Majmudar, Director of the Company, retiring by rotation at this Annual General Meeting be and is hereby re-appointed as Director of the Company."

4. To appoint statutory auditors and to fix their remuneration:

"RESOLVED THAT Mr. K N Murthy, Chartered Accountants, Hyderabad be and is hereby re-appointed as Statutory Auditor of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors."

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Mahender R. Musuku, who was co-opted as an Additional Director of the Company pursuant to the provisions of section 260 of the Companies Act, 1956, by the Board of Directors and who holds the office up-to the commencement of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 proposing him as candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office is liable to be determined by retirement of directors by rotation."

"RESOLVED FURTHER THAT Mr. Arikatla Srinivasa Reddy, Managing Director of the company be and are hereby authorized severally to file the necessary forms and returns with the Registrar of Companies and other statutory authorities and to do all other things, acts and deeds as may be required."

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

Increase of Authorized Share Capital:

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 12,00,00,000/- (Rupees Twelve Crore only) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 70,00,00,000/- (Rupees Seventy Crore only) divided into 7,00,00,000 (Seven Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each."

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

"RESOLVED THAT pursuant to the provisions of section 16 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following:

- V. The Authorized Share Capital of the Company is Rs. 70,00,00,000/- (Rupees Seventy Crore only) divided into 7,00,00,000 (Seven Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each, with the rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being with power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being."

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

"RESOLVED THAT pursuant to the provisions of section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any Statutory modification or re-enactment thereof for the time being in force), the existing Clause 4 of the Article of Association of the Company be and is hereby substituted by the following:

Clause 4 Share Capital:

"The Authorised Share Capital of the Company is Rs. 70,00,00,000/- (Rupees Seventy Crore only) divided into 7,00,00,000 (Seven Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being."

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

Sub-division of the Face Value of Equity Shares:

“RESOLVED THAT pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 1956 [including any statutory modification or enactment thereof for the time being in force] and in accordance with the Articles of Association of the Company, and subject to such other conditions as may be provided while granting such approvals, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the Board, which term shall also include any committee thereof), the consent of the members be and is hereby accorded for sub-dividing the Equity Shares of the Company, including the paid up shares, such that Equity Shares of the Company of the face value of Rs. 10/- (Rupees Ten) each be sub-divided into Ten Equity Shares of the Company of the face value of Re.1/- (Rupee One) each and consequently the Authorised Share Capital of the Company of Rs. 70,00,00,000/- (Rupees Seventy Crore only) would comprise of 70,00,00,000 Equity Shares of Re.1/- each aggregating to Rs.70,00,00,000/- (Rupees Seventy Crore only) with effect from the “Record Date” to be determined by Board/Committee of Directors for this purpose.

“RESOLVED FURTHER THAT pursuant to the sub-division of the Equity Shares of the Company, the paid up Equity Shares of the Company of the face value of Rs.10/- (Rupees Ten) each, as existing on the Record Date, shall stand sub-divided into 10 Equity Shares of the face value of Rs.1/- (Rupee One) each fully paid up, with effect from the Record Date.”

“RESOLVED FURTHER THAT in the event there are any pending share transfers, whether lodged or outstanding, of any shareholder of the Company, the board be and is hereby empowered in appropriate cases, even subsequent to the Record Date (as may be fixed by the Board), as the case may be, at its sole discretion, to effectuate such transfer in the Register of Members of the Company as if such changes were operative as on the Record Date.”

“RESOLVED FURTHER THAT the existing physical share certificate in relation to the issue Equity Shares of the Company be cancelled and the Board be and is hereby authorized to call back from the shareholders, if necessary, and to issue new share certificates in lieu thereof, with regard to the sub-divided Equity Shares in accordance with the provisions of the Companies (Issue of Share Certificate) Rules, 1960 and in case of Members who hold the Equity Shares/opt to receive the sub-divided Equity Shares, in dematerialized form, the sub-divided Equity Shares shall be credited to the respective beneficiary account of the Members, with their respective Depository Participants.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient including but not limited to fixing record date or closing register of members and share transfer books, issue fresh equity share certificates representing the sub divided equity shares with new distinctive numbers, consequent upon sub-division of shares as aforesaid of appropriate numbers to shareholders holding equity shares in physical form and to give appropriate and automatic dematerialization effect in respect of equity shares held in electronic form and listing thereof with the stock exchange (s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed sub-division of the share capital of the Company and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

