

**NOTICE**

Notice is hereby given that the Thirteenth Annual General Meeting of the Company will be held on Thursday the 27th September 2007 at 10.30 A.M at Plot No. 1 & 9, IDA, Phase-II, Cherlapally, Hyderabad - 500 051 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance sheet as at 31st March 2007 and Profit & Loss Account for the year ended as on that date along with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. V.P. Singh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Nandan Kundetkar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.

"RESOLVED THAT M/s. P. Murali & Co., Chartered Accountants, Hyderabad, be and are hereby re-appointed 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 at a remuneration to be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

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

"RESOLVED THAT Mr. K.S. Sarma, was appointed as an Additional Director of the Company by the Board of Directors in their meeting held on 30th April 2007 and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, in respect of whom the Company has, received a notice under section 257 of the Company Act, 1956 proposing is candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

6. To consider and if thought fit to pass with or without modification the following resolution as Special Resolution.

"RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof) read with the Articles of Association

of the Company, and pursuant to the Securities Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations 1997 (including any amendments thereto or re-enactment thereof), and subject to all applicable laws, rules, Regulations and Guidelines issued by the Securities Exchange Board of India (hereinafter referred to as SEBI), Stock Exchanges, Foreign Investment Promotion Board (hereinafter referred to as FIPB), Secretariat for Industrial Assistance (hereinafter referred to as SIA), Government of India, Reserve Bank of India (hereinafter referred to as RBI) and / or under the Foreign Exchange Management Act, 1999(hereinafter referred to as FEMA), such approvals, permissions, sanctions and consents as may be necessary and required under applicable laws, rules and regulations, and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permission, sanctions and consents, as the case may be), which may be accepted by the Board of Directors of the company (which term shall include any duly constituted and authorized committee thereof), and subject to alterations, modifications, corrections, changes and variations that may be decided by the Board of Directors in their discretion, and as per the Articles of Agreement entered with M/s. Stay Top Systems Inc, for acquisition of 100% holding of such Company, the consent of the Company be and is hereby accorded to the Board of Directors to offer, issue, allot and deliver in one or more tranches on a private placement and / or Preferential allotment of equity shares of the company (worth US dollars 100,000) of the face value of Rs. 10/- each at a price of Rs.122/- (including Premium of Rs.112/- per Share), the price determined in accordance with the Securities Exchange Board of India Guidelines for Preferential Issue of shares, to the persons mentioned below for consideration other than cash as part consideration for acquisition of 100% shareholding of Stay Top Systems Inc., a California Corporation based at USA:

1. Mr. Eswaran Ramalingam : 19,453 Equity Shares
2. Mr. Murali Kaliaperumal : 16,465 Equity Shares

"RESOLVED FURTHER THAT the Relevant Date in relation to the shares for the purpose of determining the issue price under the SEBI (DIP) Guidelines relating to preferential issues shall be 27th August 2007 i.e. 30 days prior to this General Meeting of the Company.

"RESOLVED FURTHER THAT the equity shares so issued shall rank pari- passu with the existing equity shares of the Company

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid special resolution, Mr.Nandan Kundetkar, Chairman and /or Mr.D.P.Sreenivas,



Executive Director of the company, be and are here by severally authorised to take such steps and do all such acts, deeds, matters and things and effect or accept any directions and instructions as may be necessary to settle any question, difficulty or doubt that may arise in regard to the offer, issue, or allotment of the said Equity shares, and also to seek the Listing of such Equity Shares on the Stock Exchanges where the Company's shares are listed".

