

Kashyap Tele-Medicines Limited

(Formerly known as Jindal Online.Com Limited)

16th Annual Report 2009-2010

Board of Directors

Mr. Amit Agrawal	:	Managing Director
Mr. Dinesh Jain	:	Director
Mr. Sanjeev Agrawal	:	Director

• BANKERS •

HDFC Bank Limited
C.G. Road Branch, Ahmedabad

-: Auditors :-

M/S. Mehra Anil & Associates
Chartered Accountants,
2- E, Suryarath, Panchwati,
Ahmedabad-380 006

-: Registered Office :-

2nd Floor, Pushpawati Building No. 2
Chandanwadi, Girgaon Road,
Mumbai-400002
Email: - jindal86@rediffmail.com

NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the Members of the Company will be held on 13th day of September, 2010 at **Shree Kutch Gurjar Jain Samaj, Sumati Gurjar Bhavan, Chembur, Mumbai at 11.30 a.m.** to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider, and adopt the Audited Balance Sheet as at 31st March, 2010, Profit and Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dinesh Jain, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution, as an Ordinary Resolution Relating to the appointment of the Auditors of the company.

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Mehra Anil & Associates., Chartered Accountants, Ahmedabad, be and are hereby re-appointed as the 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 to examine and audit the accounts of the Company for the financial year 2010-2011, upon such remuneration, as may be agreed to between the Board of Directors of the Company and the Auditors plus reimbursement of out-of-pocket expenses and that the Board of Directors, be and are, hereby authorized to fix the remuneration as aforesaid.”

Registered Office :
2nd Floor, Pushpawati Building,
Girgaon Road, Mumbai-400002.

By Order of the Board of Directors
For Kashyap Tele-Medicines Limited

Place : Ahmedabad
Date : 30th May, 2010

Sd/-
Managing Director

NOTES:

- 1 (a) 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. The Proxy Form duly completed and signed should reach the company's registered office not later than 48 hours before the commencement of the meeting.
- (b) The Register of Members and Share Transfer Books of the Company will remain closed from 10th day of September, 2010 to 13th day of September, 2010 (both days inclusive).

Members are requested to contact the Registrar and Share Transfer Agent for all matters connected with the company's shares at:

M/s. MCS Ltd.

Shatdal Complex, Opp. Bata Show Room,

Ashram Road, Ahmedabad -380 009

Phone: 91-79-26582878

Fax - 26584027

Email:- mcsamd@reliancemail.net

Members holding shares in the physical form are requested to notify change of address, if any, to the Registrar and Share Transfer Agent (RTA). Members holding shares in physical form in more than one folio are requested to write to the RTA immediately enclosing their share certificates of their holdings to get the same into one folio.

- (c) Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address etc. to their Depository Participant (DP). These changes will be automatically reflected in the Company's record.
- (d) As required under Clause 49(VI) (A) of the Listing Agreement with Over the Counter Exchange of India, information is provided in the Annual Report in respect of Director proposed to be appointed/ re-appointed.
- (e) Shareholders intending to require information about the accounts to be approved in the meeting are requested to inform the Company in writing at least 7 days in advance of the Annual General Meeting.
- (f) As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of the Annual Report while attending the Annual General Meeting.

NOTES:

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolutions authorizing their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.

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By Order of the Board of Directors
For Kashyap Tele-Medicines Limited

Place : Ahmedabad
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Sd/-
Managing Director

DIRECTORS REPORT, 2009-2010

To,
The Members of
Kashyap Tele-Medicines Ltd.
(Formerly Known as Jindal Online.Com Limited)
Mumbai

Your Directors have a great pleasure in presenting the Sixteenth Annual Report along with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2010.

FINANCIAL RESULT:

(Rs. In Lacs)

<u>Particulars</u>	<u>2009-2010</u>	<u>2008-2009</u>
Net Sales/Income from operation and Other Income	5.04	5.02
Total Expenditure	4.54	2.72
Fin. Charges	0.01	0.004
Gross Op. Profit Before Depreciation and Taxation but after Interest	0.74	2.3
Depreciation	0.15	0.15
Profit (Loss) Before Tax	0.59	2.15
Net Profit/(Loss) after prior period Adjustments	0.59	2.15
Amount available for Appropriation	0.59	2.15
Balance carried to Balance Sheet	(279.10)	(279.69)

OPERATION AND FUTURE OUT LOOK:

During the year under review, the Company's total turnover was Rs. 5.04 Lacs and Operating Profit was Rs. 0.74 Lacs respectively as against during the previous year the same was Rs. 5.02 Lacs and Rs. 2.3 Lacs. Your Directors are quite confident to achieve better growth and profitability during next year.

DIVIDEND:

In view of the decrease in the profit, your Directors regret their inability to recommend any Dividend for the year under review.

