



# Annual Report 2004 - 2005

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## INTEGRATED HITECH LIMITED

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### BOARD OF DIRECTORS

**Mr. A. Gerald Ebenezer**  
*Chairman & Managing Director*

**Mr. AXN Prabhu**  
*Director*

**Mr. K.V. Viswanathan**  
*Director*

**Mr. R. Murugesan**  
*Director*

### COMPANY SECRETARY

**Mr. S.K. Rengarajan**  
B.A., B.T., F.I.C.W.A., A.C.S., I.D.C.S.

### BANKERS

Canara Bank

### AUDITORS

**Mr. A. Chinnappan**  
M.Com., F.C.A., Grad.C.W.A., A.C.S.,  
Chartered Accountant

### REGISTERED OFFICE & SOFTWARE LAB

150/116, Cisons Complex,  
Montieth Road, III Floor,  
Egmore, Chennai - 600 008.



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**INTEGRATED HITECH LIMITED****NOTICE**

**NOTICE** is hereby given that the Twelfth Annual General Meeting of the members of **INTEGRATED HITECH LIMITED** will be held on Friday the 30<sup>th</sup>, September 2005, at 10.00 a.m. at Sundaravadhini Hall, New No.115, (Old No.54), Egmore High Road, Egmore, Chennai – 600 008. to transact the following business:

**Ordinary Business**

1. To appoint a Director in place of Shri AXN.Prabhu who retires by rotation and being eligible, offers himself for re-appointment.
2. To consider, approve and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2005 and the Profit and Loss Account for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting.

By order of the Board,  
For **Integrated Hitech Limited**

Place: Chennai  
Date: 30-06-2005

**S.K.Rengarajan**  
Company Secretary

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**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
2. The proxy form in order to be effective must be deposited at the Registered office of the company not less than 48 hours before commencement of the meeting.
3. The members' are requested to intimate to the Registrar and Transfer Agents, M/s. Cameo Corporate Services Limited, 'Subramanian Building' No:1, Club House Road, Chennai-600 002., change of address, if any, at the earliest quoting their registered folio number.
4. Members holding Shares in more than one folio in identical order of names are requested to write to R&TA enclosing their Share Certificate to enable us to consolidate their holdings in one folio to facilitate better service.
5. As per Companies Act 1956, as amended, a shareholder may nominate in the prescribed manner, a person to whom his shares in the Company shall vest in the event of his death [Form 2B of Companies, (Central Government) General Rules & forms]. In the case of joint holding, joint holders may together nominate a person to whom the share shall vest in the event of death of the joint holders. Shareholders are requested to avail the facility. Equity shares of the Company are in the Depository, set up by National Securities Depository Limited and Central Depository Services (India) Limited. The shares of the company are in the compulsory dematerialisation list specified by SEBI and are traded in the demat mode and the share holders are requested to get their holding dematerialized as early as possible, in their own interest.
6. The Share Transfer Books will remain closed from Friday the 23<sup>rd</sup>, September 2005 to Friday the 30<sup>th</sup>, September 2005 (both days inclusive) for the purpose of Annual General Meeting.



## DIRECTORS' REPORT TO THE SHARE-HOLDERS

Dear Members,

Your Directors have great pleasure in presenting the TWELTH ANNUAL REPORT of the Company with the audited accounts for the year ended 31<sup>st</sup> March 2005.

### FINANCIAL RESULTS:

	Rs in lakhs	
	Year ended 31/03/2005	Year ended 31/03/2004
Income from operations	72.24	86.85
Income from operations	37.68	72.24
Profit before Depreciation	14.43	22.64
Profit before Tax	2.23	3.76
Profit after Tax	1.73	3.46
Balance carried to Balance-Sheet	1.73	3.46

### RESERVES & SURPLUS:

The Reserves and Surplus stands at Rs.63.93 lakhs as on 31/03/2005 as against Rs. 62.20 lakhs as on 31/03/2004.

### DIVIDEND:

Due to inadequacy of profits, the Board has considered expedient not to recommend any dividend for the year ended 31<sup>st</sup>, March, 2005.

### DEPOSITS

The Company has not accepted any deposit from the public.

### DIRECTORS:

In accordance with the provisions of The Companies Act, 1956 and the Company's Articles of Association Mr AXN.Prabhu is due to retire by rotation and is eligible for reappointment.

He is a member of the Audit committee of this company:

Notice have been received u/s 257 of the Companies Act proposing his name for appointment as Director.

### DIRECTORS' RESPONSIBILITY STATEMENT;

Pursuant to the requirement under Section 217(2AA) of The Companies Act, 1956, with respect to Directors' responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March 2005, the applicable accounting standards have been followed.
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 2004-2005 and of the profit or loss of the company for the year under review;
- (iii) That the Directors have 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;
- (iv) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2005 on a 'going concern' basis.

### PROJECT IMPLEMENTATION:

**ETDS:** Income Tax Department has introduced a new scheme of electronically filing of TDS Returns of Corporate bodies. Your company has provided the software and services for major companies for electronically filing their TDS returns

**INTEGRATED HITECH LIMITED****FUTURE PROSPECTS:**

For developing the projects abroad, the company has formed its subsidiaries in USA and Singapore. The Company has firmed up plans to operate the business at both the subsidiaries during the current year.