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

“RESOLVED THAT pursuant to the provisions of section 16 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following:

- V. The Authorized Share Capital of the Company is Rs. 70,00,00,000/- (Rupees Seventy Crore only) divided into 70,00,00,000 (Seventy Crore) Equity Shares of Rs. 1/- (Rupee One only) each, with the rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being with power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being."

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

"RESOLVED THAT pursuant to the provisions of section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any Statutory modification or re-enactment thereof for the time being in force), the existing Clause 4 of the Article of Association of the Company be and is hereby further substituted by the following:

Clause 4 Share Capital:

"The Authorised Share Capital of the Company is Rs. 70,00,00,000/- (Rupees Seventy Crore only) divided into 70,00,00,000 (Seventy Crore) Equity Shares of Re. 1/- (Rupee One only) each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being."

12. To consider and if though fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 198, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") [including any statutory modification or re-enactment thereof for the time being in force], and in partial modification of the Resolutions passed earlier in respect of payment of remuneration to Mr. Arikatla Srinivasa Reddy, Managing Director of the Company, and subject to any approvals, consents, permissions or sanction of the Central Government, as may be required and subject to such conditions or modifications as may be prescribed or imposed by the Central Government, the consent of members hereby accorded to pay remuneration to Mr. Arikatla Srinivasa Reddy, Managing Director of the company with effect from 01st October, 2010, at remuneration of Rs.1,00,000/- (Rupees One Lakh only) per Month upon the terms and conditions including perquisites and benefits as are set out in the letter is hereby approved by the Board of Directors (which includes its committee constituted for the purpose) to grant increments in salary and to alter, increase and vary from time to time the amount and type of perquisites and allowance to be provided to Mr. Arikatla Srinivasa Reddy, within the applicable limits as specified in Schedule XIII of the Act or any amendments thereto."

"RESOLVED FURTHER THAT if in any financial year the company has no profits or its profits are inadequate, Mr. Arikatla Srinivasa Reddy shall be entitled to receive the same remuneration, perquisites and benefits as above, subject to compliance with the applicable provisions of Schedule XIII to the Act, if and to the extent necessary with the approval of the Central Government."

13. To consider and if though fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

Change of Name of the Company:

“RESOLVED THAT pursuant to provisions of Section 21 and all other applicable provisions of the Companies Act, 1956(including any statutory modifications or reenactment thereof, for the time being in force) and subject to the approval of the Central Government and such other approvals, consents, sanctions and permissions of appropriate authorities, department and bodies as may be necessary, consent of the Company be and is hereby accorded for change of name of the company from **“AJEL INFOTECH LIMITED” to “AJEL LIMITED”**

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, authority of the Company be and is hereby given to the Board of Directors to do all such acts, deeds and things, deal with such matters, take necessary steps and consider such delegations in the matter as the Board may in its absolute discretion deem necessary and to settle any queries that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

“RESOLVED FUTHER THAT upon the fresh Certificate of Incorporation consequent upon the change of name of the Company being issued by the Registrar of Companies, Maharashtra, Mumbai the name “AJEL LIMITED” be inserted in place of the present name of the Company wherever appearing in the Memorandum and Articles of Association of the Company, letter heads etc. and any one of the Directors be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.”

