

# **21st ANNUAL REPORT 2005 - 2006**



***COMPUTER POINT LTD.***

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|---|----------|--|
| <b>1. BOARD OF DIRECTORS</b>                      | <b>:</b> | <b>MR. RAJESH GUPTA - Director</b><br><b>MR. S. KUMAR - Director</b><br><b>MR. J. KUMAR - Director</b> |
| <b>2. COMPANY SECRETARY</b>                       | <b>:</b> | <b>MR. J. TIWARI</b>   |
| <b>3. AUDITORS</b>                                | <b>:</b> | <b>RAJESH DUGGAR &amp; CO.</b><br><b>Chartered Accountants</b><br><b>Kolkata</b>                       |
| <b>4. SOLICITORS</b>                              | <b>:</b> | <b>B.K. JAIN &amp; CO.</b><br><b>SOLICITORS &amp; ADVOCATES</b><br><b>KOLKATA</b>                      |
| <b>5. BANKER</b>                                  | <b>:</b> | <b>ABN AMRO BANK</b>   |
| <b>6. REGISTERED OFFICE</b>                       | <b>:</b> | <b>B – 1523 Shastri Nagar, 1st Floor</b><br><b>Delhi - 110052</b>                                      |
| <b>7. REGISTRARS &amp; SHARE TRANSFER AGENT :</b> |          | <b>M/s. S. K. COMPUTER</b><br><b>34/1A, Sudhir Chatterjee Street</b><br><b>Kolkata-700 006</b>         |

## NOTICE TO THE MEMBERS OF COMPUTER POINT LTD.

NOTICE is hereby given that the 21st Annual General Meeting of M/s. **COMPUTER POINT LTD.** will held on Wednesday 27th December, 2006 at 9.30 A.M. at A- 1/288, Safdarjung Enclave, New Delhi 110029 to transact the following business :-

### ORDINARY BUSINESS :-

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th June, 2006 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.J.Kumar who retires by rotation & being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

### SPECIAL BUSINESS :-

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to section 81(1A) and all other applicable provisions, if any, of the Companies Act 1956 (including any amendment there at or re-enactment thereof) (herein after referred to as 'the Act') and subject to the enabling provisions of the Memorandum of Association of the company, the Listing Agreements entered into by the company with the stock exchanges where the Shares of the company are listed and in accordance with the applicable guidelines issued by the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), Government of India (GOI) or any other relevant Authority and Clarification thereon issued from time to time, if any, and subject to all such Statutory, Regulatory and Government approvals, permissions and Sanctions as may be necessary and subject to such condition and modification as may be prescribed or imposed by any one of them, while granting such approval, permission or sanctions, which may be agreed to by the Board of Directors or any Committee thereof (herein after referred to as 'the Board'), the consent of the Company be and is hereby accorded to the Board to create, issue and allot, in one or more tranches, and upon such terms and conditions the Board may deem as appropriate, by way of preferential allotment, not exceeding in the aggregate, 30,00,000 Equity Shares of Rs 10/- each for Cash at par and an aggregate of not exceeding 30,00,000 Convertible warrants carrying a right of options to be exercisable within 18 months from the date of allotment thereof for conversion of each warrant into one Equity Shares of Rs 10/- each for Cash at par, ranking pari-passu in all respects including Dividend entitlement, with the existing equity shares of the company as on the date of the respective allotments, the issue price of the said new equity shares being determined with reference to the relevant date being 27th November, 2006, as per the SEBI (Discloser & Investors Protection) guideline 2000 for Preferential Issue, to the investors mentioned in the following table up to the number of shares and convertible warrants mentioned against each name and on such other terms and conditions as the Board may deem appropriate in its absolute discretion.

### NON PROMOTERS

<u>Serial No</u>	<u>Investor/Entity</u>	<u>No. of Securities</u> <u>Eq. Shares / Warrants</u>
1.	Jai Software & Systems Pvt.Ltd.	10,00,000 / 10,00,000
2.	Jai Technology Pvt.Ltd.	10,00,000 / 10,00,000
3.	S.S.Homes Private Ltd.	10,00,000 / 10,00,000

The aggregate No. of equity shares/warrants to be subscribed to by the persons as above shall not exceed 60,00,000. Equity shares of Rs. 10/- each after exercising the option for conversion of warrants and allotment of shares thereon.

