



Delivering World-Class IT Solutions

18th Annual Report

2011 - 2012

Ajel Limited

ajel.in

Our Philosophy

**“ To harness the power of information,
knowledge & technology to empower livelihood.”**

EIGHTEENTH ANNUAL REPORT

2011-2012

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CORPORATE INFORMATION

BOARD AND COMMITTEES

Board of Directors

Mr. Bharat Champaklal Sutaria	-	Chairman
Mr. Srinivasa Reddy Arikatla	-	Vice Chairman and Managing Director
Mr. Vijay Sanatbhai Chokshi	-	Whole Time Director
Mr. Darshan Dhru padlal Majmudar	-	Director
Mr. Mahender Reddy Musuku	-	Director
Mr. Amara Reddy Jadda	-	Director
Mr. Arikatla Venkateswarlu	-	Director
Ms. Vasantha Madasu	-	Additional Director

Ms. N Archana Sastry - Company Secretary

Board Committees

Audit Committee

Mr. Vijay Sanatbhai Chokshi.	-	Chairman
Mr. Darshan Dhru padlal Majmudar	-	Member
Mr. Amara Reddy Jadda	-	Member

Remuneration Committee

Mr. Bharat Champaklal Sutaria	-	Chairman
Mr. Darshan Dhru padlal Majmudar	-	Member
Mr. Amara Reddy Jadda	-	Member

Shareholders/Investor Grievance and Share Transfer Committee

Mr. Srinivasa Reddy Arikatla	-	Chairman
Mr. Amara Reddy Jadda	-	Member
Mr. Arikatla Venkateswarlu	-	Member

Management Team

Mrs. Amitha Kolli -- Vice President - Operations
 Mr. Venu Madhav Moola -- Delivery Head - IT Solution

REGISTERED OFFICE:

106, 2nd Floor, Link Plaza Commercial Complex,
New Link Road, Jogeshwari, Mumbai 400102

BRANCH OFFICE:

Hyderabad

Plot No.48,
Megha Hills,
Madhapur,
Hyderabad - 500 081
Andhra Pradesh

Bengaluru

420, 1st Floor
9th Main Rd
Banashankari
2nd Stage
Bengaluru - 560 070
Karnataka

U.S.A.

45 Brunswick Avenue
Suite# 222
Edison
NJ - 08817

STATUTORY AUDITORS

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

BANKERS

Syndicate Bank
Axis Bank
Dena Bank
Lakshmi Vilas Bank

NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of Ajel Limited will be held on Wednesday, the 29th day of August 2012 at 10.00 AM at The Classique Club, Behind Infinity Mall, Link Road, Oshiwara, Andheri West, Mumbai - 400 053, to transact the following business.

ORDINARY BUSINESS:

Item No: 1 Adoption of Accounts

To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012, the Profit and Loss Account for the Year ended on that date and the Reports of the Board of Directors and Auditors thereon.

Item No: 2 Re-appointment of Mr. Bharath Champaklal Sutaria

To appoint a Director in place of Mr. Bharath Champaklal Sutaria, who retires by rotation and being eligible, seeks re-appointment.

Item No: 3 Re-appointment of Mr. Vijay S Chokshi

To appoint a Director in place of Mr. Vijay Sanatbhai Chokshi, who retires by rotation and being eligible, seeks re-appointment

Item No: 4 Appointment of Statutory Auditors

To appoint M/s. Boppudi & Associates, Chartered Accountants, Hyderabad, to hold office of Statutory Auditors of the Company, from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting in place of the retiring Statutory Auditors, M/s K N Murthy & Co., who have not signified their willingness for their re-appointment and to consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution

"RESOLVED THAT pursuant to section 224(2) and other applicable provisions, if any, of the Companies Act, 1956 and subject to approval of shareholders of the Company, M/s. Boppudi & Associates, Chartered Accountants, Hyderabad be and are hereby appointed as Statutory Auditors of the Company, in place of the retiring Statutory Auditors, M/s. K N Murthy & Co., Chartered Accountants, Hyderabad, to hold office 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 Directors of the Company."

SPECIAL BUSINESS

Item No: 5 : Appointment of Ms. Vasantha Madasu as Director of the Company

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

"RESOLVED THAT, pursuant to the provisions of section 257 and other applicable provisions of the Companies Act, 1956, Ms. Vasantha Madasu, who was appointed as an Additional Director of the Company with effect from 3rd December 2011, be and is hereby appointed as Director of the Company, liable to retire by rotation."

Item No: 6: Re-Appointment of Mr. Srinivasa Reddy Arikatla as Vice Chairman and Managing Director.

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

"RESOLVED THAT pursuant to the provisions of section 198, 269 and 302 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being enforce), consent of members be and is hereby granted for the re-appointment of Mr. Srinivasa Reddy Arikatla as Vice Chairman and Managing Director of the Company for a period of three years w.e.f. 01.10.2011 with a overall remuneration not exceeding Rs.1,00,000 (Rupees One Lac) per month.

RESOLVED FURTHER THAT Mr.Srinivasa Reddy Arikatla shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, be available to other Senior Executives of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Srinivasa Reddy Arikatla, the remuneration and perquisites set out as aforesaid be paid or granted to him as minimum remuneration and perquisites provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit in terms of Schedule XIII to the said Act as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force.

Item No: 7 : To consider and approve Preferential Allotment of shares.

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

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment(s) to or re-enactment thereof) and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed and in terms of the provisions of the SEBI (Issue Of Capital And Disclosure Requirements) Regulations, 2009 (the "SEBI (ICDR) Regulations") (including any amendment(s) to or re-enactment thereof) and subject to the approvals, consents, permissions and / or sanctions, as may be required from any appropriate authority, institution or body (hereinafter collectively referred to as the "the appropriate authorities") and subject to such terms, conditions, alterations, corrections, changes, variations and / or modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions (hereinafter referred to as "the requisite approvals") and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee duly constituted by the Board or any Committee which the Board may have constituted or hereafter constitute, to exercise one or more of its powers including the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot Nine Lakhs number of equity shares of the face value of Rs.10/- each, ranking in all respects pari-passu with the existing equity shares of the Company, to non promoter group at such price Rs.12/- (Rupees Twelve) including premium of Rs.2/- (Rupees Two) per share.

RESOLVED FURTHER THAT the price of the equity shares so issued shall be determined as per the Regulations issued by SEBI in this respect, i.e.

a) The average of the Weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange (Bombay Stock Exchange Limited) during the six months preceding the 'relevant date'.

OR

b) The average of the Weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange (Bombay Stock Exchange Limited) during the two weeks preceding the 'relevant date', whichever is higher.

FURTHER RESOLVED THAT the relevant date for the purpose of calculating the exercise price under Chapter VII of the SEBI (ICDR) Regulations, 2009 is 30th July 2012 being the date 30 days prior to the date of passing of this resolution.

RESOLVED FURTHER THAT pursuant to the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009, the fresh equity shares to be allotted shall be locked in for a period of one year from the date of allotment and that the equity Shares shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in except to the extent and in the manner permitted there under.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Mr. Srinivasa Reddy Arikatla, Vice Chairman & Managing Director and Mr. Amara Reddy Jadda, Director be and are hereby severally authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, at its discretion deem necessary, desirable or expedient to effect the issue or allotment of aforesaid securities 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 issue and allotment of any of the said securities and to do all acts, deeds and things in connection therewith and incidental thereto as they may in its absolute discretion deem fit, without being required to seek any further consent or approval of the Board 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."

Item No: 8: To consider ratification of relevant date of Preferential Allotment made in previous AGM held on 12th September 2011.

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

"RESOLVED THAT the relevant date, for the purpose of calculating the Exercise Price as per Chapter VII of the SEBI (ICDR) Regulations, 2009, which was erroneously taken as August 12, 2011, at the previous Annual General Meeting of the Company, held on September 12, 2011, stands rectified to August 13, 2011, being the date 30 days prior to the date of passing of the resolution, for issue of shares on Preferential Basis."

Place: Mumbai

Date : 03.08.2012

By Order of the Board of Directors

Sd/-

Srinivasa Reddy Arikatla

Vice Chairman & Managing Director

NOTES

1. 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. Proxies, in order to be effective, must be received at the Company's Registered Office not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
2. Members/proxies should bring duly filled Attendance Slip sent herewith to attend the meeting.
3. The Register of Director's Shareholding, maintained under section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 27th August 2012 to 29th August 2012 (both days inclusive).
5. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 ("Act") in respect of the business under Item Nos. 5 to 8 above, is annexed hereto. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/re-appointment as Directors under Item Nos. 2, 3 and 5 of the Notice, are also annexed.
6. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc., to the Company. Such Changes intimated will then be reflected in the Company's records which will help the Company to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company.
7. Consequent up on introduction of Section 109A of the Companies Act, 1956, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Individual shareholder(s) can avail of the facility of nomination by sending their requests in Form 2B, (which will be made available on request to the Shareholder/Investor Grievance and Share Transfer Committee of the Company or by mailing the request to investors@ajel.com).
8. As a measure of economy, copies of the Annual report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting. The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, has by its circular nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, permitted companies to send official documents to shareholders electronically as part of its Green Initiatives in Corporate Governance. We request you to update your email address with the depository participant to ensure that the Annual Report and other documents reach you on your preferred email account.
9. Members are requested to note that the Company's Equity Shares are compulsorily traded in demat form for the investors, effective from 26th March 2001. Members are requested to open Depository Account in their names with a Depository participant to dematerialize their holdings. This would be necessary for facilitating the transfers of Company's Equity shares in all Stock Exchanges connected to the Depository System.
10. Members holding physical shares in identical order of names in more than one folio are requested to send to the company, the details of such folios together with the share certificates for consolidating their holding in one folio, A Consolidated Share Certificate will be returned to such members after making requisite changes thereon.
11. 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.
12. Members desiring any information in regards the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the Meeting.