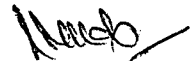


# INDIAN INFOTECH & SOFTWARE LIMITED

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FOR INDIAN INFOTECH AND SOFTWARE LTD.



DIRECTOR.

27<sup>th</sup> Annual Report  
31<sup>st</sup> March, 2009

**DIRECTORS**

K. L. MUNDRA, Managing Director  
N. K. PAREEK  
G. K. JOSHI  
K. P. PATIL  
R. M. KHANDELWAL  
SURENDRA R. RAO

**BANKERS**

AXIS BANK LTD  
SIR P.M. ROAD BRANCH,  
FORT, MUMBAI

**AUDITORS**

M/S H. P. BIYANI & CO.  
CHARTERED ACCOUNTANTS  
MUMBAI

**REGISTERED & ADMINISTRATIVE  
OFFICE**

EMPIRE HOUSE, 3<sup>RD</sup> FLOOR, &  
214, DR. D.N. ROAD,  
FORT, MUMBAI – 400 001.

**NOTICE**

NOTICE is hereby given that the TWENTY-SEVENTH ANNUAL GENERAL MEETING of the Members of the Company will be held at the Registered office of the Company at Empire House, 3<sup>rd</sup> Floor, 214, Dr. D.N. Road, Fort, Mumbai – 400 001 on Tuesday, 29<sup>th</sup> September 2009 at 3.30 p.m. to transact the following business.

**AS ORDINARY BUSINESS:**

1. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31<sup>st</sup> March, 2009 and Balance Sheet as at that date, Cash Flow statement for the year ended 31<sup>st</sup> March, 2009 and Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri G. K. Joshi, who retires by rotation under Article 104 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
3. To appoint M/s. H. P. Biyani & Co., Chartered Accountants, as Statutory Auditor of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and to vote on a poll instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not later 48 hours before the meeting.
2. Members are requested to notify immediately any change in their addresses
3. Members desiring to submit mandates, to lodge transfer deed for shares are requested to forward the same so as to reach the Company's Registrars, M/s Sharex Dynamic (India) Pvt. Ltd., 17/B, Dena Bank Building, 2<sup>nd</sup> Floor, Horniman Circle, Fort, Mumbai – 400 001 on or before 22<sup>nd</sup> September 2009. the Company will not be in a position to act upon any document, which is incomplete or received after 22<sup>nd</sup> September 2009
4. The Register of Members and the Share Transfer Book of the Company will remain closed from 22<sup>nd</sup> September 2009 to 29<sup>th</sup> September 2009 (both days inclusive).
5. The information required to be provided under the Listing Agreement entered into by the Company with the Stock Exchanges regarding the Directors who are proposed to be reappointed is given in the Corporate Governance Report.
6. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
7. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.

**FOR AND ON BEHALF OF THE BOARD****Sd/-****K. L. MUNDRA  
MANAGING DIRECTOR****PLACE ; MUMBAI****DATE : SEPTEMBER 4, 2009**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

India has made significant progress in Computer Education and is reckoned as a leader in this field. There is vast scope in this area and business.

### **OUTLOOK, OPPORTUNITIES AND THREATS**

During the year under report the Company had accelerated Consultancy Business and is hopeful that its income from Consultancy, Training, Computer Education etc. will further grow in coming years.

### **RISK AND CONCERN**

There is no perceived risk and concern in this area of business and there is an ample scope for growth in India itself.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has introduced internal checks and controls system which is considered adequate.

### **FINANCIAL PERFORMANCE**

During the year under Report the Company has earned an income of Rs. 13,28,122/- as against Rs. 27,26,204/- in the year ended 31<sup>st</sup> March 2008. The profit before tax was Rs. 25,117/- as against the profit of Rs. 3,56,678/- in the year ended 31<sup>st</sup> March, 2008. The net Profit after tax during the year was Rs. 70,898/- as against profit of Rs. 4,54,942/- in the year ended 31<sup>st</sup> March, 2008.

