



**17<sup>th</sup>**

**Annual Report 2011-2012**



## BOARD OF DIRECTORS

LAXMI PRASHAD JAISWAL  
DHIRAJ KUMAR JAISWAL  
C K M PRASAD  
DINESH KUMAR JAISWAL  
DEEPAK SINGH  
SYED MOHIUDDIN AHMED  
OMAR MOHAMMAD

- CHAIRMAN
- MANAGING DIRECTOR
- WHOLE - TIME DIRECTOR
- DIRECTOR
- DIRECTOR
- DIRECTOR
- ADDITIONAL DIRECTOR

### AUDITORS

RAMU & RAVI  
Chartered Accountants  
814, Raghavaratna Towers,  
Chirag Ali Lane, Abids,  
Hyderabad.

### BANKERS

State Bank of India  
HDFC Bank Limited  
Bank of India  
Development Credit Bank

### REGISTERED OFFICE

1st Floor, Champa Mansion,  
Nampally Station Road,  
Hyderabad – 500 001  
Telephone: 040-23202769 / 23203943  
Fax: 040-23204092  
E-mail: [info@cattechnologies.com](mailto:info@cattechnologies.com)

### SHARE TRANSFER AGENTS

Aarthi Consultants Pvt. Ltd  
H. No. 1-2-285, Domalguda,  
Hyderabad – 500 029



## NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of the Company will be held on FRIDAY, 28TH SEPTEMBER, 2012 at 11.00 A.M at the Registered Office of the Company at 1st Floor, Champa Mansion, Nampally Station Road, Hyderabad – 500 001 to transact the following business:

### ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the year ended as on that date along with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C K M Prasad, who retires by rotation and expressed his unwillingness for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

#### 4. TO APPOINT MR. OMAR MOHAMMAD AS DIRECTOR OF THE COMPANY:

To consider and if, thought 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 all other applicable provision, if any, of the Companies Act, 1956 Mr. Omar Mohammad, who was co-opted as an Additional Director by the Board at their meeting held on 14th May, 2012 and who holds office as such up to the date of this Annual General Meeting and in respect of whom a notice under section 257 of the Companies Act, 1956 has been received in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the company liable to retire by rotation.”

BY ORDER OF THE BOARD  
FOR CAT TECHNOLOGIES LIMITED

Place: HYDERABAD  
Date: 29-08-2012

Sd/-  
**DHIRAJ KUMAR JAISWAL**  
MANAGING DIRECTOR

**NOTES:**

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- b. THE PROXY INORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- c. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 25th September, 2012 to Friday, 28th September, 2012 (inclusive of both days).
- d. An Explanatory Statement pursuant to provisions of Section173 (2) of the Companies Act, 1956, is annexed hereto. The relevant details as required by Clause 49 of the Listing Agreements entered with the Stock Exchange, of persons seeking appointment/re-appointment as Director under Item Nos. 4 above are also annexed.
- e. Members/proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting. Copies of the Annual Reports will not be provided at the meeting.
- f. Members are requested to notify any change in their addresses to the Company's Share and Depository Transfer Agents.
- g. Members are requested to convert their holdings into De-mat. The Company's ID with CDSL and NSDL is INE170B01037. The Company's Share and Depository Transfer Agents are M/s. Aarthi Consultants Private Limited.
- h. **The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011respectively), has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its members in the electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their e-mail address for the said purpose. Members are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications.**



## **EXPLANATORY STATEMENT**

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

### **ITEM NO. 4:**

In view of strengthening the Board, Mr. Omar Mohammad was co-opted as Additional Director by the Board at their meeting held on 14th May, 2012 and he holds office till the conclusion of this Annual General Meeting.

A Notice in writing has been received by the Company from a member along with deposit of Rs. 500/- proposing his candidature for appointment as a Director of the Company in compliance with Section 257 of the Companies Act, 1956. Your Directors recommend the resolution to the members for approval.

