

# **CCS INFOTECH LIMITED**



**Annual Report  
2002**

## CCS INFOTECH LIMITED

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### BOARD OF DIRECTORS.

Mr. Ratna Kumar  
Mr. Hasan Abdul Kader M. A  
Mr. Anoop Balaraman  
Mr. Sam Kumar  
Mr. Ravi Varma

### AUDITORS

M/s. Paras & Associates  
Chartered Accountants

### BANKERS

Tamilnad Mercantile Bank Ltd  
The Vysya Bank Ltd  
HDFC Bank Limited

### REGISTERED OFFICE

Flat No.7, III Floor, CCS Towers,  
14, Periar Road, T. Nagar, Chennai-600 017

### SHARE TRANSFER AGENTS

M/s. Cameo Corporate Services Limited,  
"Subramaniam Building", V Floor,  
1, Club House Road, Chennai-600 002.  
Phone (044) 8460390 (5 lines)  
Fax: (044) 8460129

Report  junction.com

## CCS INFOTECH LIMITED

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### NOTICE

NOTICE is hereby given that the Fifth Annual General Meeting of the members of CCS Infotech Limited will be held on Monday, the 30<sup>th</sup> September, 2002 at 10.00 am at the Registered Office of the Company situated at Flat No.7, III Floor, CCS Towers, 14, Periar Road, T. Nagar, Chennai-600 017 to transact following business:

#### ORDINARY BUSINESS:

01. To receive, consider and adopt the audited Balance Sheet as at 31st March 2002 and the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

02. To appoint a director in the place of Mr. Anoop Balaraman, who retires by rotation, and being eligible, offers himself for re-appointment.

03 To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting.

#### SPECIAL BUSINESS

04. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Sam Kumar who was appointed as an additional Director at the meeting of the Board of Directors held 5<sup>th</sup> June 2001 2002 and who holds office as such upto the date of this Annual General Meeting and in respect of whom notice has been received from a member signifying his intention to propose Shri Sam Kumar, as a candidate for the office of the Director of the Company be and is hereby appointed as a Director of the Company."

05. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri P. Ravi Varma who was appointed as an additional Director at the meeting of the Board of Directors held on 5<sup>th</sup> June 2002 and who holds office as such up to the date of this Annual General Meeting and in respect of whom notice has been received from a member signifying his intention to propose Shri P. Ravi Varma as a candidate for the office of the Director of the Company be and is hereby appointed as a Director of the Company."

PLACE: CHENNAI

DATE: 30<sup>th</sup> June 2002

By order of the Board,  
CCS Infotech Limited

M.A. HASAN ABDUL KADER  
MANAGING DIRECTOR

**CCS INFOTECH LIMITED****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 and the proxy need not be a member of the Company.
2. The proxy form in order to be effective must be deposited at the Registered office of the company not less than 48 hours before commencement of the meeting
3. The Register of Members and the Transfer of book in respect of the Equity shares will remain closed from 18th September 2002 to 30th September 2002 both days inclusive.
4. The members' are requested to intimate to the Registrar and Transfer Agents, M/s.Cameo Corporate Services Limited #1, Subramaniam Building, Club House Road, Mount Road, Chennai-2, change of address, if any, at the earliest quoting their registered folio number.
5. Equity shares of the Company are in the Depository, set up by National Securities Depository Limited and Central Depositories Services (India) Limited. The shares of the company are in the compulsory dematerialization list specified by SEBI and are traded in the demat mode and the share holders are requested to get their holding dematerialised as early as possible, in their own interest.

**EXPLANATORY STATEMENT**

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

**ITEM NO.:4**

Mr. Sam Kumar was appointed as an additional director by the Board of Director of the Company effective from 05<sup>th</sup> June - 2002. Pursuant to section 260 of the Companies Act, 1956 he holds office only upto the date of ensuing Annual General Meeting of the company. A notice under section 257 of the Act has been received from a member proposing the appointment of Mr. Sam Kumar as a Director of the Company, whose period of office shall be liable to retire by rotation.

The Board of Directors recommends his appointment.

None of the Directors are interested in the resolution except Mr Sam Kumar is interested or concerned in passing of the resolution.