For and on behalf of the Board

Sd/-

Nandan Kundetkar
Chairman

Place : Secunderabad

Date : 24th August 2007

Notes:-

- a. The Explanatory Statement relating to Special Business of the Meeting is annexed to this Notice as required by Section 173 of the Companies Act, 1956.
- b. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself proxy need not be a member of the Company. The Proxy in order to be effective, must be deposited at the Registered Office not less than 48 hours before the meeting.
- c. The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September 2007 to 27th September 2007 (both days inclusive) for the purpose of Annual General Meeting.
- d. Queries on accounts and operations of the Company, if any may please be sent to the Company at least seven days in advance of the Meeting so that the answers may be made readily available at the meeting.
- e. Members/Proxies are requested to deposit the enclosed Attendance Slip duly filled in and signed for attending the meeting.
- f. Members holding shares in physical form are requested to notify, immediately, any change in their address to the Company at 9-1-83&84, Amarchand Sharma Complex, S.D. Road, Secunderabad – 500 003. Members holding shares in electronic form should update such details with their respective Depository Participants.
- g. All the documents to in the above notice and accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (except Sundays and Public Holidays) between 10.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting.

- h. Members are requested to bring their copy of the Annual Report to the meeting.

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

Item No's: 5

Mr. K S Sarma appointed as Additional Directors of the Company in the Board Meeting held on 30th April 2007 and holds office till the conclusion of the ensuing Annual General Meeting.

Notice pursuant to the provisions of Sec 257 of the Companies Act, 1956, together with the requisite deposit have been received from the members proposing his candidature for the office of Director liable to retire by rotation.

Your Directors recommend the resolution for approval of the members.

Except Mr. K.S. Sarma, none of the Directors are concerned or interested in this resolution.

Item No's: 6

The shareholders are aware that the Company has acquired 100% holding in M/s. Stay Top Systems Inc, at a total purchase consideration of USD 2,100,000 for which the Approval of Foreign Investment and Promotion Board was already obtained. Sequel to this, your Company has already issued 2,62,920 equity shares to the promoters of M/s. Stay Top Systems Inc., as per the resolution passed at the extraordinary general meeting held on 14th March, 2005 and has taken approval from the members for allotment of 175280 equity shares in the EGM held on 20th February 2006. However, the shares could not be allotted due to non-fulfilment of criteria specified by the SEBI preferential issue guidelines.

Further, as per Clause 1(d) of Section I of the Articles of agreement entered by the Company with M/s. Stay Top Systems Inc, your Company has to issue USD 100,000 worth of fully paid-up, free, clear, unrestricted and unencumbered Stock ie., the purchase consideration to be made as per the said clause is USD 100,000 @ RBI Conversion rate on the closing date ie., on 10th Feb, 2005 (As per the articles of agreement).

The consideration now payable for the acquisition is USD 100,000 is equivalent to Rs.43,82,000/- calculated at one USD equals to Rs.43.82 as on the said date. For this purpose, the Company has to issue 35,918 equity shares of Rs.10/- each at a price of Rs.122/- including premium of Rs.112/- to the Promoters of M/s. Stay Top Systems Inc., USA , the pricing of which is higher than the price specified in the SEBI Guidelines on Preferential issues.

The present resolution is proposed for the purpose of issue



of shares on preferential basis to the promoters of M/s. Stay Top Systems Ins., USA.

Information as required under Clause 13.1A of SEBI (Disclosure and Investor Protection) Guidelines 2000, is furnished as under:

a) Objects of the issue:

The object of the issue is for the purpose of part payment to be made as per the articles of agreement entered for acquisition of 100% shareholding of Stay Top Systems Inc., a California corporation, held by IQ Soft Inc, the shareholding of which is in turn held by Mr. Eswaran Ramalingam and Mr. Murali Kaliaperumal, NRIs based at USA .

b) Intention of Promoters/Directors/key management persons to subscribe to the offer

None of the Promoters / Directors / Key Management persons intend to subscribe to the offer being proposed for the shareholders approval. Mr. Eswaran Ramalingam and Mr. Murali Kaliaperumal intend to subscribe to the preferential offer being proposed by the company (for consideration other than cash) in terms of Articles of Agreement entered into with them.

c) The Shareholding pattern before and after the Issue.

The Shareholding Pattern before and after this issue, (considering the proposed preferential issue of 35,918 Equity Shares to individuals as per resolution No. 6) is given under.