PUBLIC DEPOSITS:

During the year, your Company has not accepted any deposits u/s 58A of the Companies Act, 1956 from the Public.

DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and of the Articles of Association of the Company, Mr. Dinesh Jain is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

AUDITORS:

At the ensuing Annual General Meeting M/s. Mehra Anil & Associates., Chartered Accountants, Ahmedabad, retires as Statutory Auditors and have offered themselves to be reappointed as Statutory Auditors of the Company to hold the office until the conclusion of the next Annual General Meeting.

AUDITOR'S REPORT:

In the opinion of the Directors, the Notes to the Accounts are self-explanatory and adequately explain the matters, which are dealt with in the Auditors' Report and, therefore, need not require any further comments under section 217 of the Companies Act, 1956.

AUDIT COMMITTEE:

Audit Committee has been constituted in terms of Listing Agreement and Section 292A of the Companies Act, 1956. Constitution and other details of audit committee are given in "Report on corporate governance" in this annual report.

PARTICULARS OF EMPLOYEE:

The Company has no employees whose salary exceeds the limits prescribed u/s 217 (2A) of the Companies Act, 1956. Hence information required to be given under the said section read with Companies (Particulars of Employees) Rule, 1975 as amended has not been provided in this report.

PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY ETC.:

1. Conservation of Energy and Technology Absorption

Not applicable to the Company.

2. Foreign Exchange earning & Outgo:

- a) Activities relating to exports: Nil.
- b) Foreign Exchange Earnings and Outgo.

	In Rs.	
	2009-2010	2008-2009
(i) Earnings	NIL	NIL
(ii) Outgo	NIL	NIL

DIRECTORS RESPONSIBILITY STATEMENT:

In compliance of section 217(2AA) of Companies Act, 1956, your directors confirm that:

- (a) The Company has followed the applicable standards in the preparation of the Annual Accounts and there had been no material departure.
- (b) Directors had selected the accounting policies and applied them consistently and made 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 the aforesaid period.
- (c) The Directors have taken proper and sufficient care for 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) The Directors have prepared the Annual Accounts on a going concern basis.

MANAGEMENT DISCUSSION & ANALYSIS:

This Annual Report contains a separate section on the Management Discussion and Analysis which forms a part of the Directors' Report.

CORPORATE GOVERNANCE:

Your Company is committed to the tenets of good corporate governance and has taken adequate steps to ensure the requirement of Corporate Governance as laid down in clause 49 of the listing Agreement are complied with. The philosophy of the Company on Corporate Governance is to ensure the long term interest of the Shareholders, creation of transparency, maintaining management ethics and developing good corporate culture.

A report on Corporate Governance as required under Clause 49 of this Listing agreement is incorporated as a part of the Directors' Report.

LISTING AGREEMENT :

The equity Shares of the Company are listed on Ahmedabad Stock Exchange Ltd. (ASE) and Bombay Stock Exchange Ltd. (BSE), Mumbai. The Listing fees for both the Stock Exchange have been paid for the current year.

CASH FLOW ANALYSIS :

In conformity with the provisions of Clause 32 of the Listing Agreement the cash flow statement for the year 31.03.2010 is annexed hereto.

INDUSTRIAL RELATIONS :

During the year, your Company maintained harmonious and cordial Industrial Relations.

ACKNOWLEDGEMENT :

The Board expresses its gratitude and appreciates the efforts of the Companies employees for their continued cooperation and unstinted support extended to the Company. The Board also express their appreciations for the continues assistance and co-operation from the financial institutions, Banks, Government authorities, Customers, Vendors and Shareholders and other Business Associates at all levels to the successful operation of the Company during the year under review.

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By Order of the Board of Directors
For Kashyap Tele-Medicines Limited

Place : Ahmedabad
Date : 30th May, 2010

Sd/-
Managing Director

Management Discussion and Analysis

Industrial Review :

The Indian IT Sector has identified its economic destiny during the recent years with great clarity along with the changing economic and business conditions, rapid technological innovation, proliferation of the internet and globalization, which are creating an increasingly competitive market environment that is driving corporations to transform the manner in which they operate. The industry has been performing at a staggering rate of growth of about 50 per cent every year and has sustained global competition. The most precious achievement is the contributions to the world of IT by gifting some of the leaders of the industry from Indian soil.

Consumers of products and services are increasingly demanding accelerated delivery times and lower prices. To adequately address these needs, we are focusing on our core competencies and are using outsourced technology service providers to help improve productivity, develop new products, conduct research and development activities, reduce business risk and manage operations more effectively. Government is also setting up Information Technology Investment Regions (ITIRs) with excellent infrastructure and would reap the benefits of co-sitting, networking and greater efficiency through use of common infrastructure and support services.

Financial Review :

During the year under review, the Company has achieved a total income of Rs.5.04 Lacs as against Rs.5.02 Lacs during the last year.