**ITEM NO.: 5**

Mr. P Ravi Varma was appointed as an additional director by the Board of Director of the Company effective from 05<sup>th</sup> June 2002. Pursuant to section 260 of the Companies Act, 1956 he holds office only upto the date of ensuing Annual General Meeting of the company. A notice under section 257 of the Act has been received from a member proposing the appointment of Mr. P. Ravi Varma as a Director of the Company, whose period of office shall be liable to retire by rotation.

The Board of Directors recommends his appointment.

None of the Directors are interested in the resolution except Mr P. Ravi Varma is interested or concerned in passing of the resolution.

PLACE: CHENNAI  
DATE:30th June 2002

By order of the Board,  
CCS Infotech Limited

M.A.HASAN ABDUL KADER  
MANAGING DIRECTOR

**CCS INFOTECH LIMITED****DIRECTORS' REPORT**

Dear Members,

Your Directors have great pleasure in presenting the Fifth Annual Report of the company with audited accounts for the year ended 31<sup>st</sup> March 2002.

Financial Results:	Rupees in Lakhs	
	Year ended 31.03.2002	Year ended 31.03.2001
Profit before Depreciation and Tax	174.09	206.95
Less: Depreciation	57.82	85.58
Profit before Tax	116.27	121.37
Provisions for Tax-Current & Deferred	6.25	8.09
Profit After Tax	110.02	113.28
Balance carried forward to Balance Sheet	116.14	113.28

**DIVIDEND:**

To conserve the reserves and plough back the profits for expansion activities of the company, your Directors do not recommend any dividend for financial year 2001-2002

**MANAGEMENT DISCUSSION AND ANALYSIS: -**

Pursuant to Clause 49 of the Listing Agreement, a management Discussion and Analysis Report is given as addition to this report.

**DIRECTORS**

Mr. Anoop Balaraman retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Mr. Sushil Kumar Kochar, Suganya, Rahmath Mushina have relinquished from their Directorships due to their personal reasons. Mr. Samkumar and P. Ravi Varma, were co-opted as Additional Directors by the Board with effect from 05<sup>th</sup> June 2002. Now the Board recommends them to the members for regularizing their appointment since their precious knowledge, expertise and market connections would be of great use to the company.

**DEPOSITS:**

The Company has not accepted any deposit from the public.

**CCS INFOTECH LIMITED****DIRECTORS' RESPONSIBILITY STATEMENT:-**

As required under Section 217 of the Companies Act, the Directors hereby confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The Directors had 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 of the profit of the Company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis.

**AUDITOR AND AUDITOR'S REPORT:**

Members are hereby informed that M/s. Paras & Associates, Chartered Accountant has been appointed as an Auditor of the company to hold the position till the conclusion of the ensuing AGM. At the same time M/s. Paras & Associates, Chartered Accountants have offered their services to act as Auditors and have also informed the Board that their appointment if considered would be within the prescribed limits under 224(1B) of the Companies Act, 1956. The Board requests the members to consider their appointment from the conclusion of the ensuing AGM till the conclusion of the subsequent AGM.

**CORPORATE GOVERNANCE:**

Your company has always striven to incorporate appropriate standards for good corporate governance. It has taken adequate steps to ensure that all mandatory provisions of corporate governance as prescribed under the amended listing agreements of the stock exchanges, with which the company is listed, are complied with. A separate report on corporate governance is produced as a part of the annual report. Pursuant to Clause 49 of the listing agreement with stock exchanges, a report on Corporate Governance along with Auditor's Certificate of its compliance is included as part of the Annual Report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS/OUTGO:**

The Company has no activity relating to Conservation of energy or technology absorption. The Company did not have any foreign exchange earnings or outgo during the year.

**STATEMENT UNDER SECTION 217(2A) ON PERSONNEL:**

Particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956 are not applicable since none of the employees are in receipt of remuneration in excess of the limits specified herein during the period under review.

**ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their deep appreciation of the dedication and commitment of employees to the growth of your Company during the year. Your Directors also express their sincere gratitude to the Banks, Consultants, Auditors and shareholders for their continued patronage and Co-operation

PLACE: CHENNAI  
DATE: 30th June 2002

By order of the Board,  
CCS Infotech Limited

M.A.HASAN ABDUL KADER  
MANAGING DIRECTOR

**CCS INFOTECH LIMITED****STATEMENTS AND REPORTS ON CORPORATE GOVERNANCE:****A. MANDATORY REPORTS ON CORPORATE GOVERNANCE :-****Company's Philosophy On Corporate Governance:**

The company's Philosophy of corporate governance is aimed at exhibiting maximum transparency to the investors by providing them with more information. This is done not only with the information that are to be revealed under mandatory provisions but also with those information which according to the Management and the Board are relevant to the investors and other Statutory Authorities to whom these Reports are addressed to.

**Board of Directors:**

The Board of Directors is comprised of 2 executive directors and 3 non-executive independent Directors.

**Composition and category of Directors**

Sl No	Name of Director	Category
1	Mr. Hasan Abdul Kader M. A	CMD
2	Mr. Ratna Kumar	ED
3	Mr. Anoop Balaraman	NEID
4	Mr Sam Kumar	NEID
5	Mr. Ravi Verma	NEID

CMD- Chairman and Managing Director, ED- Executive Director NEID- Non-executive Independent Director

**Attendance of each director at Board Meetings and the Last Annual General Meeting**

Sl No	Designation	Name of Director	No of Board meeting (Attendance)	Last AGM (Attendance)
1	CMD	Mr. Hasan Abdul Khader M. A	7	yes
2	ED	Mr. Rathna Kumar	7	yes
3	NEID	Mr. Anoop Balaraman	7	yes
4		Mr. Arun Kumar H	7	yes
5		Mr. Mohammed Rizwan M. A	7	yes
6		Mr. Sushil Kumar Kochar **	3	No
7		Mr. Ali Manzoor*	1	No
8	NEID	Sam Kumar	Nil	No
9	NEID	Ravi Verma	Nil	No

CMD: Chairman and Managing Director ED: Executive Director NEID: Non-executive Independent Director

\*\*Mr. Sushil Kumar Kochar was appointed as additional director w.e.f 11-04-2001 and resigned on 01.03.2002

\* resigned as director w.e.f 01.03.2002

## CCS INFOTECH LIMITED

### Board Meetings :-

The Board met seven times during the last financial year on 11<sup>th</sup> April 2001, 30<sup>th</sup> June 2001, 04<sup>th</sup> July 2001, 31<sup>st</sup> July 2001, 30<sup>th</sup> October 2001, 31<sup>st</sup> January 2002 and 01<sup>st</sup> March 2002.

None of the Directors is member in more than 10 committees or acting as Chairman of more than five committees.

### Audit Committee:

There exists an audit committee comprised of M/s. Sam Kumar, Ravi Varma and Anoop Balaraman who are independent non-executive Directors. Mr. Sam Kumar is the Chairman of this Committee. The Audit Committee met 3 times during the year on 29<sup>th</sup> June 2001, 31<sup>st</sup> October 2001, & 31<sup>st</sup> January 2002.

The committee oversees, inter alia, the financial reporting system, disclosure requirements and matters relating to appointment and remuneration of statutory auditors. The committee also reviews periodically the financial accounts, adherence to Accounting Standards, internal control systems, financial and risk management policies of the company;

### Shareholders Grievance Committee:

The Share transfer cum investor Grievance committee was constituted under the Chairmanship of Mr. Ravi Varma and Mr. Anoop Balaraman, both are non-executive Directors. Apart from looking into redressal of investors grievances the committee deals with various matters relating to the transfer and transmission of shares, issue of duplicate share certificates, approval of split and consolidation requests, other matters relating to transfer and registration of shares including dematerialisation. The Board as per the listing agreement has appointed, R.Ravi Varma Director as the Compliance Officer. During the financial year only one complaints regarding Non-receipt of share certificates was received by the company which has been solved within 10 days from the date of receipt of letter.

### Remuneration Committee and Policy: -

The Company has not constituted a Remuneration Committee. The Board of Directors determines the remuneration payable to the whole-time Directors taking into accounts their qualification, experience, expertise, contribution to the organization.