Sl. No.	Category	Pre Issue		Post Issue	
		No. of Shares held	% of Shares held	No. of Share held	% of Shares Held
1	Promoters Group	35,43,646	27.26	35,43,646	27.18
2	Non-Promoters Group				
	Mutual funds	Nil	Nil	Nil	Nil
	Banks, Financial Institutions and Insurance Companies	4,700	0.04	4,700	0.04
	FIs	8,00,000	6.15	8,00,000	6.14
	Private Bodies Corporate	28,68,705	22.06	28,68,705	22.00
	NRIs / OCBs	3,21,748	2.47	3,57,666	2.74
	Indian General Public	54,62,521	42.02	54,62,521	41.90
	Grand Total	1,30,01,320	100.00	1,30,37,238	100.00

(The Company has issued 54,00,000 Share Warrants in May 2006. In case if the holders of the warrants exercise the option for conversion into Equity Shares, the Shareholding Pattern, may undergo a Consequential change.)

d) Proposed time with in which the allotment shall be completed

The allotment of Equity Shares is proposed to be completed within a period of 15 days from the date of

approval by the shareholders or 15 days from the date of receipt of approvals from the Stock Exchanges, which ever is later.

e) The identity of the proposed allottees and the percentage of post-preferential issue capital held by them are as follows:

The percentage of Post - Preferential Issue to be held by the proposed investors based on this resolution is given in Table C below:

Table C

Sl.No.	Name	Present Allotment	Pre-Issue Holding	%to Total Equity	Post-Issue Holding	%to Total Equity
1.	Mr. Eswaran Ramalingam	19,453	35,894	0.28%	55,347	0.42%
2.	Mr. Murali Kaliaperumal	16,465	10,000	0.08%	26,465	0.20%



One hundred percent of the issued and outstanding capital stock of Stay Top Inc., is held by IQ Soft, Inc which 100 % share holding in turn is held by the following:

- i. Mr. Eswaran Ramalingam, a Non-resident Indian settled in San Jose, CA, USA., is proposed to be allotted 19,453 equity shares constituting 0.14% of the enhanced Equity share capital of the Company and
 - ii Mr. Murali Kaliaperumal a Non-resident Indian settled in San Jose, CA, USA., is proposed to be allotted 16,465 equity shares constituting 0.12% of the enhanced Equity share capital of the Company
- f) Lock-in:

The aforementioned allotment shall be subject to lock-in in terms of SEBI Guidelines, for the time being in force.

There will be no change in the management or control of the company as a result of the acquisition of the equity shares of the company by the proposed allottees pursuant to this resolution. However there will be a consequential change in the voting rights / shareholding of the company.

The Certificate issued by M/s Murali & Co., Chartered Accountants, Statutory Auditors of the Company as to the Pricing of the issue and that this preferential issue of securities is being made in accordance with the Guidelines on Preferential Allotment issued by SEBI will be placed before the shareholders at the Annual General Meeting where this resolution is being considered.

The Articles of the Agreement entered into with the promoters of STAY TOP Inc., is available for inspection at the registered office of the company during the business hours on working days.

As per Section 81 (1A) of the Companies Act, 1956, approval of the shareholders in the General Meeting is required for issue of Equity Shares on Preferential basis and hence this resolution is placed before the Shareholders.

Your Directors recommend the resolution for your approval.

None of the Directors of the Company is in any way concerned or interested in the proposed resolution.

For and on behalf of the Board
Sd/-
Nandan Kundetkar
Chairman

Place : Secunderabad
Date : 24th August 2007

ADDITIONAL INFORMATION ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING (Pursuant to Clause 49 of the Listing Agreement)

Item # 2 of Notice of AGM

Mr. Vishwanath Pratap Singh

Mr. V P Singh aged 63 years, holds Masters of Commerce Degree, Bachelor of Law and CAIIB. He has 39 years of experience working with Leading Development Financing and Central Banking Institutions such as IDBI, IFCI, RBI etc; He was Chairman and Managing Director IFCI for nearly 2.5 years. Mr. Singh worked with IDBI nearly for 28 years and reached the top management cadre as Executive Director.