14. To consider and if though fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

To Raise Monies on Preferential Basis:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof) and the provisions of the Foreign Exchange Management Act, 2000 (FEMA), Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 as amended, the Securities and Exchange Board of India (SEBI) Regulations and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (GOI), the Reserve Bank of India (RBI), SEBI and / or any other competent authorities and the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited on which the Company’s shares are listed and subject to necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee thereof) CONSENT of the Members be and is hereby accorded to the Board to offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted) either in India or in the course of international offering(s) in one or more foreign markets, such number of Equity Shares with or without a green shoe option, Global Depository Receipts (GDRs), in registered or bearer form, Foreign Currency Convertible Bonds (FCCBs), Qualified Institutional Placement (as defined by the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009) pursuant to a Qualified Institutions Placements, as provided under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares

(all of which are hereinafter collectively referred to as “Securities”) or any combination of Securities, in one or more tranches, whether rupee denominated or denominated in foreign currency, to any eligible person, including foreign/resident invertors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), Foreign Institutional Investors, Indian and/or Multilateral Financial Institutions, Mutual Funds, Non-Resident Indians, stabilizing agents, and/or any other categories of investors, whether they be holders of shares of the Company or not (collectively called the “Investors”) through public issue(s) of prospectus in India or outside India, a qualified institutional placement, a rights offering, private placements(s) in India or outside India, or a combination thereof at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with Lead Managers, up to an amount not exceeding Rs.100 Crores (Rupees One Hundred Crores Only) either in foreign currency or Indian Rupees inclusive of such premium as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate.”

“FURTHER RESOLVED THAT in case Board opts for QIP issue(s), the relevant date for the determination of minimum applicable price for the issue of the Securities allotted pursuant to a qualified institutions placement, as provided under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be the date(s) of the meeting in which the Board decides to open the proposed QIP Issue.”

“FURTHER RESOLVED THAT the Board be and is hereby authorized to appoint the Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Stabilizing Agent, Trustees, Bankers, Advisors and all such Agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and to seek the listing of such Securities on one or more National and/or International Stock Exchange(s).”

“FURTHER RESOLVED THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such shares ranking pari passu with the existing Equity Shares of the Company in all respects, excepting the right as to dividend as may be provided under the terms of the issue and in the offering documents.”

“FURTHER RESOLVED THAT for the purpose of giving effect to any offer, issue and allotment of Equity Shares of Securities, as aforesaid, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary, desirable or expedient including deciding on the issue price, issue opening and closing dates, and to settle any questions, difficulties or doubts that may arise in regard to any such offer, issue and allotment as it may in its absolute discretion deem fit.”

Place: Mumbai
Date: 28-08-2010

BY ORDER OF THE BOARD
For **AJEL INFOTECH LIMITED**
Sd/-
SRINIVASA REDDY ARIKATLA
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS TO BE VALID SHALL BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. An Explanatory statement pursuant to the provisions of section 173 Of the Companies Act, 1956 in respect of the Special Business is attached hereto
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 29, 2010 to September 30, 2010 (both days inclusive).
4. Members desirous of obtaining any information concerning the Accounts and Operations of the company are requested to send their queries to the company at least seven days before the date of the meeting, so that the information required by them may be made available at the AGM.
5. Members / Proxies are requested to bring their Attendance slip along with their copy of Annual Report duly filled in for attending the meeting.
6. Members are requested to intimate immediately any change in their correspondence address registered with the Company to the Registrar and Share Transfer Agents of the Company.
7. The Company has designated an exclusive e-mail ID called **investors@ajel.com** for redressal of shareholders' complaints/grievances. In case you have any queries/complaints or grievances, then please write to us at **investors@ajel.com**
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore. Requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No.5

Mahender has over 15 years experience in software development, marketing, operations and management in hi-tech companies. He has expertise in setting strategies, heading administration and overall operations. Mahender has experience in building and strengthen the operations of several business models. He has a Bachelors Degree in Electronics and Communication Engineering and holds Post Graduate Diploma in Computer Applications.

Mahender is on the board of several for profit and non-profit corporations and thrives to serve the community. Mahender is a firm believer of using technology for the upliftment of humanity and society. Prior, Mahender headed the operations of Reptron, India, that was exclusive representative of ERSA, Germany and other Global Electronic product companies.

Hence, the Board recommends the resolution for your approval.

None of the Directors is interested/concerned in the above said resolution

Item No. 6, 7 and 8: