



BRELS INFOTECH

19TH
ANNUAL REPORT
2003-2004

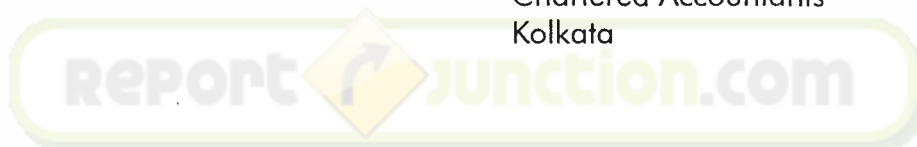
BRELS INFOTECH LTD.



DIRECTORS : MR. S. K. JAIN
MR. D. K. SARAOGI
MR. T. CHOWDHURY
MR. M. KUMAR THAKUR
MR. P. P. SINGHA

CO. SECRETARY : MR. NARAYAN MOHTA

AUDITORS : RAJESH DUGGAR & CO.
Chartered Accountants
Kolkata



SOLICITORS : B. K. JAIN & CO.
SOLICITORS & ADVOCATES
KOLKATA

BANKER : STANDARD CHARTERED BANK
KOLKATA

REGISTERED OFFICE : 127, N. S. ROAD
KOLKATA-700 001





NOTICE

TO THE MEMBERS OF COMPUTER POINT LTD.

NOTICE is hereby given that the nineteenth Annual General Meeting of M/s Brels Infotech Ltd. will be held at 92, Ballygunj Place, Kolkata-700 019 on Friday the 24th December, 2004 at 9.30 A.M. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th June, 2004 and the Profit & Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in Place of Mr. T. Chowdhury who retires by rotation & being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. M. Kumar Thakur who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

Date: 20th November, 2004

Registered Office :

127, N. S. Road, Kolkata-700001

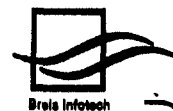
By Order of the Board

S. K. Jain

Director

NOTES:

1. A member entitled to attend and vote at the Meeting is also entitled to appoint a proxy/proxies to attend and vote in his/her stead and a proxy need not be a member.
2. A proxy to be effective, should reach the registered office of the Company not later than 48 hours before the meeting.
3. The Register of the members and Share Transfer Books of the Company shall remain closed from 17th December, 2004 to 24th December, 2004 both days inclusive.
4. Members are requested to notify any change in their mailing address forthwith.
5. Members who are holding shares in identical order of names and address in more than one account, are requested to intimate the Company, the Ledger Folios of such accounts with Share Certificates to enable the Company to consolidate their holding into one account. The share certificates will be duly returned to the members after making necessary endorsements thereon.
6. Members desiring any information on the accounts at the Annual General Meeting may kindly write to company at least 7 days in advance, so as to enable the Company to keep the information ready.
7. Members are requested to kindly bring their copies of the Report and Accounts to the meeting.
8. Members who hold shares in Dematerialised Form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the meeting.



DIRECTORS REPORT

Your directors take pleasure in presenting the 19th Annual Report and the Audited Statement of Accounts for the year ended 30th June 2004.

The Financial result of Company's operation during the year under review and those of the Previous year are given below.

FINANCIAL RESULTS

	For the year ended 30.06.2004	(Rs. In Lacs) For the year ended 30.06.2003
Turnover	2170.15	2403.40
Less : Expenditure	<u>1890.95</u>	<u>2168.52</u>
Gross Profit	279.20	234.88
Less : Depreciation	228.19	185.10
Less : Financial Charge	<u>18.59</u>	<u>13.28</u>
Net Profit before Tax	32.42	36.50
Less: Provision for Tax	0.38	—
Deferred Tax	<u>—</u>	<u>—</u>
Net Profit after Tax (PAT)	32.04	36.50
Add : Bal B/F	<u>881.98</u>	<u>878.30</u>
	914.02	915.08
Less : Deferred Tax Liab. Adj.	<u>—</u>	<u>33.10</u>
Balance B/F to Balance Sheet	<u>914.02</u>	<u>881.98</u>

PERFORMANCE :

Gross turnover of the Company was reduced by about 10% during the year but because of effective maintaining and all round cost control administered by the management the net profit of the company could be maintained at the save level.

CORPORATE GOVERNANCE

A separte report on corporate governance is annexed hereto, accompanied by a certificate from the Auditors in terms of stipulations under clause 49 of the Listing Agreements as Annexure A1.

MANAGEMENT DISCUSSION & ANALYSIS

A separte statement is annexed hereto and marked as Annexure A2.

DIRECTOR :

Sri T. Chowdhury & Sri M. Kumar Thakur Directors of the Company, retire by rotation and being eligible offer themselves for re-appointment.