He is Director & Audit Committee Member in the following companies:

1. Director in Oil & Natural Gas Corporation Limited
2. GMR Industries Limited.

Mr. Nandan Kundetkar

Mr. Nandan Kundetkar, aged 40 years, is a Postgraduate in Electronics from University of Mumbai. He is a techno-commercial architect of many innovative business models; He has to his credit many research papers. As a technocrat he has a strong expertise in Industrial Electronics, Consumer Electronics, Radio frequency Communications, High End Security systems, Multimedia and Embedded technology.

Mr. Nandan holds many revolutionary patents in IPTV and broadband multimedia and one of his patents is on the core advertising and messaging methods, which would influence lot of revenue models of IPTV and broadband multimedia in the near future. This patent not only deals with the target advertisement but also is used for messaging from an individual to a group or to masses in a Network. This patent used in IPTV is also of great value in automation, security, rural networks, e-governance and in IP based Public Address Systems. METHOD FOR DISPLAY OF MULTIMEDIA CONTENT over the Network is also one of his major patents. The other patents include secure remote up gradations of client units over the network, displaying audio-visual or any other form of advertisements when a client passes a query on any popular search sites.

Apart from the above he has spearheaded various other projects spread across the globe. Entire end to end IPTV solutions ranging from the encoders, streaming servers, middle ware to a set top box is being evolved under his leadership. He also maneuvered his domain knowledge in creating values for the media industry by creating news collection system, media archival methods, digital studios etc.



Goldstone Technologies Limited

He has great passion for teaching and has strong public relations world wide. He works with the top notch semiconductor companies in the world on multiple projects.

He is Director in the following companies and does not hold any committee membership/ chairmanship in other companies.

- (1) SPL Innotech Pte. Ltd., Singapore
- (2) Ace Tech Com Private Limited
- (3) SPL Innotech India Private Limited
- (4) South Asian Family entertainment Pvt. Limited

Item # 5 of Notice of AGM

Brief introduction to Mr.K.S.Sarma

Mr.Sarma aged 63 years, has a distinguished academic career with two post-graduate degrees, in Arts and Science and did his M.Phil from Manchester University, U.K. He worked, in his career, in the field of Education teaching Economics & Statistics for a period of 10 years before joining the Indian

Administrative Service. During his career he worked in various levels such as Joint Secretary, Special Secretary and Principal Secretary with Govt. of Andhra Pradesh before going on deputation to the Government of India.

He worked in the Ministry of Information & Broadcasting and held additional charge of the post of Director General, Doordarshan. He has functioned as Chief Executive Officer, Prasar Bharati (Broadcasting Corporation of India) and was instrumental in getting free to air Direct To Home service (Popularly known as DD Direct +) for the benefit of Indian viewers/listeners. He has been unanimously elected as Vice-President of Asia-Pacific Broadcasting Union (ABU) and as Vice-President of Commonwealth Broadcasting Association (CBA), which comprises of about 100 broadcasting organizations in over 50 countries. He has also functioned as the President of Indian Broadcasting Federation (IBF).

He has travelled extensively abroad in his career and in particular, during his tenure in the Ministry of I&B/ Prasar Bharati and obtained deep insight into the working scenario of the electronic media.



**DIRECTORS' REPORT**

To
The Members
Goldstone Technologies Limited

Your Directors have pleasure in presenting the Thirteenth Annual Report of your company together with the Audited Financial Statements for the year ended on 31st March 2007.