Pursuant to provisions of Section 257 of the Companies Act, 1956 any appointment of Director requires the approval of the members, hence this resolution is commended for your approval

None of the Directors is interested in the aforesaid resolution except Mr. Omar Mohammad

**BY ORDER OF THE BOARD  
FOR CAT TECHNOLOGIES LIMITED**

Place: HYDERABAD

Date: 29-08-2012

Sd/-  
**DHIRAJ KUMAR JAISWAL**  
MANAGING DIRECTOR



## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in presenting the Seventeenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2012.

### REVIEW OF PERFORMANCE:

#### Global Operations:

Your Company has recorded a consolidated income (as per Indian GAAP) of Rs. 1009.91 Millions for the Financial Year under review and Loss of Rs. 69.01 Millions.

#### Indian Operations:

During the financial year 2011-12 your Company recorded turnover of Rs. 85.56 Millions and incurred a Net Loss after tax of 4.82 Millions compared to Turnover of Rs. 74.56 Millions and Net Loss after tax of Rs. 1.29 Million during the previous financial year.

Your Board of Directors are hopeful that the performance of the Company will improve in the coming financial years.

### DIVIDEND:

Due to losses, no dividend has been recommended by directors for the financial year 2011-12.

### PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules 1975 during the year.

### DIRECTORS:

During the period under review Mr. Vinod Kumar Sriram and Mr. Dhaduvai Venkatram, Directors of the Company have resigned from the office of Directorship and Mr. Omar Mohammad was appointed on the Board of the Company w. e. f 14.05.2012. The Board recommends his re-appointment.

Further, Mr. C K M Prasad, Director of the Company retires by rotation at the ensuing Annual General Meeting and expressed his unwillingness for re-appointment.

### PARTICULARS OF EMPLOYEES:

There are no employees whose particulars are to be furnished U/s 217 (2A) of the Companies Act, 1956 read with Companies Act (Particulars of employees) Rules 1988, as the remuneration of none of the employees has crossed the limits specified therein.

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors of your Company hereby confirm that:



- i. In the preparation of Annual Accounts for the year ended 31st March, 2012, the applicable accounting standards have been followed except for retirement benefits which is being accounted for on cash basis along with the proper explanation relating to material departures, if any, there from;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2012 and of the profit and loss of the Company for that period;
- iii. The Directors have 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 frauds and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information in accordance with clause (e) of Sub-section (1) of Section 217 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and form part of the Directors Report for the period ended 31st March, 2012 is follows:

- A. Conservation of Energy – Your Company is engaged in Software Development and IT Enabled Services and hence the details in respect of the above are not applicable. However, measures are taken to reduce energy consumption wherever possible.
- B. Research & Development – Research and development of new services, designs, frameworks, processes and methodologies continue to be of importance at your Company. This allows Company to enhance quality and productivity and customer satisfaction through continuous innovation.
- C. Technology Absorption - Not Applicable
- D. Foreign Exchange Earnings & Outgo: (Rs. in Lakhs)

	2011-12	2010-11
Foreign Exchange earnings	608.65	804.60
Foreign Exchange outgo	--	--

#### **SUBSIDIARY COMPANIES:**

The Audit Committee of the Company reviews the financial statements of the subsidiary companies. The Audit Committee also reviews investment made by subsidiary companies, minutes of their Board meetings, and the statement of all significant transactions and arrangements entered into by the subsidiary companies.

The Company has 2 subsidiaries as on 31st March 2012 (i. e) Cat Technology Inc and Cat Technology FZE.





The Consolidated Financial Statements represented by the Company includes the Audited Financial Information of its subsidiaries.

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Balance Sheet and Profit and Loss Account of the subsidiaries to the annual report. The Ministry of Corporate Affairs, Government of India vide its circular No. 2/2011 dated 8 February 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in their annual report. Accordingly, the annual report 2011-12 does not contain the financial statements of the subsidiaries. The audited annual accounts and related information of the subsidiaries, where applicable, will be made available for inspection during business hours at our registered office in Hyderabad, India.

### **AUDITORS:**

M/s. Ramu & Ravi, Chartered Accountants, Hyderabad, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and expressed their unwillingness to be re-appointed.

