

INDUJ INFOTECH LIMITED

**4th Annual Report
2004-2005**

BOARD OF DIRECTORS

Shri. Warij A. Kasliwal	:	Chairman
Shri. Mukul S. Kasliwal	:	Vice-Chairman
Shri. V. K. Jain	:	Director
Shri. D. D. Avari	:	Director
Shri. S. C. Dalal	:	Director
Shri. M. Hudli	:	Additional Director

REGISTERED OFFICE

S. KUMARS HOUSE, Plot No. 60,
MIDC, Phase II, Street 14,
Andheri (E), Mumbai - 400 093.

AUDITORS

M/s. Malpani & Associates
Chartered Accountants,
307, Chartered House,
Marine Lines, Mumbai – 400002.

MAIN BANKERS

The United Western Bank Ltd.
State Bank of Indore
IDBI Bank Limited

REGISTRARS & TRANSFER AGENTS

M/s. Bigshare Services Pvt. Ltd
E- 2/3, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (East), Mumbai – 400073.

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NOTICE

Notice is hereby given that the 5th Annual General Meeting of the members of Induj Infotech Ltd. will be held at S Kumars House, Plot – 60, Phase II, Street – 14, MIDC, Marol, Andheri (East), Mumbai – 400093 on Friday, the 30th day of December, 2005 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2005 and the Audited Balance Sheet as on that date together with the reports of the Auditors and the Directors thereon.
2. To appoint a director in place of Shri Warij A. Kasliwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Shri Vijendra Kumar Jain, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Malpani & Associates, Chartered Accountants as the Statutory Auditors of the company to hold the office from the conclusion of this annual general meeting until the conclusion of the 6th annual general meeting and to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT, Shri. M. Hudli be and is hereby appointed as a director of the company, liable to retire by rotation".

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT, pursuant to Section 17 and other applicable provisions of the Companies Act, 1956 the following new clause be added as Object No 1 in the main object clause of the Memorandum of Association of the company by shifting the existing Object 1 as Object No 1A thereof.

"To conduct the business as manufacturers of garments and/or manufacturers of man made fabrics and cotton fabrics by carrying on spinning, weaving, bleaching, dyeing, processing, printing, knitting, finishing, folding, packing and to act as whole-sellers, retailers, dealers in all kinds of suitings, shirtings, cotton, man-made synthetics, knitted fabrics, apparels and also engaged in buying, selling, agency, importing, exporting and to engage in converting, altering or otherwise processing of cotton textiles and other type of cloths, yarns, fibres, fabrics, garments, apparels whether synthetic, blended, artificial or natural and whether grey, semi-finished, finished and utilizing any waste arising there from and to carry on the business of dealing in cotton textiles, wool, raw silk, synthetic waste silk, flax, liner, mohair, nylon, rayon, terylene, polymide, acrylies, polyester, staple and any

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other type of natural and man made fibre and yarns or any other or new substances being improvements upon any other fibres and fibrous materials whether an agricultural or animal or natural or chemical or synthetic products and to set up textile and apparel parks and textile infrastructure."

7. To consider and , if thought fit , to pass , with or without modification (s), the following resolution as a Special Resolution:-

"RESOLVED THAT subject to the approval of the Central Government and pursuant to section 21 of the companies Act, 1956 the name of the company be and is hereby changed from Induj Infotech Ltd to Unitex Designs Limited ."

"RESOLVED FURTHER THAT, the Memorandum and Articles of Association be changed by deleting the existing name ie. Induj Infotech Ltd and substituting the same by Unitex Designs Limited ."

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and a proxy need not be a member of the company. Proxy forms should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business to be transacted at the meeting is annexed hereto.
3. Members are requested to notify immediately any change in their address along with Pin Code Number to the Company / Share Transfer Agents.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 28th December, 2005 to 30th December, 2005 (both days inclusive) for the purpose of 5th Annual General Meeting.
5. Members may avail of the facility of dematerialisation by opening Depository accounts and get the equity share certificates held by them dematerialised.
6. Special Resolutions in the Item No – 6 & 7 are subject to passing by postal ballots. The results of the postal ballots will be declared in the Annual General Meeting.

By order of the Board

**Sd/-
For Induj Infotech Ltd.**

Mumbai
24th November, 2005

**(V. K. Jain)
Director**

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 5

Shri. M. Hudli was appointed as an additional director of the company in accordance with the provisions under Section 260 of the Companies Act, 1956 read with article 109 of the Articles of Association of the company with effect from 28th June, 2005 to hold office upto the ensuing general meeting of the members of the company. The company has received a notice together with the required deposit from a member under Section 257 of the Companies Act, 1956, signifying his intention proposing Shri. M. Hudli as candidate for the office of director. The approval of the shareholders is sought for the said appointment as director liable to retire by rotation.

Shri. M. Hudli aged 52 years, has done B. Sc, LL. B.(Spl.), CAIIB. He is a ex-banker having huge experience of 31 years in banking, finance and administration.

Shri. M. Hudli is not related to any director of the company and not holding shares of the Company.

The Board of Directors recommend the passing of the resolution.

None of the Directors except Shri. M. Hudli, is concerned or interested in the resolution.

