

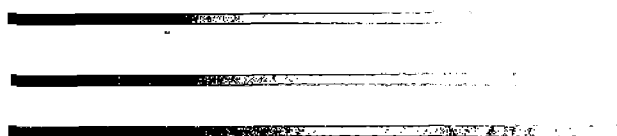
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16th Annual Report 2007-08



NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of Crazy Info-Tech Limited will be held on Tuesday, the 30th day of September, 2008 at 4:00 P.M. at the registered office of the Company, 29/81, Matri-Kripa Christian Colony, Rajatalab, Raipur (C.G) 492001, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31 March 2008 and the Profit & Loss A/c for the year ended on that date together with Directors' and Auditors' Report thereon.
2. To appoint Director in place of Mr.R.Palaniswamy, who retires by rotation, and being eligible, offer himself for re-appointment.
3. To appoint Director in place of Mrs. A.Anitha, who retires by rotation, and being eligible, offer herself for re-appointment.
4. To appoint T. S. Ranganathan, Chartered Accountant, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix his remuneration

SPECIAL BUSINESS

ISSUE OF EQUITY SHARES OF THE COMPANY ON PREFERENTIAL BASIS IN ORDER TO INVEST IN THE STAKE OF THE M/S.ANIMANTZ CREATIVE ANIMATORS PVT LTD.

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

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board, pursuant to the Section 81 (1A) and other relevant provisions of the Companies Act, 1956 as also of any other applicable laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to such approvals, consents, permissions and sanctions of the Government of India, Reserve Bank of India, Securities and Exchange Board of India (SEBI) and all other appropriate authorities concerned and subject to such conditions and modifications as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company ("Board") (which terms shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), which

Notes:

1. A MEMBER ENTITLED TO ATTEND

3. Intention of the promoters or their associates and relatives, directors / key management persons to subscribe to the offer.

The present preferential issue of equity shares has not made to any promoter or their associates and relatives, directors or key management personnel of your Company.

4. Identity of the proposed allottees and percentage of post preferential issue capital that may be held by them.

Name of the Proposed Allottee	No of shares proposed to be allotted	Amount (In Rs in Lakhs)	Existing Share holding in the Company	Share holding after the preferential allotment	% of share holding to the Post Preferential Equity Capital
Dr.P.Rajalakshmi	20,00,000	82,00,000	Nil	20,00,000	2.99
T.Rani	10,00,000	41,00,000	Nil	10,00,000	1.50
R.Geetha	15,00,000	61,50,000	Nil	15,00,000	2.24
M.Duraiswamy	15,00,000	61,50,000	Nil	15,00,000	2.24
R.Balakrishnan	15,00,000	61,50,000	Nil	15,00,000	2.24
G.Ramesh Kochhar	2,50,000	10,25,000	Nil	2,50,000	0.37
Savitri Kochhar	2,50,000	10,25,000	Nil	2,50,000	0.37
Total	80,00,000	3,28,00,000	Nil	80,00,000	11.95

5. Shareholding pattern before and after the issue

The present issue and subscribed share capital of the company is Rs.5.88 Crores and the Post issued capital after the preferential issue of equity shares will be Rs.6.68 Crores and the shareholding pattern will be as under.

Pre Issue

Shareholding Pattern - Pre Issue				
Name of the Company : CRAZY INFOTECH LIMITED				
category code	Category of shareholder	Number of Share holders	Total number of shares	% of Share Holding
(A)	Shareholding of Promoter and Promoter Group ²			
(I)	Indian			
(a)	Individuals/ Hindu Undivided Family			
(b)	Central Government / State Government(s)			
(c)	Bodies Corporate	01	3,00,00,000	50.95
(d)	Financial Institutions/ Banks			
(e)	Any Other (specify)			
	Sub-Total(A)(I)	01	3,00,00,000	50.95

CASH FLOW STATEMENT		
Cash Flow Statement for the year ended	For the year ending 31.03.2008 Rs.	For the year ending 31.03.2007 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax	16,324,307	24,020,603
Adjustment for:		
Depreciation	6,584,373	4,979,454
Preliminary & Deferred Revenue Expenses W/o	156,903	156,903
Gain on Forex Transactions	(422,298)	
Bad Debts Written off	9,117,788	
Operating Profit before Working Capital Changes	31,761,073	29,156,960
Adjustment for:		
Decrease/(Increase) in Inventories	(4,974,250)	(3,358,800)
Decrease/(Increase) in Sundry Debtors	(72,569,458)	(29,969,317)
Decrease/(Increase) in Loans & Advances	12,345,051	(14,131,796)
Increase/(Decrease) in Current Liabilities	54,370,682	7,667,108
NET CASH FROM OPERATING ACTIVITIES	20,933,098	(10,635,845)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Decrease/(Increase) in Fixed Assets	(15,542,449)	(19,199,660)
NET CASH FROM INVESTING ACTIVITIES	(15,542,449)	(19,199,660)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Shares	-	30,000,000
Taxes Paid	(2,467,839)	-
Dividend Paid	(2,800,000)	-
Repayment of Borrowings	(23,500)	(19,100)
NET CASH FROM FINANCING ACTIVITIES	(5,291,339)	29,980,900
NET INCREASE/(DECREASE) IN CASH AND CASH CASH EQUIVALENTS DURING THE YEAR	99,310	145,395
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	170,191	24,796
CASH AND CASH EQUIVALENTS AS AT END OF YEAR	269,501	170,191
As per my report of even date attached		
Sd/- T.S. RANGANATHAN Chartered Accountant M. No.28204 Chennai 30th June 2008	Sd/- N. ARAVIND Director	Sd/- A. ANITHA Director

