

CRESSANDA SOLUTIONS LIMITED

27TH ANNUAL REPORT

2011-2012

CRESSANDA SOLUTIONS LIMITED

**27th Annual Report
2011-2012**

BOARD OF DIRECTORS	: Mr. M. N. Shenoy Mr. Rahul Agarwal Mr. Rohit Agarwal Mr. Geetha Darbha Mr. Rohit Khaitan	Chairman Managing Director Director Director Director
BANKERS	: Citi Bank, New Delhi ICICI Bank, New Delhi	
AUDITORS	: M/s. Agarwal Sangneria & Co. Chartered Accountants Kolkata	
REGISTERED OFFICE	: 102, Arihant Building, 15 th Road, Khar (W), Mumbai - 400 052	
REGISTRARS & SHARE TRANSFER AGENTS	: Sharepro Services (I) Private Limited 13AB, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Andheri (East), Sakinaka, Mumbai - 400 072 Tel No. : (022) – 67720300/351/352 Fax No. : (022) - 28591568 E-mail : sharepro@shareproservices.com	

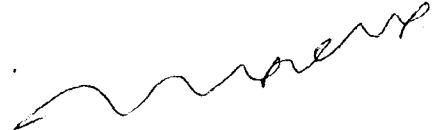
NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of **CRESSANDA SOLUTIONS LIMITED** will be held on **Friday the 27th day of July, 2012 at 10.30 a.m.** at the registered office of the company at 102, Arihant Building, 15th Road, Khar (W), Mumbai - 400 052 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the financial year ended as on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rohit Agarwal, who retires by rotation and being eligible, offers himself for re- appointment.
3. To appoint M/s. Agarwal Sangneria & Co., Chartered Accountants as statutory auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

**BY ORDER OF THE BOARD
FOR CRESSANDA SOLUTIONS LIMITED**



DIRECTOR

Registered Office :
102, Arihant Building, 15th Road,
Khar (W), Mumbai - 400 052

Mumbai : 31st May, 2012

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NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THAT PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, 23rd July, 2012 to Friday, 27th July, 2012** (both days inclusive).
3. Members are requested to notify immediately the change of address, if any to the Company.
4. Members /Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
5. Members attending the Annual General Meeting are requested to bring their copies of Annual Report at the meeting.
6. The Documents referred to in the proposed resolution are available for inspection at the registered Office of the Company between 9.00 a.m. to 10.00 a.m., except on holidays up to the Annual General Meeting.
7. The Company, consequent upon the introduction of the Depository system (DS), entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares of the Company. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.

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DIRECTORS' REPORT

Dear Members,

Your Director's have pleasure in presenting their Twenty Seventh Annual Report and Audited Annual Accounts of the Company for the year ended on 31st March, 2012.

1. FINANCIAL RESULTS :

	(figures in Rs. Lacs)	
	For the year 2011-2012	Previous Year 2010-2011
Total Income	2.26	0.24
(Loss) / Profit before tax	(2.01)	(270.82)
Less : Provision for Tax	----	7.72
(Loss) / Profit after tax	(2.01)	(278.55)

2. OPERATION

During the year under review the company suspended all its services. After offsetting the expenses the Company incurred a loss (before tax) of Rs. 2.01 Lacs during the year as against the loss of Rs. 270.82 Lacs incurred during the corresponding period of previous year. The directors are optimistic about the future of the company.

3. DIVIDEND

The Directors do not recommend any dividend for the year.

4. DIRECTORS

Mr. Rohit Agarwal Director of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

5. SCHEME OF AMAGLAMATION OF SMARTCHAMP'S IT AND INFRA LIMITED

Your Company has filed an application for scheme of amalgamation of M/s. SMARTCHAMP'S IT AND INFRA LIMITED with our company to the Bombay High Court. The scheme is subject to the approvals of the members of our company and approval of the necessary authorities. The company has already received in principle approval from the Bombay Stock Exchange Ltd. for the scheme of amalgamation.

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Smartchamp's IT and Infra Limited (SCL) is an IT & Infra company focused on IT hardware, software & Infra sectors. This company is expected to grow at a fast pace because of the huge infrastructure expenditures being spent in our country for the infrastructure and development projects. This Company has good amount of resources to carry on the activities of infrastructure, real estate development and IT industry.

The amalgamated consolidated entity will have the strategic and competitive advantage especially at the time when many companies are integrating vertically by setting up their own capacities for business advantage. The proposed amalgamation of Smartchamp's IT and Infra Limited with our company is in line with the current global trends to achieve size, scale, integration and greater financial strength and flexibility.

The shareholders of the company would be informed of the developments in this regard as and when it take place.

6. REDUCTION IN SHARE CAPITAL OF THE COMPANY

As per the scheme of amalgamation and arrangement it is proposed to reduce the present paid up share capital of the company from Rs. 9,00,00,000/- (Rupees Nine Crores) prior to amalgamation to Rs. 45,00,000/- (Rupees Forty Five Lakhs) after the amalgamation. The proposed reduction in capital is subject to the approval of the members and necessary authorities. The company has since received the in principle approval for reduction in share capital as part of the scheme of amalgamation and arrangement from the Bombay Stock Exchange.

The reduction of capital is an intrinsic part of the overall scheme of amalgamation.

The shareholders of the company would be informed of the developments in this regard as and when it take place.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm as under :-

1. In preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures
2. That they had selected such accounting standards, 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 loss of the company for that period.
3. That they had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the relevant acts for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the accounts are prepared on a going concern basis.