ITEM NO. 6

Presently there is huge competition in the field of IT enabled services and medical transcription business is no more profitable. Hence, in order to diversify its business, the company wants to enter into the textile business. This will help the company to grow at a faster rate.

Hence, it is proposed that the main object clause of the company be changed by inserting a new object relating to the textile industry.

The Board of Directors recommend the passing of the resolution. None of the Directors, is concerned or interested in the resolution.

ITEM NO. 7

Since the company is entering into the textile business it is desirable to change the name of the company accordingly. In this respect, it is proposed that the name of the company be changed from Induj Infotech Limited to Unitex Designs Limited as the new name do reflect the business of the company.

The Board of Directors recommend the passing of the resolution. None of the Directors, is concerned or interested in the resolution.

By order of the Board

Sd/-

For Induj Infotech Ltd.

Mumbai
24th November, 2005

(V. K. Jain)
Director

INDUJ INFOTECH LIMITED**DIRECTORS' REPORT**

To
The Members,

Your Directors present the Fourth Annual Report together with the Audited Statements of Accounts for the period ended on 31st March 2005. As per clause 49 (IV) (F) of the Listing Agreement, the Management Discussion and Analysis Report also forms part of this report as Annexure – I.

FINANCIAL HIGHLIGHTS

The operating results of the company for the year under review are as follows:

(Amount in Rupees)

Particulars	From 01/04/2004 to 31/03/2005 (12 months)	From 01/01/2003 to 31/03/2004 (15 months)
Profit / (Loss) before depreciation & tax	(2,21,06,402)	(11,49,066)
Less: Depreciation	2,93,247	3,26,171
Profit / (Loss) before tax	(2,23,99,649)	(14,75,237)
Add: Deferred Tax	(26,438)	(11,698)
Less: Prior Period Adjustment (Net)	-	(22,724)
Excess provision of earlier year written back	-	1,39,400
Profit / (Loss) after tax	(2,23,73,211)	(13,70,259)
Add: Balance in Profit & Loss account brought forward from previous year	(2,01,37,250)	(1,87,66,991)
Transfer to deferred tax liability during the year	-	-
Balance available for appropriation	(4,25,10,461)	(2,01,37,250)
Balance carried to Balance Sheet	(4,25,10,461)	(2,01,37,250)

DIVIDEND

Your directors do not recommend any dividend.

THE YEAR IN RETROSPECT:

Medical transcription Business has been temporarily suspended as this is no more a profitable business due to unhealthy competition. Due to poor response in ERP business, your company decided to terminate this business activity to avoid any further expenses. The losses in the year under review is mainly due to writing off the expenses incurred on ERP project in the earlier years.

DEMATERIALIZATION OF SHARES

The Equity Shares of the Company are under Compulsory Dematerialisation as per the notification issued by Securities and Exchange Board of India. Your company offers simultaneous "Transfer cum Demat" facility to shareholders who send their physical shares for transfer. Quite a few Investors have availed the benefits of this facility. A total of 78.13% of the shares are held in Dematerialised Form. We request the shareholders who are holding shares in physical form to get the same dematerialised at the earliest.

DIRECTORS

Pursuant to the provisions of the Companies Act, 1956 and the Articles of Association of the company Shri. V. K. Jain retires by rotation and being eligible, offers himself for reappointment.

AUDITORS

M/s. Malpani & Associates, Chartered Accountants, Mumbai, the statutory auditors of the company retire at the conclusion of the ensuing 5th annual general meeting of the company. They have expressed their willingness to be re-appointed from the conclusion of this 5th annual general meeting to the conclusion of the 6th annual general meeting of the members of the company. The notes to the accounts and the qualifications in the Auditors' report are self-explanatory.

AUDIT COMMITTEE

The Audit committee of the company consists of Shri D. D. Avari – Chairman, Shri S. C. Dalal and Shri V. K. Jain as members of the committee.

FIXED DEPOSITS

The Company has not accepted any Deposits from the public.

CORPORATE GOVERNANCE

The Board of Directors lays strong emphasis on transparency, accountability and integrity in its business activities. Your company believes in an active,

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well-informed and independent board to ensure the highest standards of corporate governance.

A separate section on Management Discussion and Analysis and Corporate Governance together with a Certificate of the Company's Auditors confirming compliance is set out in the Annexure forming part of this Report.

PARTICULARS OF EMPLOYEES

The Information pursuant to Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, is **NIL**.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) In the preparation of Annual Accounts the applicable accounting standards have been followed, except Accounting Standard (AS) - 21 "Consolidated financial statements" due to non receipt of accounts of its foreign subsidiary company.
- ii) Your Directors have selected standard accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the State of Affairs of the company at the end of the financial year and of the Loss of the company for the year ended 31.03.2005.
- iii) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing/detecting fraud and other irregularities.
- iv) In view of the restructuring measures undertaken by the Company, your Directors have prepared the attached Statement of Accounts for the year ended 31st March 2005 on a going concern basis.

CONSERVATION OF ENERGY

The Company is committed to energy conservation at every stage of its operations. Various steps have been taken to reduce consumption of electrical energy by improved house keeping, monitoring the use of equipment etc.