The details of remuneration paid to Directors for the year ended March 31, 2002 is as follows:

Name of the director	Sitting Fees (Rs)	Salaries and perquisites (Rs)	Commission (Rs)	Total
Mr. Hasan Abdul Kader M. A	Nil	120000	Nil	120000
Mr. Ratna Kumar	Nil	120000	Nil	120000
Mr. Anoop Balaraman	3500	Nil	Nil	3500
Mr. Arun Kumar H	3500	Nil	Nil	3500
Mr. Mohammed Rizwan M. A	3500	Nil	Nil	3500
Mr. Sushil Kumar Kochar **	1500	Nil	Nil	1500
Mr. Ali Manzoor*	500	Nil	Nil	500

The agreement with the Chairman and Managing Director is for a period of five years Either party to the agreement is entitled to terminate the agreement by giving one months notice to other party.

The Company does not have a scheme for grant of stock options to the Directors.



**CCS INFOTECH LIMITED****NOTES ON DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT**

**Mr.Sam Kumar Director – Non-Executive and Independent**

He is having sound knowledge in finance and accounts. Has done certified course in Tally Package. He is having vast knowledge in the field of preparing project report for financial institutions.. The Board is greatly benefited by him.

**Mr.P Ravi Varma- Director – Non-Executive and Independent**

He is a graduate in Literature & Arts who has produced and directed television software for many companies. He is having wider global contacts. His services and ideas with acumen are of great help to the company as well as the Board.

**General Body Meetings in last three financial years:**

AGM/EGM	Date	Venue	Time	No of special resolution passed
AGM	29/10/2001	Golden Mahal, #63, Brindavan Nagar, Near Kesaravakkam bus stand, Valsarvakkam, Chennai-600 087	10.00 a.m	2
AGM	30/09/2000	Flat No.7, III Floor, CCS Towers, 14, Periar Road, T. Nagar, Chennai-600 017	10.00 a.m	Nil
AGM	30/09/1999	Flat No.7, III Floor, CCS Towers, 14, Periar Road, T. Nagar, Chennai-600 017	10.00 a.m	Nil

**Disclosures:**

Disclosures on materially significant related party transactions i.e transactions of the company of material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large : Nil

Details of non compliance by the Company, penalties/strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last financial year:Nil

**Means of Communication:**

The Board of Directors of the Company takes on record the Unaudited Financial Results in the prescribed form within one month of the close of the quarter and announces the results to the stock exchanges where company's shares are listed. The same are also published within 48 hours in the newspapers viz Trinity Mirror (English) and Makkal Kural (Tamil). The results are also promptly forwarded to the stock exchanges where the company's shares are listed.

**CCS INFOTECH LIMITED**

The quarterly results are displayed on the company's website [www.ccsinfotech.com](http://www.ccsinfotech.com)

Management discussion and analysis forms part of the Directors' Report.

**General Shareholder Information:**

- The Fifth Annual General Meeting of the company is scheduled to be held on Monday, 30<sup>th</sup> September, 2002 at 10.00 am at Flat No.7, III Floor, CCS Towers, 14, Periar Road, T. Nagar, Chennai-600 017
- The company's financial calendar is for a period of 12 months starting from April 1 to March 31 of the succeeding year. The period covered under this annual report is from April 1, 2001 to March 31, 2002
- Date of Book closure: 18<sup>th</sup> September 2002 – 30<sup>th</sup> September 2002
- Dividend payment date: Nil
- The shares are listed and traded on the following stock exchanges:-  
Mumbai Stock Exchange Limited  
Calcutta Stock Exchange Limited  
Madras Stock Exchange Limited.
- Listing fees for the period 2002-2003 has been paid to the stock exchanges.
- Stock code: Demat ISIN NO:INE661B01019

**Stock Market Data:**

The high and low prices of shares during the year:

MONTH	HIGH	LOW
April 2001	Not traded	Not traded
May 2001	Not traded	Not Traded
June 2001	Not traded	Not traded
July 2001	Not traded	Not traded
August 2001	Not traded	Not traded
September 2001	Not traded	Not traded
October 2001	Not traded	Not traded
November 2001	8.40	2.20
December 2001	9.10	4.50
January 2002	11.10	1.35
February 2002	Not traded	Not traded
March 2002	11.10	1.35

**Registrars & Share Transfer Agents:**

M/s. Cameo Corporate Services Limited,  
#1, Subramaniam Building, Club House Road, Mount Road, Chennai-2.