(2)	Foreign			
(a)	Individuals (Non Resident Individuals/ Foreign Individuals			
(b)	Bodies Corporate			
(c)	Institutions			
(d)	Any Other (specify)			
	Sub-Total(A)(2)			
	Total Shareholding of Promoter and Promoter Group A=A(1)+A(2)	01	3,00,00,000	50.95
(B)	Public shareholding			
(1)	Institutions			
(a)	Mutual Funds/ UTI			
(b)	Financial Institutions/ Banks			
(c)	Central Government / State Government(s)			
(d)	Venture Capital Funds			
(e)	Insurance Companies			
(f)	Foreign Institutional Investors			
(g)	Foreign Venture Capital investors			
(h)	Any Other (specify)			
	Sub-Total (B)(1)	0	0	0
(2)	Non-institutions			
(a)	Bodies Corporate	236	57,75,642	9.81
(b)	Individuals			
	i. Individual shareholders holding nominal share capital up to Rs.1.lakh.	5418	14411528	24.48
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	20	8450516	14.34
	Any Other Clearing Member	23	157302	0.27
(c)	Non Resident Indians	25	86102	0.15
	Sub-Total (B)(2)	5722	36381000	49.05
	Total Public Shareholding (B)=(B)(1)+(B)(2)	5722	36381000	49.05
	TOTAL (A) + (B)	5723	58881000	100.00

Post Issue

Shareholding Pattern - Post Issue				
Name of the Company : CRAZY INFOTECH LIMITED				
category code	Category of shareholder	Number of shareholders	Total number of shares	% of Share Holding
(A)	Shareholding of Promoter and Promoter Group²			
(1)	Indian			
(a)	Individuals/ Hindu Undivided Family			
(b)	Central Government / State Government(s)			
(c)	Bodies Corporate	1	3,00,00,000	44.86
(d)	Financial Institutions/ Banks			
(e)	Any Other (specify)			
	Sub-Total(A)(1)	1	3,00,00,000	44.86
(2)	Foreign			
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)			
(b)	Bodies Corporate			
(c)	Institutions			
(d)	Any Other (specify)			
	Sub-Total(A)(2)			
	Total Shareholding of Promoter and Promoter Group A=A(1)+A(2)	1	3,00,00,000	44.86
(B)	Public shareholding			
(1)	Institutions			
(a)	Mutual Funds/ UTI			
(b)	Financial Institutions/ Banks			
(c)	Central Government / State Government(s)			
(d)	Venture Capital Funds			
(e)	Insurance Companies			
(f)	Foreign Institutional Investors			
(g)	Foreign Venture Capital investors			
(h)	Any Other (specify)			
	Sub-Total (B)(1)	0	0	0

(2)	Non-institutions			
(a)	Bodies Corporate	236	5775642	8.64
(b)	Individuals			
	i. Individual shareholders holding nominal share capital up to Rs.1.lakh.			
		5418	14411528	21.55
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	20	8450516	12.63
	1.P.Rajalakshmi	1	20,00,000	2.99
	2.T.Rani	1	10,00,000	1.5
	3.R.Geetha	1	15,00,000	2.24
	4.M.Duraiswamy	1	15,00,000	2.24
	5.R.Balakrishnan	1	2,50,000	0.37
	6.G.Ramesh Kochhar	1	2,50,000	0.37
	7.Savitri Kochhar			
	Any Other			
	Clearing Member	23	157302	0.24
(c)	Non Resident Indian	25	86012	0.13
	Sub-Total (B)(2)	5729	44381000	55.14
	Total Public Shareholding (B)=(B)(1)+(B)(2)	5729	44381000	55.14
	TOTAL (A) + (B)	5730	66881000	100.00

If any person or persons acting in concert enhance their holding to more than 15% of the total paid up capital of the company by this allotment/conversion of warrants then the same will attract provision of Regulations 10 of Securities and Exchange Board of India (SEBI) Substantial Acquisition of Shares & Takeover) Regulations, 1997

6. Proposed time within which the allotment shall be completed

The allotments of shares shall be completed within 15days from the date of passing of the resolution by the shareholders provided, that where the allotment is pending on account of pendency of any approval from any regulatory authority or the Central Government, then the allotment shall be completed by the Company within a period of 15 days from the date on which the company receives all approvals from the concerned authorities and the subscription received from the investors.