### RESOLVED FURTHER that:

(A) The relevant date for the pricing of the shares in accordance with the SEBI (Discloser & Investor Protection) guidelines 2000, be fixed as 27th November 2006 being the 30th day prior to the date on which the meeting of the shareholders will be held i.e. 27th December 2006, in terms of Section 81(1A) of the Act, to consider the proposed preferential issue.

- (B) Options as above may be offered to the intending subscribers, by way of convertible warrants which would be convertible into & exchangeable with equity shares of Rs 10/- each of the company at a price of Rs.10/- (Rupees Ten only) per share determined as per SEBI guidelines on preferential issue.
- (C) The issue or subscription price of equity shares arising out of or exchanged against such convertible warrants shall be at par i.e. Rs 10/- per shares.
- (D) On allotment of the convertible warrants the allottees shall be liable to pay Rs 1/- (Rupees one) per share as 'up-front' being not less than 10% of the price fixed for the shares arising out of or exchanged with such convertible warrants. The amount so collected shall be adjusted against the subscription payable subsequently on exercising the options. The holder of the convertible warrants shall, before the date of respective conversion, pay the balance 90% of the consideration towards subscriptions to equity shares.

In case the allottee of the convertible warrants subsequently decides not to exercise the option to exchange into shares, the upfront payment made by him shall stand forfeited. The options attached to the convertible warrants shall not be transferred or otherwise disposed off to any other person/third party.

- (E) The Board be and is hereby authorized to decide and approve the other terms and conditions of the Issue of equity shares and right of options to be attached to warrants to be allotted and also shall be entitled to vary modify or alter any of the terms and conditions, including the issue price on a higher side than the one mentioned above, as it may deem fit and expedient, without being required to seek any further consent or approval of the company in a general meeting.
- (F) The offer for issue and allotment of the aforesaid shares shall be made at such time or times as the Board may decide in its absolute discretion.
- (G) The Board be and is hereby authorized to delegate all or any of the powers herein transferred by the resolution to any director or directors or to any committee of directors of the company to give effect to the above resolutions.

RESOLVED further that for giving effect to this resolution, the Board be and is hereby authorized to take such steps and do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question and remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the shares and utilization of the issue proceeds of the shares, to prescribe the forms of application, enter into any agreements or other instruments and to take such actions or give such directives as they may consider necessary or desirable and to obtain any approval, permissions, and sanction which may be necessary or desirable as they may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any amendments, modification, variations and alteration as the GOI/RBI/SEBI or any other regulatory authority may stipulate in that behalf."

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

"RESOLVED that pursuant to section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorized capital of the company be and is hereby increased from Rs 12,60,00,000/- (Rupees Twelve Crore Sixty Lacs) divided into 1,26,00,000(One Crore Twenty Six Lacks) equity shares of Rs 10/- (Rupees Ten) each to Rs 15,10,00,000(Rupees Fifteen Crore Ten Lacks) divided into 1,51,00,000 (One Hundred Fifty One Lacks) equity shares of Rs 10/- each by creations of further 25,00,000( Twenty Five Lacks) equity shares of Rs 10/- each."

"RESOLVED further that pursuant to section 16 and other applicable provisions of the companies Act, 1956, the existing clause v of the Memorandum of association of the company be and is hereby amended accordingly to incorporate the aforesaid increased Capital."

Date: 15th November, 2006  
Place: Delhi

By Order of the Board  
**R.Gupta**  
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. An 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 21st December, 2006 to 27th December, 2006 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 Certificate to enable the Company to consolidate their holding into one account. The Share certificate will be duly returned to the member 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 Dematerialized Form are requested to bring their Client ID & DP ID Numbers for easy identification for attendance at the meeting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 SETTING OUT ALL MATERIAL FACTS RELATING TO ITEMS OF SPECIAL BUSINESS:**

[Item no: 4]

It is proposed that the proceeds of further issue and allotment of shares will be utilized partly for liquidating the Secured Term loans with a view to reduce cost of financing and remaining balance for setting up green field projects in conjunction with various Universities for imparting specially designed IT courses.

