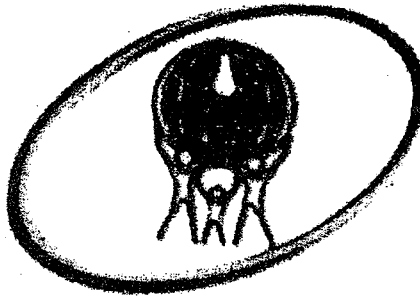


# **KEDIA INFOTECH LIMITED**



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**ANNUAL REPORT  
2005-2006**

## BOARD OF DIRECTORS

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**Shri. Ashok Kumar Kedia**  
**Shri. Vishwamberlal Kedia**  
**Shri. C.Dothanga**

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**Managing Director**

### **Auditors**

M/s.PPKG& Co.  
 Chartered Accountants,  
 #4-1-371, Kundas Estate,  
 3<sup>rd</sup> Floor, Abids,  
 Hyderabad – 500 001(A.P.)

### **Registrar & Share Transfer**

#### **Agents**

M/s.Beetal Financial and Computer  
 Services Private Limited  
 321-S, Chirag Delhi,  
 (Near Shahid Bhagat Singh College),  
 NEW DELHI – 110 017.

### **Corporate Office**

#512, Swapnalok Complex,  
 S.D.Road, Secunderabad – 500 003.

### **Registered Office**

312, G.K.House, 187A,  
 Santnagar,  
 East of Kailash,  
 NEW DELHI – 110 065

### **Listing**

The Stock Exchange, Mumbai  
 1st Floor, Rotunda Building,  
 B.S.Marg, Fort,  
 Mumbai – 400 001.

The Madras Stock Exchange Limited  
 Exchange Building, P.Box183,  
 11, 2<sup>nd</sup> Line Beach,  
 Chennai – 600 001.

The Delhi Stock Exchange , Delhi  
 #3/1, Asad Ali Board,  
 New Delhi – 110 002.

Jaipur Stock Exchange Limited,  
 Stock Exchange Building,  
 Jawaharlal Nehru Marg,  
 Malviya Nagar, Jaipur – 302017.

**NOTICE OF THE TWELFTH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Twelfth Annual General Meeting of Kedia Infotech Limited will be held at 12.30 p.m 30<sup>th</sup> September, 2006 at Govindas's Sree Radha Parthy Shathy Mandir Complex, Hari Krishna Hills, Sant nagar Main Road East of Kailash, New Delhi - 110065

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Profit and Loss Account for the Year ended 31.03.2006 and the Balance Sheet as at that date together with the Report of Auditors and the Report of the Board of Directors.
2. To appoint a Director in the place of Shri Vishwamberlal Kedia who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditor of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors M/s.PPKG & Co., Hyderabad are eligible for re-appointment.

**SPECIAL BUSINESS**

4. To consider and, if deemed fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri. G Srinivas, who was appointed as an Additional Director of the Company with effect from 05.10.2005 and who holds office upto the date of this Annual General Meeting be and is hereby appointed as a Director of the Company who is liable to retire by rotation.

for and on behalf of the Board

Sd/-

**KEDIA INFOTECH LIMITED**

Ashok Kumar Kedia

Managing Director

Place : New Delhi

Date : 04.08.2006

**ANNEXURE TO NOTICE**

**EXPLANATORY STATEMENT**

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

**ITEM NO.5**

Shri. G Srinivas was inducted as Additional Director with effect from 05.10.2005 on the Board of your Company and his appointment is to be regularized at the ensuing Annual General Meeting. Further he resigned from the Board of Directors of the Company with effect from 01.03.2006.

Your Directors recommend the Resolution for approval.

None of the Directors of the Company except Shri. G. Srinivas is concerned or interested in the Resolution.



**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 such proxy need not be a member of the company.
2. Instrument of proxies in order to be effective must be deposited at the Company's registered office at 312, G.K. House, 187A, Santnagar, East of Kailash, New Delhi – 110 065 not less than 48 hours before the meeting.
3. Members/Proxies should bring the attendance slip duly filled-in for attending the meeting.
4. Members/Proxies should bring the Annual Report being sent to them.
5. Members may note that the shareholders holding partly paid up shares are not entitled to vote at the meeting.
6. The Register of Members and Share Transfer books of the Company will remain closed from 25<sup>th</sup> Sept, 2006 to 30<sup>th</sup> Sept, 2006 (both days inclusive).
7. Members desiring any information on the Accounts are requested to write to the Company at least seven days before the meeting so as to enable the management to keep the information ready.
8. The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956 will be available for inspection at the venue of the Annual General Meeting of the Company during the Annual General Meeting. The Register of Directors' Shareholding is also available for inspection of the members at the Registered Office of the Company, fourteen days before and three days after, the date of the Annual General Meeting of the Company.
9. Since the Company is yet to declare any dividend, disclosure under Section 295 of the Companies Act, 1956, is not applicable.