Sri T. Chowdhury aged about 40 years is a Computer Professional and facility member. He is associated with the Company for the last 12 years and is having wide experience and knowledge is Computer Software and corporate management.

Sri M. Kumar Thakur aged about 36 years is a computer Professional and administration associated with the company for more than 14 years and is incharge of companies Hardware business.

AUDITORS & REPORT OF THE AUDITORS :

M/s. Rajesh Duggar & Co., Chartered Accountants, the Auditors of the Company, retires at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.



Observations made in the Report of the Auditors, read with the notes on accounts are self-explanatory and need not require any further clarification.

DIVIDEND:

Consequent to alarming liquidity crisis, your Directors had no option but to abstain from recommending any dividend for the year.

STATUTORY INFORMATION

(i) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The Company being not engaged in any manufacturing activities, the information as are required under section 217(l) (e) of the Companies Act, 1956 read with the Companies (disclosures of particulars in the report of the directors), Rules 1988 relating to the conversion of Energy, Technology absorption, etc. is not required.

Foreign Exchange Earned	Rs. NIL
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Foreign Exchange Outgo	Rs. NIL
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(ii) EMPLOYEE PARTICULARS

The Company has no employee to whom the Provisions under section 217 (2A) of the Companies Act, 1956 is applicable.

(iii) DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217(2AA) of the Companies Act, 1956, your Directors subscribe to the "Directors' Responsibility Statement" and confirm as under:

- That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- That they have selected such accounting policies and applied them consistently and made judgements 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 the Profit & Loss of the Company for that period;
- That to the best of their knowledge & information, they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
- That they have prepared the Annual Accounts on a going concern basis.

DEPOSIT

The Company has not accepted and/or renewed any deposit from the Public during the year nor was there any carried forward balance at the end of the year.

ACKNOWLEDGMENT

Yours Directors sincerely appreciate the high degree of Professionalism, enthusiasm and hard work of employees at all level during the year. The Directors also take this opportunity to thank the shareholders, business partners and Government Authority for their continued support to the Company.

Registered Office
127, N. S. Road, Kolkata-700 001
Date : 20th November, 2004

For and on behalf of the Board
S. K. Jain / D. K. Saraogi
Directors



ANNEXURE A1 to THE DIRECTORS' REPORT

CORPORATE GOVERNANCE

The Company believes in total transparency, accountability and equality in management of the affairs of the Company. It envisages highest level of such qualities in all the spheres of its operations, interactions with its Employees, Customers, Bankers, and Government Authority and above all with its stakeholder. The Company is committed to achieve highest standard of Corporate Governance.

BOARD OF DIRECTORS:

At present the Board of Directors consist of five members. The Board has since been sufficiently broad based with induction of necessary professionals for constituting necessary committees for effective implementation of the Code of Corporate Governance.

(a) Composition of the Board:

The Composition and other relevant details of the Board are given below:

Name of Directors	Executive/Non-Executive/ Independent	Qualification	No. of Board Meeting Attended	Attendance at last AGM
Mr. S.K.Jain	Executive/ Non-Independent	Post Graduate in Computer & having 22 years experience in Accounts & Administration	6	Present
Mr. D.K.Saraogi	Executive/ Non-Independent	Chartered Accountants having more that 17 years Experience in business Administration	3	—
Mr.P.P.Singha	Non Executive/ Independent	B.E having 17 years experience in Software Development & R.D.	5	Present
Mr. M.Kuniar Thakur.	Non Executive/ Independent	B.Com having 14 years Experience in Mkt. & Services	3	Present
Mr. T.Chowdhury	Non Executive/ Independent	B.Com, having 12 years experience in I.T. Education field.	4	Present

Executive Directors have drawn a remuneration of Rs. 90000/- each during the financial year.

(b) Board Meeting:

There had been 6 (six) Board Meetings during the last Financial year.

Date or Board Meeting	No. of Directors
30.07.2003	3
20.09.2003	3
30.10.2003	3
20.11.2003	5
30.01.2004	3
30.04.2004	4

(c) Board Procedures:

The Board of Directors meet from time to time to transact such business in respect of which the attention and sanction of the Board is required. There is a well-laid procedure of sending to all the directors due notice of the meetings accompanied by detailed agenda papers sufficiently in advance. The directors freely express their views and seek clarification on various points concerning the



respective business taken up in such meetings. Meetings are held in transparent manner & various decisions taken and resolved in such meetings are duly and correctly implemented without any reservations and are recorded in the minute's book maintained for the purpose.

The directors hold their offices strictly in compliance with the provisions of the Companies Act, 1956 and the provisions of the Articles of Association of the Company.