Further Company is in receipt of letter from M/s Suresh Gupta. Y & Co. Chartered Accountants, expressing their willingness to be appointed as Statutory Auditors of the Company and further intimating that in the event of their appointment as statutory auditors at the ensuing Annual General Meeting, such appointment will be in accordance with the limits specified in Section 224 (1B) of the Companies Act, 1956.

Board recommends their appointment.

### **CORPORATE GOVERNANCE:**

- a) Management Discussion & Analysis Report: Aspects of Management Discussion and Analysis is enclosed as Annexure – I to this report.
- b) Report on Corporate Governance: A separate report on Corporate Governance along with Auditor's Certificate on its compliance is enclosed as Annexure – II to this report.

### **ACKNOWLEDGEMENTS:**

Your Directors have pleasure in recording their appreciation for the assistance extended to the Company by various officials of the Central and State Governments and Commercial Banks.

Your Directors would also like to place on record their sincere appreciation and gratitude to the Shareholders for their support and co-operation. Your Directors express their heartfelt gratitude to the employees for their exceptional commitment and loyalty to the Company.

BY ORDER OF THE BOARD  
**For CAT TECHNOLOGIES LIMITED**

Place: Hyderabad

Date: 29.08.2012

Sd/-

**LAXMI PERSHAD JAISWAL**  
CHAIRMAN





**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956  
RELATING TO SUBSIDIARY COMPANIES**

**Name of the subsidiary : M/s. CAT TECHNOLOGY INC**

- 1. Financial year of the subsidiary ended on : 31<sup>st</sup> March, 2012**
- 2. Shares of the subsidiary held by the Company on the above date**
  - (a) Number and face value : 100 Common Shares US\$ 10/-  
Each fully paid-up
  - (b) Extent of holding : 100%
- 3. Net aggregate amount of profit or losses of the subsidiary for the above financial year of the subsidiary not dealt with in the Company's account so far as it concerns the members of the Holding Company**
  - (a) For the financial year of the subsidiary : Rs. 3.03 Millions
  - (b) For the previous financial : Rs. 40.90 Millions
- 4. Net aggregate amount of profit or losses of the subsidiary for the above financial year of the subsidiary dealt with in the Company's account**
  - (a) For the financial year of the subsidiary : NIL
  - (b) For the previous financial year : NIL

**Name of the subsidiary : M/s. CAT TECHNOLOGY FZE**

- 1. Financial year of the subsidiary ended on : 31<sup>st</sup> March, 2012**
- 2. Shares of the subsidiary held by the Company on the above date**
  - (a) Number and face value : 1 Share of 150000 UAE Dhiram  
Each fully paid-up
  - (b) Extent of holding : 100%
- 3. Net aggregate amount of profit or losses of the subsidiary for the above financial year of the subsidiary not dealt with in the Company's account so far as it concerns the members of the Holding Company**
  - (a) For the financial year of the subsidiary : Rs. (26.71 Millions)
  - (b) For the previous financial : Rs. 583.86 Millions
- 4. Net aggregate amount of profit or losses of the subsidiary for the above financial year of the subsidiary dealt with in the Company's account**
  - (a) For the financial year of the subsidiary : NIL
  - (b) For the previous financial year : NIL



**INFORMATION ON FINANCIALS OF THE SUBSIDIARIES**  
(Pursuant to circular no. 2/2011 dated 08th February, 2012 issued by Ministry of Corporate Affairs)

(Amount in Lakhs)

S. No.	Name	Capital	Reserves	Other Liabilities	Total Liabilities	Fixed Assets	Total Assets	investments (except investment in the subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
1	CAT TECHNOLOGY INC	52.37	243.78	811.51	701.91	0.00	701.91	---	4065.82	37.12	6.80	30.31	NIL
2	CAT TECHNOLOGY FZE	21.71	13167.04	6545.02	19733.23	384.99	19733.23	---	5534.62	(267.13)	0.00	(267.13)	NIL