Accordingly, your directors in their meeting held on 7th November 2006 have proposed that subject to approval of the members in a general meeting and such other requisite statutory approval, consents and sanction, and subject to negotiations and execution of appropriate legal documentations and fulfillments of the conditions mentioned therein, to offer for subscription by way of Preferential Allotment of upto but not exceeding 30,00,000 Equity Shares as Rs 10/- each of the company to the entities named in the resolution under item no 4 in one or more tranches, at par, for an aggregate value of not exceeding Rs.3,00,00,000/-. The special resolution U/S 81 (1A) of the Companies Act, 1956 has been proposed in view of the fact that the shares would be offered to person who may or may not be exiting shareholders.

The pricing of the shares to be offered has been arrived at as per the SEBI (disclosures & Investors / protection) Guideline 2000, for preferential issue and that the 'relevant date' for this purpose has been taken as 30 days prior to the date on which the General meeting for approval of the resolution U/S 81(1A) of the Act to be held on 27/12/2006 and the Relevant date being 27/11/2006. The acquisition / allotment of share by/ to the financial investors pursuant to this resolution is being made independently of the acquisition by/ allotment to the Promoter and Promotes not acting in concert with each other or with any other person in relation to the proposed acquisition of shares of the company.

The Board considers and believes that the proposed offer to the persons stated in the resolution will be in the best interest of the company and its members. Please refer below to the information as required under clause 13-1A of the SEBI guidelines 2000 for preferential issue. The shares to be allotted as above inclusive of the shares to be allotted on exercising the option at a later date shall rank pari-passu in all respect and shall carry the same rights, including dividend as the existing equity shares.

The consummation of the proposed investment is subject to fulfillment and agreement to such terms and condition as may be mutually agreeable approval to both the company and these investment subject to approval from any Government / or regulation authorities / investment committee of these invest or, its if required and / or as applicable. The acquisition / allotment of the share's by / to the financial Investors pursuant to the resolution is being made independently of the Promoter Groups.

**1. Object of the Issue**

The Object of the issue is to utilize the funds available for repayment of the secured creditors to reduce the finance cost and also to finance the new projects of initiating various new courses in conjunction with different Universities.

**2. Intentions of the Subscribers to the offer :-**

The subscribers have intended to subscribe for 30,00,00,000 Equity shares of Rs 10/- each at par as also to 30,00,00,000 Convertible warrants to be exchanged with equal number of equity Shares of Rs 10/- each at per within such date as may be fixed by the board of Director but not later than 18 months from the date of allotment of warrants.

The following entities have conveyed to the company in writing their respective intention to subscribe for the shares / warrants of the company on a preferential / private placement basis as proposed in the Resolution, set out under item no. 4

Sl. No.	Name of the proposed Allottees / Subscribers	Max. no . of Shares / Warrants	Total Share
1.	Jai Software & Systems Pvt.Ltd.	10,00,000 / 10,00,000	20,00,000
2.	Jai Technology Pvt.Ltd.	10,00,000 / 10,00,000	20,00,000
3.	S.S. Homes Pvt.Ltd.	10,00,000 / 10,00,000	20,00,000
		<b>30,00,000 / 30,00,000</b>	<b>60,00,000</b>

**3. Share holding patterns before and after issue of equity share (including shares resulting from Exercise of options attached to warrants)**

	Existing share holding Pre Issue		Post issue share holding (upon conversion of warrants)	
	No of shares	%	No of shares	%
i) Promoters				
a) Indian promoters	5,50,200	6.11	5,50,200	3.67
b) Foreign Promoters	-	-	-	-
Total:-	<u>5,50,200</u>	<u>6.11</u>	<u>5,50,200</u>	<u>3.67</u>
ii) Non Promoters				
a) Banks / Financial Investments	-	-	-	-
b) NRI / OCBs	-	-	-	-
c) Other Bodies Corporate	12, 09,441	13.44	72, 09,441	48.06
d) Public	72, 41,659	80.45	72, 41,659	48.27
Total:-	<u>84,51,100</u>	<u>93.89</u>	<u>1,44,51,100</u>	<u>96.33</u>
Total of i) + ii)	<u>90,01,300</u>	<u>100.00</u>	<u>1,50,01,300</u>	<u>100.00</u>

The proposed preferential allotment will not change the Mgt. Control, Voting rights shall change according to change in share holding pattern mentioned above.