Financial Results

(Rs in Millions)

Particulars	2006-07	2005-06
Net Sales/Income from Operations/Software	410.35	349.05
Other Income	6.22	12.13
Total Income	416.57	361.18
Operating Profit	93.86	31.74
Interest	4.02	8.53
Depreciation and Write Offs	16.67	16.33
Profit Before Tax	73.18	6.88
Provision for Tax	1.60	0.89
Deferred Tax	3.91	3.03
- Prior Period Adjustments	2.46	(2.67)
Profit After Tax	77.94	6.36
Equity Share Capital (1,30,01,320 Shares of Rs. 10/- each)	130.01	111.01
EPS in Rs.	5.99	0.58
Networth	292.04	181.06
Book Value (face value Rs. 10/-) in Rs.	22.46	16.58

Review of Operations

During the period under Review, your Company has registered revenue of Rs. 410.35 Millions as against Rs. 349.05 Millions for the previous financial year registering 18% growth, resulting in a Net Profit of Rs.77.94 Million as against Rs.6.36 Million registering 8 fold growth in net profit.

Dividend

In order to fuel its growth and future requirement of funds for the projects under implementation, the Board has decided to retain the profits generated. Consequently your directors do not recommend any dividend for the year 2006-07.

Fixed deposits

The Company has not accepted any Fixed Deposits, falling within the purview of Section 58A of the Companies Act, 1956

Insurance

The properties of your Company including its building and plant & machinery have been adequately insured.

Auditors

M/s P Murali & Co; Chartered Accountants retiring Statutory Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have furnished a certificate stating that their re-appointment, if made, will be within the limits laid down under Section 224 (1B) of the Companies Act, 1956.

Directors

Mr. V P Singh and Mr. Nandan Kundetkar Director(s) retire by rotation and being eligible offer themselves for re-appointment. During the year Mr. K S Sarma, was appointed as Additional Director of the Company. During the year Mr. M P Mehrotra, resigned as Director of the Company. The Board places on record its appreciation for valuable services rendered by him during their tenure as Directors.

Outlook

Company's existing business of tech support and F2J is expected to grow steadily. The new initiative of implementation of Business Intelligence has huge opportunity in Asia-Pac region and should emerge a significant contributor to revenues. Company is in advanced stage of setting up IPTV and Media (Restoration and Colorization) infrastructure. Both these businesses have tremendous potential and are expected to become the major revenue contributors for the company.

Stock Exchange Listing

The Equity shares of the company are listed on the National Stock Exchange of India Limited, Bombay Stock Exchange Limited, Hyderabad Stock Exchange Limited, Madras Stock Exchange Limited, Delhi Stock Exchange Limited and Ahmedabad Stock Exchange Limited. The company confirms that it has paid Annual Listing Fees due to all the stock exchanges for the year 2007-08.

Director's Responsibility Statement

In accordance with the Section 217(2AA) of the Companies Act, 1956, the Board of Directors affirm:

- That in the preparation of the Accounts for the financial year ended as on 31st March 2007, the applicable accounting standards have been followed and there are no material departures there from.
- That they selected such accounting policies and applied consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March



2007 and of the profit or loss of the Company for that period.

- (c) That proper and sufficient care has 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.
- (d) That the annual accounts for the financial year ended 31st March 2007 have been prepared on a going concern basis.

Corporate Governance

A report on Corporate Governance including Auditor Certificate thereon as per Clause 49 of the Listing Agreement is contained elsewhere in the Annual Report.

Particulars of Employees:

Particulars required under Section 217 (1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given below:

Name, Qualification, Age & % of shareholding more than 2% of paid-up capital of the company	Designation	Date of commencement of employment	Experience (yrs)	Salary (Rs. lacs)	Perks (Rs. lacs)	Last employment
Mr. Clinton Travis Caddell 30 years Bachelor of Science from University of North Carolina - Nil -	Managing Director & CEO	01.12.2006	5	17.65	-	Lockheed Martin
Mr. D.P. Sreenivas 37 years Bachelor of Commerce from S V University - Nil -	Executive Director	01.12.2006	12	5.4	2.6	Business

Conservation of energy / technology absorption, foreign exchange earnings and outgoings

Disclosure of particulars in respect of Conservation of Energy, Technology, Absorption and Foreign Exchange Earnings and Outgo required under Companies (Disclosure of particulars in the Directors' Report) Rules 1998.