### **CAUTIONARY STATEMENTS**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward - looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on this forward looking statements that speak only as of their dates.

FOR AND ON BEHALF OF THE BOARD

Sd/-

K. L. MUNDRA  
MANAGING DIRECTOR

PLACE ; MUMBAI

DATE : SEPTEMBER 4, 2009

**DIRECTORS' REPORT**

The Directors have pleasure in presenting their TWENTY-SEVENTH ANNUAL REPORT on the business and operations of the Company for the year ended 31<sup>st</sup> March, 2009.

**1. FINANCIAL RESULTS :**

(Rs. In Lacs)

	31st March, 2009	31st March, 2008
Income from sales & Other Sources	13.28	27.26
Depreciation	0.67	1.07
Net Profit/ (Loss) before Taxation	0.25	3.57
Provision for Taxation	0.23	(0.20)
Excess Provision for Income Tax ( written back)	-	0.88
Deferred Taxatin	0.69	0.30
Profit/ (Loss) after Taxation	0.71	4.55

**2. DIVIDEND :**

Due to inadequate Profits the Board of Directors do not recommend any dividend for the year under review.

**3. DIRECTORS :**

Shri G. K. Joshi, Director of the Company retires by rotation under Article 104 of Articles of Association of the Company but being eligible offers himself for re-appointment.

**4. OPERATIONS :**

During the year under Report the Company has earned an income of Rs. 13,28,122/- as against Rs. 27,26,204/- in the year ended 31<sup>st</sup> March 2008. The profit before tax was Rs. 25,117/- as against the profit of Rs. 3,56,678/- in the year ended 31<sup>st</sup> March, 2008. The net Profit after tax during the year was Rs.70,898/- as against profit of Rs. 4,54,942/- in the year ended 31<sup>st</sup> March, 2008.

**5. AUDITOR'S REPORT :**

As regards Auditors observations in para 6 of the Auditors Report, the Directors are of the opinion that para 2 and 3 of the Notes to the Accounts given in "Schedule M" are self explanatory. As regards confirmation from debtors, creditors are concerned, the reconciliation of Accounts is a on going process and no material discrepancy has been found. As regards non-provision against doubtful debts, the provision @ 5 % on the doubtful debts of Rs. 82,09,185/- amounting to Rs. 4,10,459/-has been made in the Accounts and Directors are constantly reviewing the debts considered as doubtful.

**6. PARTICULARS OF EMPLOYEES :**

The Company has no employees in the category specified under Section 217(2A) of the Companies Act, 1956.

**7. ADDITIONAL INFORMATION REQUIRED UNDER THE NON-BANKING FINANCIAL COMPANIES (RESERVE BANK) DIRECTIVES, 1998.**

The relevant provisions, for disclosure in the Director's Report, of Non-Banking Financial Companies (Reserve Bank) Directions, 1998 issued by the Reserve Bank of India are not applicable, as the Company is not holding any public deposits.

**8. DIRECTOR'S RESPONSIBILITY STATEMENT :**

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

- a) in the presentation of the Annual Accounts, the applicable Accounting Standards have been followed and that no material departures have been made from the same;

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- b) the Directors had selected such Accounting policies and applied them consistently and 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 profit or loss of the Company for that period;
- c) the Directors had taken proper and sufficient care 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, and,
- d) the Directors had prepared the Annual Accounts on a going concern basis.

**FOR AND ON BEHALF OF THE BOARD**

**PLACE ; MUMBAI**  
**DATE : SEPTEMBER 4, 2009**

**Sd/-**  
**K. L. MUNDRA**  
**MANAGING DIRECTOR**

**ANNEXURE TO THE DIRECTOR'S REPORT**

*Statements of Particulars under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.*

<b>A. CONSERVATION OF ENERGY</b>	<b>Not Applicable.</b>
<b>B. TECHNOLOGY ABSORPTION</b>	<b>Not Applicable.</b>
<b>C. FOREIGN EXCHANGE EARNING AND OUTGO</b>	<b>Rs. NIL</b>

**FOR AND ON BEHALF OF THE BOARD**

**PLACE ; MUMBAI**  
**DATE : SEPTEMBER 4, 2009**

**Sd/-**  
**K. L. MUNDRA**  
**MANAGING DIRECTOR**

**REPORT ON CORPORATE GOVERNANCE****1. Company's Philosophy on Code of Governance:**

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavours to review strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

Your Board of Directors present the Corporate Governance Report for the year 2008-09 based on the disclosure requirement under Clause 49 of the Listing Agreement existing as on 31<sup>st</sup> March 2009.