**4(A). Identity of the Proposed Allottees and the percentage of the Post Preferential issue Capital that may be held by them:**

For Equity Share:

- A. Foreign Investor: - NIL
- B. Indian Investor: - (Non Promoter)



Sr. No.	Name of Proposed Allotees and Identity	No of Equity Shares To be Allotted	% of post issue Share hold info
1.	Jai Software & Systems Pvt.Ltd.	20,00,000	13.33
2.	Jai Technology Pvt.Ltd.	20,00,000	13.33
3.	S.S. Homes Pvt.Ltd.	20,00,000	13.33

(The above post issue Shareholding pattern assume that all persons mentioned in the Resolution will participate in the Preferential Issue to the full extent proposed and all Convertible warrants are converted into equity share, failing which the percentage will change accordingly.)

**B. Promoter Group: - NIL**

The above Non Promoter subscribers are all Bodies Corporates.

The aggregate number of equity share to be subscribed is 30,00,000 Shares

The aggregate number of Warrants to be allotted is 30,00,000 which will be exchanged for an

Aggregate no. of 30,00,000 Equity shares.

Section 81 of the Companies Act, 1956, provides, inter alia, that whenever it is proposed to issue further shares, such shares shall be issued/offered to the existing shareholders of the company in the manner laid down in the said section unless shareholders decide otherwise in a general meeting by special resolutions. Accordingly the consent of the shareholders is being sought pursuant to sec 81(1A) and other applicable provisions of the Act and Chapter xiii on preferential issue in SEBI (Disclosure & Investor Protection) guidelines, 2000 and in terms of the provisions of the listing Agreement.

The equity shares to be allotted as above, shall be subject to lock-in for one year and the equity share to be exchanged against the warrants at a later date shall also be subject to lock-in for one year from the date of respective Conversions in accordance with the SEBI guidelines as above.

A copy of Certificate from M/s Rajesh Duggar & Co., Chartered Accountants, Statutory Auditors of the Company certifying that the issue of equity shares/Convertible warrants on Preferential basis is being made in accordance with the requirement of SEBI guidelines for Preferential issue as contained in the Securities and Exchange Board of India (Disclosure & Investor Protection) guideline 2000, shall be placed before the shareholders at the forth coming Annual General Meeting.

None of the Directors of the company is in any way concerned and interested in the resolution. They recommend the resolution for approval in the interest of the company.

Item No.

5. It is proposed be increase the authorised capital of the Company suitably to accommodate issue and Allotment of shares in terms of the Resolution as set out under section No. 4 of the notice. The increase of authorized capital of a Company requires prior approval of the shareholders in a general meeting. The directors recommend the above resolution to be adopted by the member in the forthcoming general meeting in the interest of the Company.

None of the Directors is personally interested or concerned in this regulation.

**Date:** 15th November, 2006  
**Place:** Delhi

By Order of the Board  
**R. Gupta**  
Director

## DIRECTORS'S REPORT

Your directors take pleasure in presenting the 21st Annual Report and the Audited Statement of Accounts for the year ended 30th June, 2006.

The Final 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 <u>30.06.2006</u>	(Rs. In Lacs) For the year ended <u>30.06.2005</u>
Turnover	<b>3944.09</b>	4802.81
Less : Total Expenditure	<b>3852.77</b>	4622.72
Profit before Dep.& Int	<b>91.32</b>	180.09
Interest	<b>0.42</b>	-
Depreciation	<b>89.31</b>	128.55
Profit before Tax (PBT)	<b>1.59</b>	51.54
Less : Provision for Tax	-	1.64
Income Tax	-	-
Deferred Fringe Benefit Tax	<b>1.00</b>	49.90
Net Profit after Tax (PAT)	<b>0.59</b>	49.90

## PERFORMANCE :

The gross turnover of the Company was reduced by 18% but continuous monitoring and control Process enabled the total expenditure to be maintained at a moderate level and thereby the profit before tax Could be maintained.

## DIVIDEND

There being no sufficient profit , your Directors regretfully abstained from recommending any dividend for the year.

## MANAGEMENT DISCUSSION & ANALYSIS :

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

## DEPOSIT :

The company has not accepted or renewed any deposit from the public during the year nor was there any carried forward balance at the end of the year.

## RESPONSIBILITY STATEMENT :

### The Directors confirm that :

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- Appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that there reasonable and prudent so as to give a true and fair view of state affairs of the Company as at June 30,2006 and of the Profit & Loss of the Company for said period;
- Proper and sufficient care have been taken 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;
- The Annual Accounts have been prepared on a going concern basis.