1. Conservation of Energy:

The operations of the company are not energy intensive. However, adequate measures have been taken to conserve and reduce the energy consumption.

2. Technology Absorption

Your company continues to use state-of-the-art technology for improving the productivity and quality of its products and services. To create adequate infrastructure, your company continues to invest in the latest hardware and software.

3. Foreign Exchange Earnings & Outgo:

The details of Foreign Exchange earnings and outgo are given below:

(Rs. in Lakhs)

Particulars	2006-07	2005-06
(a) Foreign Exchange Earnings	430.04	349.98
(b) Foreign Exchange Outgo	334.45	11.77

Acknowledgements

Your directors convey their sincere thanks to Syndicate Bank, State Bank of Hyderabad, HDFC Bank and UCO Bank for their support and assistance.

Your Directors thank all the Employees of your company for their dedicated service, which enabled your company to achieve excellent results and performance during the year. Your Directors thank the shareholders for their support and confidence reposed in the company and the management and look forward to their continued co-operation and support.

For and on behalf of the Board
Sd/-
Nandan Kundetkar
Chairman

Place : Secunderabad
Date : 24th August 2007



CORPORATE GOVERNANCE

Company's Philosophy on Code of Governance

The Company envisages the attainment of highest level of transparency in all facets of its operations and in all its interactions with its shareholders, employees and the company.

The company is committed to the best governance norms. It strongly believes in setting the high standards in all its endeavors.

Board of Directors

The Board of Directors of the Company consists of 6 directors. Two of them are Executive and Non Independent,

and one is Non Executive and Non Independent and others are Non-Executive independent Directors. The Board has taken all the necessary steps to strengthen the Board with optimum combination of Executive and Non-Executive independent Directors.

During the year 8 Board Meetings were held on the following dates:

10.04.2006, 24.04.2006, 29.04.2006, 29.07.2006, 04.09.2006, 27.10.2006, 29.11.2006 and 30.01.2007.

The details of attendance at the Board Meetings, AGM and Number of other Directorships and committee Memberships of Directors is given below.

Name of the Director	Category	Designation	No. of Board Meetings held	No of Board Meetings participated	No of committee positions held in other Companies	Directorships in other Companies	Attendance At Last AGM (Yes/No)
Mr. Clinton Travis Caddell	Executive & Non Independent	Managing Director & CEO	8	5	1	1	Yes
Mr. D P Sreenivas	Executive Independent	Executive Director	7	6	1	1	Yes
Mr. V P Singh	Non Executive & Independent	Director	8	1	2	2	No
Mr. Nandan Kundetkar	Non Executive & Independent	Director	7	7	-	4	No
Ms. Mahita Caddell	Non Executive & Non Independent	Director	8	4	1	3	Yes
*Mr. M P Mehrotra	Executive & Independent	Director	2	0	-	-	-

* Mr. M P Mehrotra has resigned on 24th April 2006.

Audit Committee

As on 31st March 2007, the Audit Committee Comprised of Mr. V P Singh, Mr. Nandan Kundetkar, Mr. D.P. Srineevas and Mrs. Mahita Caddell as its Members. The role, terms of reference and authority and powers of the Audit Committee are in conformity with the requirements of Companies Act, 1956 and provisions made in paragraph C and D in sub-clause II of Clause 49 of the listing agreement.

The Audit Committee held five meetings during the year 2006-2007 and attendance at the meeting was as under

Sl. No	Name of the Director	Position held in the Committee	No. of Meetings attended	Meeting held on
1	Mr. V P Singh	Chairman	1	29th April 2006
2	Mr. D P Sreenivas	Member	3	29th July 2006
3	Ms. Mahita Caddell	Member	2	27th October 2006
4	Mr. Nandan Kundetkar	Member	5	29th November 2006 30th January 2007

Remuneration/Compensation Committee

As on 31st March 2007, the Remuneration/Compensation Committee Comprised of Mr V.P.Singh, Mr.Nandan Kundetkar and Mrs Mahita Caddell as its Members. The role, terms of reference and authority and powers of the Audit Committee are in conformity with the requirements of Companies Act, 1956 and provisions made in paragraph C and D in sub-clause II of Clause 49 of the listing agreement. The Committee had met once during the year on 29th Nov 2006.



Details of the remuneration paid to Directors in the financial year 2006-07

The aggregate Salary, perquisites paid to Mr. Clinton Travis Caddell, Managing Director & CEO for the period from 1st Dec 2006 to 31st March 2007 is Rs.17.65 Lakhs.

The aggregate Salary, perquisites paid to Mr. D P Sreenivas, Executive Director for the period from 1st Dec 2006 to 31st March 2007 is Rs.8.00 Lakhs

Except sitting fee, no remuneration paid to other Directors.

Shareholders / Investors Grievance Committee

As on 31st March 2007, the Shareholders/Investor Grievance Committee comprised of Mr.V.P.Singh, Mr.Nandan Kundetkar, Mrs.Mahita Caddell and Mr. D.P.Sreenivas. The committee was formed to specifically redress the shareholder and investor complaints like transfer of shares, non-receipts of balance sheet, non-receipt of dividend warrants etc.,

During the year under review, 7 complaints received from investors were replied / resolved to the satisfaction of the investors and there are no outstanding investor grievances unattended as on 31st March 2007.

General Body Meetings:

The Last three Annual General Meetings of the company were held at Plot No. 1 & 9 IDA, Phase II, Cherlapally, Hyderabad – 500 0051 as detailed below:-

Year	No. of Meeting	Date of Annual General Meeting held	Time
2005-06	12th	27th December 2006	10.30 AM
2004-05	11th	29th September 2005	10.30 AM
2003-04	10th	30th September 2004	10.30 AM

No postal Ballots were required to be used \ invited for voting at these meetings in respect of the resolutions passed nor Postal ballot is proposed during the year.

Disclosures

There were no transactions of material nature between the company and the directors or management and their relatives or promoters that may have a potential conflict with interest of the company. The remuneration to Whole-time Directors

and key management personnel has been disclosed in the Annual Report

There has been no Non-Compliance by the company on any matter related to capital markets, Listing Agreement, Filing of the requisite Forms, Returns and Documents with the Registrar of Companies (ROC) and hence no penalties were paid nor any strictures were imposed on the company by the stock exchanges or SEBI or any statutory authority.

Means of Communication

The company publishes its Quarterly results in Economic Times/ Business Standard (English), Eenadu/ Andhra Bhoomi (Telugu). These results are submitted to the stock exchanges in accordance with the Listing Agreements and they are also being filed with the Stock Exchanges under EDIFAR facility.

Management Discussion & Analysis

The Management Discussion & Analysis Report is enclosed as part of the Annual Report.

GENERAL SHAREHOLDERS ' INFORMATION

1. General Shareholders Information:

The Thirteenth Annual General Meeting of the Company will be held on Thursday, 28th September, 2007 at 10.30 A.M at Plot No 1 & 9 Phase II, IDA Cherlapally, Hyderabad- 500051

Dates of Book Closure: 22nd September 2007 to 27th September 2007.

2. Financial calendar 2007-08 (Tentative)

Financial Reporting for the first quarter ending 30th June, 2007: last week of July, 2007,

Financial Reporting for the second quarter/half year ending 30th September, 2007: last week of October, 2007,

Financial Reporting for the third quarter/nine months ending 31st December, 2007: last week of January, 2008.

Financial Reporting for the fourth quarter/year ending 31st March, 2008: last week of April/July, 2008.