8. CONSOLIDATED FINANCIAL STATEMENT

As required under Accounting standards AS-21, AS-23 and AS-27 issued by the Institute of Chartered Accounts of India, the consolidated financial statements have been prepared on the basis of the financial statements of the company and its subsidiary.

9. AUDITORS

M/s. Agarwal Sangneria & Co., Chartered Accountants, statutory auditors of the Company hold office until the conclusion of this Annual General Meeting. The Directors recommend their re-appointment as auditors of the Company.

10. AUDITOR REPORT

The observations made by the auditors in their report are self explanatory and need no further elaboration.

11. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Your Company does not own any manufacturing facilities and consequently the disclosure of information on conservation of energy, technology absorption etc., required to be disclosed in terms of Section 271 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Director's) Rules, 1988 not being applicable, is not given.

A. RESEARCH AND DEVELOPMENT

Research and Development activities by way of software development for commercial applications on turnkey basis – right from systems study, design, and development to implementation and training are being undertaken on an ongoing basis, involving applications for the internet, developing portal sites, web sites, e-commerce and supply chain solutions.

B. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Income from software development	Rs. Nil
(b) Expenditure in foreign currency	Rs. Nil

12. PARTICULARS OF EMPLOYEES

During the year under review there was no employee employed in the financial year who were in receipt of remuneration in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particular of Employees) rules, 1975.

13. FIXED DEPOSITS

The company has not accepted and/or renewed deposits from public for the period under review within the meaning of Section 58(A) of the Companies Act 1956 and the rules made there under.

14. MANAGEMENT DISCUSSION AND ANALYSIS

As required by Clause 49 of the Listing Agreement with the Stock Exchange, Management Discussion and Analysis Report is appended to this report.

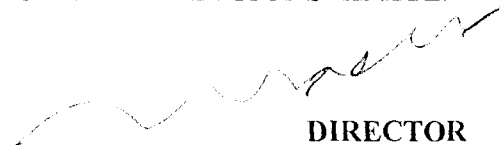
15. CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, a Report on Corporate Governance is appended together with the Certificate on Corporate Governance from the Practicing Company Secretary, Mr. S. Lakshminarayanan.

16. APPRECIATION

Your Directors take the opportunity to thank all members for their Co-operation and contribution to the Company's Operation during the year. Your Directors also wish to place on record their appreciation for the support and co-operation by the Banks, Business Associates and Financial Institutions during the period under review.

**BY ORDER OF THE BOARD
FOR CRESSANDA SOLUTIONS LIMITED**



DIRECTOR

Registered Office :
102, Arihant Building, 15th Road,
Khar (W), Mumbai - 400 052

Mumbai : 31st May, 2012



CORPORATE GOVERNANCE REPORT

(As required under clause 49 of the Listing Agreement enter into with the Stock Exchanges)

1. Company's Philosophy on Corporate Governance :

The Company's philosophy on Corporate Governance envisages the attainment of the high level of accountability in the functioning of the Company and the conduct of its business internally and externally, including its inter-action with employees, shareholders, creditors, consumers and with the Government departments.

2. Board of Directors:

- Composition, Category of Directors and their other Directorships and Committee Memberships:

The present Board consists of six directors. The composition of Board of Directors, the number of other directorship or board committees of which he is a member / Chairman is as under:

Name of Director	Category	Other Directorships/ Board Committees (Numbers)	
		Directorships	Board Committee
Mr. M. N. Shenoy	Independent, Non-Executive Director & Compliance Officer	11	NIL
Mr. Rahul Agarwal	Managing Director	6	NIL
Mr. Rohit Agarwal	Promoter & Non-Executive Director	5	NIL
Mrs. Geetha Darbha	Non Executive and Independent Director	NIL	NIL
Mr. Rohit Khaitan	Non Executive and Independent Director	NIL	NIL

Board Meetings:

During the year under review, the Board of Director met 7 times on 30.04.2011, 25.05.2011, 27.06.2011, 30.07.2011, 30.10.2011, 31.01.2012 & 06.03.2012.

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➤ **Attendance of Directors at the Board Meetings and Last Annual General Meeting :**

Name of Director	Board Meetings Attended	Attendance at the Last Annual General Meeting
Mr. M. N. Shenoy	7	Yes
Mr. Rahul Agarwal	7	Yes
Mr. Rohit Agarwal	7	Yes
Mrs. Geetha Darbha	No	No
Mr. Rohit khaitan	No	No

No Extra Ordinary General Meeting was held during the year under review.

3. Audit Committee:

➤ **Terms of reference:**

The terms of reference of this committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement.

➤ **Composition:**

The Audit Committee comprises Mr. M. N. Shenoy (Chairman), Mr. Rahul Agarwal and Mr. Rohit Agarwal. The Committee is chaired by an Independent director and consists of members who have accounting and financial knowledge.

➤ **Meeting and the Attendance during the year:**

The Audit Committee met four times during the year under review. The Committee also met prior to the finalization of accounts for the year ended 31st March, 2012.

Name of Director	No. of Meetings Attended
Mr. M. N. Shenoy	4
Mr. Rahul Agarwal	4
Mr. Rohit Agarwal	4

4. Shareholders/ Investors Grievance Committee:

The Company has constituted a shareholders/ investors grievance committee, to look into redressed of investors' complaints and requests like delay in transfer of shares, non-receipt of annual report etc.

The committee comprises of Two Non-Executive Director and One Executive Director. Mr. M. N. Shenoy is the Non-Executive Chairman of the Committee and Mr. Rohit Agarwal and Mr. Rahul Agarwal are other members of the Committee.