**AUDITORS AND AUDIT REPORT:**

Mr.A.Chinnappan, M.Com., FCA, AICWA, ACS., Chartered Accountant , Chennai, the Auditor of the Company, holds office until the conclusion of the ensuing Annual General Meeting. The Company has received confirmation from him that his appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. Accordingly it is proposed to appoint Mr.A.Chinnappan as Auditor of the Company at the ensuing Annual General Meeting, to hold office till the conclusion of the next Annual General Meeting.

**LISTING REQUIREMENTS:**

The shares of the company are listed on the Chennai and Mumbai Stock Exchanges. The annual listing fee has been duly paid.

**DEPOSITORY SYSTEM:**

The Security and Exchange Board of India (SEBI) has mandated the delivery of shares of your company under the compulsory dematerialized form with effect from 28<sup>th</sup> August 2000. Your company has entered into an agreement with the Central Depository Services and National Securities Depository Limited for dematerialization of your Company's Securities in accordance with the provisions of Depository Regulation. With this the members have the option /discretion to hold their demat shares in the company through the National Securities Depository Limited or the Central Depository Services (India) Limited.

**CORPORATE GOVERNANCE:**

Your directors are happy to report that your company has fully complied with the SEBI Guidelines on Corporate Governance, which have been incorporated as per the Listing Agreement with the Stock Exchanges.

A detailed report on Corporate Governance forms Annexure –A to this report. The Statutory Auditors of the Company have examined the Company's compliance as above and have certified the same as required under the SEBI guidelines . The certificate is reproduced as Annexure-B to this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

The Company has no activity relating to conservation of energy or technology absorption.

**PERSONNEL:**

Particulars of Employees pursuant to Section 217(2A) of the Companies Act, 1956. Mr.A.Gerald Ebenezer, Managing Director was in receipt of a remuneration of Rs.12.60 lakhs and perquisites of Rs.2.40 lakhs for the year 2004-2005.

**ACKNOWLEDGEMENT:**

The Directors wish to place on record their appreciation of the dedicated and untiring hard work put by the employees at all levels. The Directors would like to thank the Banks, Consultants, Auditors and above all the shareholders and valued customers for their continued support and patronage.

For and on behalf of the Board

Place : Chennai  
Date : 30.06.2005

**A. Gerald Ebenezer**  
Managing Director.



## ANNEXURE –A CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equality, in all facets of its operations and in all inter-actions with shareholders, employees, the government and lenders. Company is committed to achieve the highest international standards of corporate- governance. Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

### BOARD OF DIRECTORS:

The Board of Directors of the Company is composed of:

Mr.A.Gerald Ebenezer - Executive and Managing Director.

Mr.AXN.Prabhu – Non-Executive and independent Director.

Mr.K.V.Viswanathan - Non-Executive and independent Director.

Mr.R.Murugesan - Non-Executive and independent Director.

Mr.A.Gerald Ebenezer held Directorship in two companies and did not have any membership of any committee of any other company.

Other Directors did not hold directorship or committee membership in any other company.

During the year, 9 meetings of the Board of Directors were held and the dates of the meetings of BOD are given below:

21-04-2004	03-06-2004	30-06-2004	28-07-2004	31-07-2004	18-10-2004
30-10-2004	27-01-2005	31-01-2005			

Attendance details of the Directors for the Board Meetings during the year:

Name of the Director	No. of Meetings held during his tenure	No. of Meetings attended by him
Mr. Gerald Ebenezer	9	9
Mr.AXN.Prabhu	9	9
Mr.K.V.Viswanathan	9	9
Mr.R.Murugesan	9	9

### AUDIT COMMITTEE:

1 Audit Committee is comprising of three independent non-executive directors Viz.

1) Mr. K.V. Viswanathan 2) Mr. AXN.Prabhu.and 3). Mr.R.Murugesan.

Mr.K.V.Viswanathan is the Chairperson of the committee. This constitution of Audit committee also meets with the requirements under Section 292A of the Companies Act, 1956. The terms of reference stipulated by the board to the Audit Committee are, as contained under Clause 49 of the Listing Agreement.

Four meetings of the Audit Committee were held during the year and all the three members attended all the committee meetings.

### REMUNERATION COMMITTEE:

The remuneration committee of the Company comprises of 3 Directors viz.,

Mr. A. Gerald Ebenezer (Chairman), Mr.K.V.Viswanathan (member) and Mr.AXN.Prabhu (member).

Non-executive Directors are paid only sitting fees.

Mr A.Gerald Ebenezer-Managing Director is paid a salary of Rs.105,000/-pm plus perks whose annual value is not to exceed Rs.2,40,000/-.

Mr A.Gerald Ebenezer has been appointed as Managing Director of the company with effect from 21<sup>st</sup>, March 2002 for a period of five years.

### SHAREHOLDERS / INVESTORS GREIVANCE COMMITTEE

The shareholders / investors grievance committee comprises of Mr.AXN.Prabhu and Mr. K.V.Viswanathan. The committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures to improve the level of investor services. The company has authorized Mr. AXN.Prabhu and Mr. K.V.Viswanathan directors severally to approve the share transfers.

The Board has designated Mr.AXN.Prabhu as the Chairperson of this committee.

The board has designated Mr. S.K.Rengarajan, Company Secretary as the compliance officer.

The total number of complaints received and solved to the satisfaction of the shareholders during the year is 24.