**2. Board of Directors:**

The Board is headed by Shri. K. L. Mundra, Executive Chairman, and comprised of majority of Non-Executive Independent Directors. The Board is properly constituted as per Clause 49 of the Listing Agreement. The Composition of Board of Directors is as under—

Name of Director	Category	No. of Board Meetings attended during 08-09	Whether Attended last AGM	*No of Other Directorship	# No of Member-ship of other Comm.	Chair-manship of other Comm.
Shri K. L. Mundra	Executive Chairman and Managing Director	4	Yes	2	Nil	Nil
Shri. N. K. Pareek	Non Executive Director	4	Yes	1	Nil	Nil
Shri. G. K. Joshi	Independent Director	4	Yes	3	3	2
Shri K. P. Patil	Independent Director	4	Yes	1	1	Nil
Shri Surendra Rao	Independent Director	4	Yes	Nil	Nil	Nil
Shri. R. M. Khandelwal	Non- Executive Director	4	No	2	2	Nil

(details are as on 31st March, 2009)

\* Excludes alternate directorships and directorships in foreign companies and private companies which are neither a subsidiary nor a holding company of a public company.

# Excludes Committees other than Audit Committee and Shareholders'/ Investors' Grievance Committee and Companies other than public limited companies.

**DATES AND NUMBER OF BOARD MEETINGS HELD**

During the financial year ended 31<sup>st</sup> March, 2009, 4(Four) Meetings of the Board of Directors were held as on 30/04/2008, 29/07/2008, 23/10/2008 and 29/01/2009.

The Board periodically reviews compliance reports of all the laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliance, if any.

In terms of the provisions of Clause 49 of the Listing Agreement and contemporary practices of good Corporate Governance, the Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Board of Directors have also adopted Revised Code of Conduct in its Meeting held on 29<sup>th</sup> January, 2009 All the Board members and senior management personnel have affirmed compliance with the said Revised Code.

#### Particulars of Re-appointed Directors:

Name	:	Shri Ghanshyam K. Joshi
Designation	:	Independent Director
Age	:	65 years
Qualification	:	Inter-Science from Mumbai University
Experience	:	37 years of experience in Business.
Other Directorship	:	M/s Tecil Chemicals & Hydro Power Ltd. M/s Chemo Pharma Laboratories Ltd. M/s Citric India Ltd.

#### **Board Committees**

The Board has constituted the following Committees of Directors:

##### **(a) Audit Committee:**

##### **i. Terms of Reference**

The role and terms of reference of Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

##### **ii. Composition**

The Audit Committee consists of Shri. G. K. Joshi, as the Chairman, Shri R.M. Khandelwal and Shri. K. P. Patil as Member of the Audit Committee.

1. Shri G.K Joshi	Chairman
2. Shri R. M. Khandelwal	Member
3. Shri K. P. Patil	Member

The Composition of Audit Committee is in conformity with Clause 49 II (A) of the Listing Agreement.

A brief description of the terms of reference of the Audit Committee is as follows:

To review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

During the 2008-09 under review 4(Four) meetings of the Audit Committee were held, on 30/04/2008, 29/07/2008, 23/10/2008, and 29/01/2009. The attendance of members are as follows:

Name	Category	Meetings during the Year 2008-09	
		Held	Attended
Shri G. K. Joshi	Chairman	4	4
Shri R. M. Khandelwal	Member	4	4
Shri K. P. Patil	Member	4	4