Opportunities and Threats :

The IT industry has great scope for people as it provides employment to technical and non-technical graduates and has the capability to generate huge foreign exchange inflow for India. Foreign countries get benefits in terms of labour costs and business processes. We are broadening the range of services being provided to the customers, which is resulting in more off shoring. Talent acquisition, development and retention initiatives taken by the company have brought down the employee attrition rates, thereby providing more stability to the employees and increasing their job commitment. Our Company has the ability to design, develop, implement and maintain advanced technology platform and solutions to address business and client needs has become a competitive advantage and a priority for corporations worldwide. Currently, the prevalence of multiple technology platforms and a greater emphasis on network security and redundancy have increased the complexity and cost of IT system, need for more dynamic technology solutions and the increased complexity, cost and risk associated with experience in leveraging technology to help improve efficiency and security.

There are various opportunities for the IT Companies as the Govt. has provided incentives including tax holiday and competitive duty structures by providing infrastructure support through organizations such as software technology parks. Again, the number of internet entities are also increasing at the faster rate.

As against there are certain threats from the Union Budget's proposal as an increase in the excise duty to 10 percent from the existing 8 percent which will raise the hardware prices and also components such as microprocessors, floppy disk drives, hard disk drive, flash drive, CD/DVD and combo drive meant for external use will now attract 4 per cent excise duty as a result prices go up for these too.

The budget proposes to raise the minimum alternative tax (MAT) rate from 15 per cent to 18 per cent as a result of which all IT companies now have to pay a minimum of 18 per cent tax irrespective of the fact that they operated under the Software Technology Parks of India or the Special Economic Zones or not.

Outlook:

The Indian information technology sector continues to be one of the sunshine sectors of the Indian economy showing rapid growth and promise. IT will bring about a drastic improvement in the quality of life as it impacts application domains and global competitiveness. Technologies that are emerging are Data Warehousing and Data Mining. They involve collecting data to find patterns and testing hypothesis in normal research. Software services that are being used in outsourcing will go a long way.

IT will continue to gain momentum. Indian information technology (IT) market is expected to grow at around 15.5 per cent, on the back of growing investor confidence and favorable initiatives taken by the government. The Company's Philosophy is based on customized services which are solely depended on individual customers requirement with the use of latest technology.

With its advance technology, competitive strength and cordial relationship, the company is expected to meet the growing demands of the industry.

Internal Control System and their adequacy:

The company has proper and adequate system of internal Control System to safeguard the assets of the company against the loss from unauthorized use and disposition. Company's internal control system also ensures that all transactions are recorded and reported properly.

The Management continuously reviews the internal control system. The review include overseeing adherence to management policy, safeguarding the assets of the company and the ensuring the preparation of timely and accurate financial information. The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data.

Our Company has designed the system of internal control to eliminate the risk of failure to achieve business objectives. The Board has reviewed the effectiveness of internal controls during the year.

There are policies and procedures for the reporting by employees and the resolution of suspected fraudulent activities. It is the policy of the Company to employ staff and management of high integrity, to train them appropriately to gain the latest information on the development in the IT sector.

Risk and Concerns :

The IT Industry in India has remained at the forefront of the outsourcing industry and actually has become an **enabler** for industry growth through expansion of Indian off shoring firms into other countries. Offshore service **centers are spawning** in the country due to operational excellence with low delivery cost, quality leadership, **abundant skilled** resources and a conducive business environment. The effective use of offshore technology **services offers a variety** of benefits, including lower cost of ownership of IT infrastructure, lower Labour costs, **improved quality and innovation**, faster delivery of technology solutions and more flexibility in scheduling.

The success of the organization is largely dependant upon highly skilled technology professionals and the **ability of our company to hire, attract, motivate, retain and train** these personnel which becomes very difficult as the corporations are reluctant to expand their internal IT departments and increase costs. These factors have increased corporations' reliance on their outsourced technology service providers and are expected to continue to drive future growth for outsourced technology services.

Human Resources Management and Industrial relations:

The thrust of your Company's human resource development efforts is to create a responsive and market-driven organization. In pursuit of your Company's strategy to create new engines of growth, human resource strategies continue to focus on the development of distributed leadership at all levels in the organization. We believe to create trust, transparency and teamwork improved employee productivity at all levels. Our commitment to harmonious industrial relations resulted in enhancing effectiveness of operations.

Cautionary Statement:

The information in this report includes forward-looking statements about our plans and future performance. Our expectations may change or not be realized, and you should not rely unduly on forward-looking statements. The forward-looking statements involve certain risks and uncertainties. The ability of the company to predict results or the actual effect of its plans and strategies is subject to inherent uncertainty. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of the company. Company does not intend, and undertakes no obligation, to update these forward-looking statements.

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By Order of the Board of Directors
For Kashyap Tele-Medicines Limited

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Date : 30th May, 2010

Sd/-
Managing Director