

Annual Report **2007 – 2008**



ORG INFORMATICS LIMITED
(An ISO 9001 : 2000 Company)

BOARD OF DIRECTORS

Mr. Ajoy K. Khandheria
Managing Director & CEO

Mr. Kartikeya V Sarabhai

Mr. John Cornell

Mr. B. V. Suryakumar

Mr. R.L Dube

Auditors

Khanna and Annadhanam
Chartered Accountants
B-3/7 Asaf Ali Road,
New Delhi-110 002

INDEX

Notice	01
Director's Report	02
Auditor's Report	11
Balance Sheet	14
Profit & Loss Account	15

Schedules

1. Share Capital	16
2. Reserves & Surplus	16
3. Secured Loan	17
4. Unsecured Loan	17
5. Fixed Assets	18
6. Investment	17
7. Inventories	19
8. Sundry Debtors	19
9. Cash & