



BRELS INFOTECH

**18 TH  
ANNUAL REPORT  
2002 - 2003**

**BRELS INFOTECH LTD.**



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

**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 BRELS INFOTECH LTD.**

NOTICE is hereby given that the Eighteenth Annual General Meeting of M/s Brels Infotech Ltd. will be held at P-21A, Old Ballygunj Road, Kolkata-700 019 on Saturday the 27<sup>th</sup> December, 2003 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 30<sup>th</sup> June, 2003 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. P.P.Singha who retires by rotation & being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

Date: 20<sup>th</sup> November, 2003  
Registered Office:  
127, N.S.Road, Kolkata-700 001

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. Explanatory Statement pursuant to Sec.173(2) of the Companies Act, 1956 is annexed hereto.
4. The Register of the members and Share Transfer Books of the Company shall remain closed from 23<sup>rd</sup> December, 2003 to 27<sup>th</sup> December, 2003 both days inclusive.
5. Members are requested to notify any change in their mailing address forthwith.
6. 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.
7. 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.
8. Members are requested to kindly bring their copies of the Report and Accounts to the meeting.
9. 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 18<sup>th</sup> Annual Report and the Audited Statement of Accounts for the year ended 30<sup>th</sup> June 2003.

### **FINANCIAL RESULTS**

	For the year ended 30.06.2003	(Rs. In Lacs) For the year ended 30.06.2002
Gross Turnover	2403.40	2289.63
Less: Expenditures	<u>2168.52</u>	<u>2083.23</u>
Gross Profit	234.88	206.40
Less: Depreciation	185.10	201.47
Less: Financial Charge	<u>13.28</u>	<u>3.03</u>
Net Profit before Tax	36.50	1.90
Less: Provision for Tax	--	0.07
Deferred Tax	<u>--</u>	<u>0.10</u>
Net Profit after Tax (PAT)	36.50	1.73
Add: Bal. B/F	<u>878.30</u>	<u>1075.30</u>
	915.08	1077.03
Less: Deferred Tax Liab. Adj.	<u>33.10</u>	<u>198.45</u>
Balance B/F to Balance Sheet	<u>881.98</u>	<u>878.58</u>

### **PERFORMANCE**

Despite very difficult economic atmosphere prevailing in the country the Company could increase its turnover by 5% over that of the previous year, but the marginal gain in turnover was wiped out because of all round increases in operating Expenses.

Special attention was given for all round economisation in operating and administrative expenses to maintain the competitiveness of the Company's services.

### **CORPORATE GOVERNANCE**

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

### **DIRECTOR**

Sri P.P.Singha, a Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

Sri P.P.Singha, aged about 38 years is a Computer Professional and faculty member. He is associated with the Company for the last 10 years and is having wide experience and knowledge in Computer Software and corporate management.

### **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(1) (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  
Foreign Exchange Outgo : Rs. NIL

#### **(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:

- a. 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;
- b. 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;
- c. 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
- d. 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.

### **ACKNOWLEDGEMENT**

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 : 20<sup>th</sup> November, 2003

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 21 years experience in Accounts & Administration	6	Present
Mr. D.K.Saraogi	Executive/ Non-Independent	Chartered Accountants Having more that 16 years Experience in business Administration	3	--
Mr.P.P.Singha	Non Executive/ Independent	B.E having 16 years experience in Software Development & R.D.	4	Present
Mr. M.Kumar Thakur	Non Executive/ Independent	B.Com having 13 years Experience in Mkt. & Services	2	--
Mr. T.Chowdhury	Non Executive/ Independent	B.Com, having 11 years experience in I.T. Education field.	5	Present

\* Executive Directors have drawn a sum of Rs.75000/- each during the financial year.

#### (b) Board Meeting:

There had been 6 (six) Board Meetings since the last Annual General Meeting held on 27<sup>th</sup> December,2002.

<u>Date of Board Meeting</u>	<u>No. of Directors Present</u>
30.01.2003	3
30.04.2003	3
30.07.2003	3
20.09.2003	3
30.10.2003	3
20.11.2003	5



**(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**

Pending further expansion of the Board of Directors, the constitution of necessary Board Committees like Remuneration Committee & Shareholders Grievance Committee etc. have been kept in abeyance for the time being. The functions of those committees are presently carried by the Board itself.

The matters relating to Share Transfers etc, are being looked after by a committee of Directors operating under the direct supervision of the Chairman, Sri S.K.Jain.

**(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.

**GENERAL BODY MEETINGS:**

1. 15<sup>th</sup> Annual General Meeting on 21<sup>st</sup> March, 2001 at 9.30 A.M.  
at P-21A, Old Ballygunj Road, Kolkata-700 019
2. 16<sup>th</sup> Annual General Meeting on 27<sup>th</sup> December, 2001 at 9.30 A.M.  
at P-21A, Old Ballygunj Road, Kolkata-700 019
3. 17<sup>th</sup> Annual General Meeting on 18<sup>th</sup> December, 2002 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.