7. Composition of the Board / control

There will be no change in the composition of the Board nor there will be any change in the Control of the Company as a result of the preferential issue of shares.

8. Auditor's Certificate.

A Copy of the Certificate of the Company's statutory auditor as per SEBI Guidelines shall be placed before the shareholders.

The Provisions of Company's Act, 1956, contemplate consent of the members by way of Special Resolution in Extra Ordinary General Meeting for further issue of shares to persons other than the existing shareholders.

Shareholders consent is solicited pursuant to Section 81 (1A) of the Companies Act, 1956 and in terms of the listing agreement with stock exchanges to the issue of the above shares as set out in Item No.3.

This resolution shall be subject to the approval of various statutory authorities.

Your directors recommend this resolution for your approval.

None of the Directors are interested in this resolution.

Item No.6

Mr. N Aravind was appointed as Chairman & Managing Director at the Board Meeting held on 4th December 2007 with effect from 4th December 2007. As per the provisions of the Companies Act, it is necessary to ratify at the shareholders meeting about his appointment. Further it is necessary to revise his remuneration. Your Board decided to increase into Rs.20,000/- Per Month. Now it seeks the shareholders consent to his appointment and revision of his remuneration.

Your directors recommend this resolution for your approval.

None of the Directors except Mr. N Aravind are interested in this resolution.

On behalf of the Board of Directors

Place : Chennai
Date : 06.09.2008

Sd/-
(N.Aravind)
Managing Director

DIRECTOR'S REPORT

To
The Members

Your Directors are very happy to present this fifteenth Annual Report together with the Audited Account of the company for the year ended 31st March 2008.

1. Performance Review:

Particulars	(Rs in lacs)	
	Year ended 31.03.2008	Year ended 31.03.2007
Income from Operations	1842.17	1484.19
Other Income	-	0.48
Total	1842.17	1484.67
Operating Expenditure	1613.08	1194.67
Operating Profit / Loss (PBDIT)	229.09	290.00
Interest	-	-
Depreciation	65.84	49.79
Profit before Tax (PBT)	163.25	240.21
Provision for Income Tax	12.67	30.87
Provision for Fringe Benefit Tax (FBT)	5.27	5.99
Provision for Deferred Tax	36.39	-
Profit/(Loss) after Tax, FBT & Deferred Tax Liability	108.92	203.35
Balance B/F from previous year	17.66	(183.72)
Balance carried over to Balance Sheet	126.58	-
Reserves & Surplus (Excluding Revaluation Reserves)	12.66	19.62
Earnings per shares (EPS)	0.18	3.45

2. Dividend

For the Year 2007-08 as the overall performance is good, your directors had recommended Interim dividend to its shareholders. The same may be treated as the final dividend.

3. The year in Review

2007 - 2008 A Year of Transition

Your Company's performance this year was satisfactory. Your company is confident of achieving much better results in the coming years.

Strengthen General Reserve

At the end of the financial year 2007-08 your Company has added Rs.12.65 lakhs to General Reserve after making the payment of Interim dividend of Rs. 28 lakhs and the balance profit was carried to Balance Sheet.

Income from Operations and Business Spread

During the year, the company has achieved total income from operations Rs. 1842.17 lacs which comprises as follows:

Particulars	Rs in lacs	% to total
i) Sale of Hardware	936.77	50.85
ii) Software Development	556.90	30.23
iii) Education & Training	348.50	18.92
	1842.17	100.00

Revenues generated by the company are only from three divisions mentioned above. Revenues from another division - job portal division - is would be expected to flow from the current year (2008-09) onwards.

Revenues from education and training constitute only 18.92% which is expected to improve a lot in the current fiscal. The revenues generated are only from the operations concentrated in and around Chennai city and some districts, places in Tamilnadu and neighboring places of Andhra Pradesh. It is inevitable to expand the activities and presence of the company in entire states of Tamilnadu, Andhra Pradesh if the revenues to increase or multiply. The sincere efforts or initiatives are already on towards the increase of base of operations and expected to reach the targeted levels during the current fiscal 2008-09.

4. Future Outlook

i) Current Business Operations

- Sale of Computer Hardware, Peripherals and Annual Maintenance.
- Mini ERP Software Development, Networking Solutions.
- IT Education and Training from basics to advanced courses.
- Job portal for placement and Recruitment which is expected to be launched in the current financial year 2008-09.

ii) Proposed additional operations

- IT and IT Enabled Services.
- Infrastructure Management and Solutions, Services
- Exhibitions and Innovations as a separate division.
- IT Education and Training at grass root level.
- Engineering Services, Technology offerings, Domain Services etc.,
- BPO and Call Center Education and Training.
- Development of portals and website.