For and on behalf of the Board  
**KEDIA INFOTECH LIMITED**

Sd/-

Ashok Kumar Kedia

Managing Director

Place : New Delhi  
Date : 04.08.2006.

**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the 12<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2006, comprising of twelve months from 01.04.2006 to 31.03.2006.

**FINANCIAL RESULTS**

The operating results for the year are as under:

	Rs. 31.03.2006	Rs. 31.03.2005
Profit before Depreciation & Tax	16,850,346.33	59,142,822.43
Depreciation	16,821,910.77	28,781,035.43
Tax		
- Current	962135.60	6,973,720.09
- Deferred	(952564.19)	3,062,040.96
- Income Tax A.Y. 2003-2004	--	102,800.00
- Fringe Benefit Tax	88,933.00	--
Profit/(Loss) for the year	(70,068.85)	20,223,225.95
Add: Adj. on account of initial adoption of Deferred Tax	-	-
Profit/(Loss) brought forward	(70,068.85)	25,042,912.50
Surplus carried to Balance Sheet	45,196,069.60	45,266,138.45

**DIVIDENDS**

Your Board of Directors do not recommend any dividend for the year 2005-2006.

**OPERATIONS**

The turnover for the year decreased from Rs. 168,052,300.06 to Rs. 77,776,557.60 in the previous year. The operations for the year resulted in the loss of Rs. 70,068.85/-.

**INDUSTRIAL RELATIONS**

Your Directors are happy to report that the industrial relations have been extremely cordial at all levels throughout the year.

## **PARTICULARS OF EMPLOYEES**

During the year under review, none of the employees of the Company have drawn remuneration as specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## **DIRECTORS**

Shri. Vishwamberlal Kedia, Director retires by rotation at the 11th Annual General Meeting and being eligible offers himself for reappointment.

Shri. G Srinivas was appointed as Additional Director of the Company, who has also given his resignation, with effect from 01.03.2006.

## **AUDITORS**

M/s.PPKG & Co.,Chartered Accountants, Statutory Auditors of your Company hold office until the conclusion of the 10th Annual General Meeting. The Board of Directors proposes the appointment of M/s.PPKG & Co., Chartered Accountants, as the Statutory Auditors. The Company has received a certificate from them to the effect that their appointment if made would be within the limits prescribed under Section 224(1) of the Companies Act, 1956.

## **DEPOSITS**

The Company has not accepted any deposit during the year under review.

## **DIRECTORS RESPONSIBILITY STATEMENT**

The Board submits as under :

- that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made 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 at the end of the financial year and of the profit or loss of the company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts on a going concern basis.

## **CORPORATE GOVERNANCE**

A detailed report on the Corporate Governance is given in this Annual Report.

## **DEMATERIALISATION OF EQUITY SHARES**

The Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dealing of equity shares of the Company in dematerialised form. Company has been allotted ISIN No. 245D02027. The shareholders may send their share certificates through their depository participants for having the shares in electronic form.

## **PARTICULARS REGARDING ENERGY CONSERVATION ETC.**

Pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988. Your Company being a non-manufacturing company, the Directors have nothing to report on "Conservation of Energy and Technology Absorption." However, the Board is taking all necessary steps to conserve energy wherever is possible.

During the period under consideration the foreign exchange savings and outgo is as follows:

- a) Activities relating to exports, initiatives taken to increase export, development of new export market for services and export plans: Nil
- b) Total foreign exchange earned and used is as per the figures given in the Balance Sheet.

## **ACKNOWLEDGEMENT**

Yours Directors place on record the appreciation for the sincere efforts and hard work put in by the employees of the Company in its operations. The Directors acknowledge the support and co-operation received from Shareholder, Banks and other Governmental Agencies.



The Directors express their gratitude to the shareholders of the Company for the confidence and faith reposed in the management.

for and on behalf of the Board  
**KEDIA INFOTECH LIMITED**

Place : New Delhi  
Date : August 4<sup>th</sup>, 2006

Sd/-	Sd/-
Managing Director	Director
Ashok Kumar Kedia	Vishwamberlal Kedia



CHARTERED ACCOUNTANTS

**PPKG & CO****Batgach**  
A network approved by ICAI**AUDITORS' REPORT**

To  
The Members of **KEDIA INFOTECH LIMITED**,  
NEW DELHI.

1. We have audited the attached Balance Sheet of M/s **KEDIA INFOTECH LIMITED**, as at 31<sup>st</sup> March, 2006 and also the Profit and Loss Account and the cash flow statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003 issued by the Department of Company Affairs, in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper Books of Accounts as required by the law have been kept by the company so far as appears from our examination of the books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.