3. Stock Exchanges where the shares of the Company are Listed

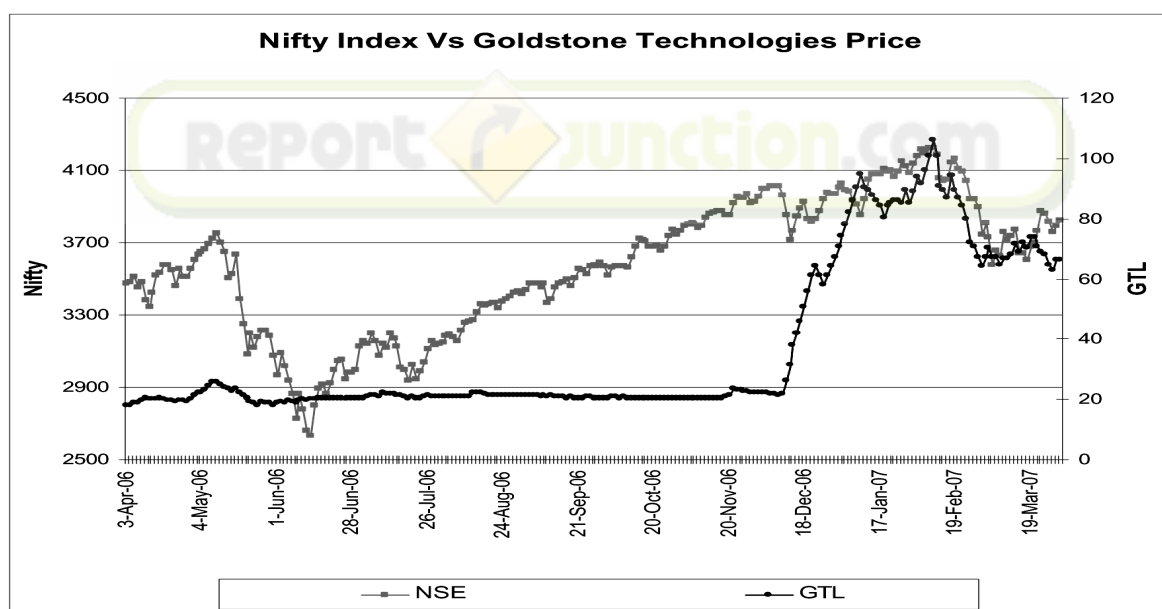
1. National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1 G Block Bandra Kurla Complex Bandra East Mumbai – 400 051	2. Bombay Stock Exchange Ltd 25 th Floor, P J Towers Dalal Street, Mumbai – 400 001
3. Hyderabad Stock Exchange Limited Adm Office 6-3-654, Adj to Erramanzil Bus Stop, Somajiguda, Hyderabad - 82	4. Ahmedabad Stock Exchange Ltd Kamadhenu Complex, Opp Sahajanand College Panjarapole, Ahmedabad – 380015
5. Madras Stock Exchange Limited Exchange Building Post Box No. 183 Second Line Beach, Chennai - 600001	6. Delhi Stock Exchange Assoc Ltd DSE House, 3/1 Asaf Ali Road New Delhi – 110 002

**Stock Code:**

NSE - GOLDTECH - BSE – 531439 - HSE – 6496

Market Price Data

Month	NSE		BSE	
	High	Low	High	Low
April 2006	21.70	17.50	21.65	17.30
May 2006	27.20	17.80	26.80	17.70
June 2006	21.10	18.30	21.55	18.00
July 2006	23.45	19.10	23.30	20.05
August 2006	23.05	19.90	23.45	20.45
September 2006	22.40	20.30	22.50	20.05
October 2006	22.30	20.05	21.75	20.00
November 2006	24.25	20.00	24.60	16.80
December 2006	67.60	21.35	66.95	21.50
January 2007	99.65	67.25	98.20	66.50
February 2007	111.20	63.95	111.10	64.20
March 2007	77.25	61.50	77.00	61.20

**Outstanding GDR's/ADR's/Warrants or convertible instruments and impact on Equity:**

The Company has not issued any GDRs/ADRs. There are no outstanding instruments convertibles into Equity Shares and as such there will be no change in the Share Capital of the Company.

Registrar and Transfer Agents

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