(d) Board Committees

The Board of Directors has three (3) Committee of Director to assist the Board in discharging its responsibilities towards strategic supervision;

The said committee are : Audit Committee, Share Transfer Committee, Investor Grievance Committee and Remuneration Committee.

(e) Audit Committee

Pursuant to the provisions under sec. 292A of the Companies Act, 1956 the Board has since constituted an Audit Committee with Mr. D.K.Saraogi as its Chairman. The other members of the Committee are all non-Executive Directors and each one of them are well versed in finance matters & company Laws and Accounts. All other Non-Executive Directors of the Company have been included in the Audit Committee.

The terms of reference of the Audit Committee includes:

- a) To consider & receive all financial statements and pre-publication Announcements before the same is placed before a meeting of the Board of Directors;
- b) To ensure compliance of Internal Control System and actions taken of Internal Audit Report;
- c) To hold periodic discussions with Auditors on the scope and content of Audit;
- d) To consider and review Company's risk management policy;
- e) To appraise Board on the impact of Accounting policies, Audit standards and legislation's;

During the financial year there had been only 3(three) meetings of the Audit Committee where all the Committee members attended.

(f) SHARE TRANSFER COMMITTEE/SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Board has constituted a Share Transfer Committee to deal with the requests received for transfer/transmission/duplicate issue of shares in due Compliance with the provisions of the Companies Act, 1956 and also the listing Agreements. The members of the committee are Mr. S. K. Jain (Chairman) and Mr. T. Choudhury. During the year the committee met on 12 occasions. Instead of appointing a separate committee for dealing with the Shareholders/investors grievance, the same Share Transfer Committee has since been assigned the responsibility of attending to Shareholders/Investors grievance also.

All valid transfer requests received by the Company as the same are Concerned with shares in physical mode were duly transferred/transmitted within 30 days from the date of receipt while in case of requests for dematerialisation are dealt within 15 days from date of receipt.

(g) Remuneration Committee

The Remuneration Committee is comprised of two Directors Sri S. K. Jain and Shri T. Chowdhury. The Committee met only once on 30.03.2004 and recorded that consistent to services equity crisis of the company the Directors have foregone their sitting for one more financial year and revision of managerial Remuneration of the whole-time Directors was postponed till end of the next financial year.



GENERAL BODY MEETINGS:

1. 16th Annual General Meeting on 27th December, 2001 at 9.30 A.M.
at P-21A, Old Ballygunj Road, Kolkata-700 019
2. 17th Annual General Meeting on 18th December, 2002 at 9.30 A.M.
at P-21A, Old Ballygunj Road, Kolkata-700 019
3. 18th Annual General Meeting on 27th December, 2003 at 9.30 A.M.
at P-21A, Old Ballygunj Road, Kolkata-700 019.

DISCLOSURES:

- a) Disclosures on materially related party transaction i.e. transaction of the Company of material nature, with its promoters, Directors or the managers, their subsidiaries, relatives etc. that may have potential conflict with the interest of the Company, at large:-

The Company did not have any related party transactions which may have potential conflict with the interest of the Company, at large.

- b) Details of Non Compliance by the Company, penalties & strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority, on any matter related to capital markets during the last 3(three) years:-

The Company has duly complied with the requirements of the regulatory authorities on Capital markets & no penalty/Strictures was imposed on the Company during the last three years ended on 30.06.2004.

- c) Managerial remuneration of Rs. 90,000/- p.a. each was paid to the executive whole-time Directors Sri S.K.Jain and Sri D. K. Saraogi.

MEANS OF COMMUNICATION:

- i) The Company does not send its Quarterly/Half yearly results to individual shareholders but publishes the same in Local Newspapers.
- ii) Annual Reports and Accounts are regularly despatched to all individual shareholders by post.

GENERAL SHAREHOLDERS INFORMATION:

(a) ANNUAL GENERAL MEETING:

Date and Time: 24th December, 2004 at 9.30 A.M.

Venue: 92, Ballygunj Place, Kolkata-700 019

(b) FINANCIAL CALENDER:

The Company follows July-June as its financial year. The results of every quarter is declared in the month following the quarter.

(c) DATE OF BOOK CLOSURE:

From 17th December, 2004 to 24th December, 2004 (both days inclusive)

(d) DIVIDEND PAYMENT: -

No payment of dividend this year.

(e) LISTING OF STOCK EXCHANGES:

The shares of the Company are listed on the Stock Exchanges at Calcutta & Mumbai. The Company is generally regular in payment of Listing fees to CSE & BSE.

Demat ISIN in NSDL/CDSL for equity shares:- INE 606BO1014.

(f) REGISTER & SHARE TRANSFER AGENTS:

M/s S.K.Computers 34/I A, Sudhir Chatterjee Street, Kolkata-700 006, Tel.No.: 033-22194815.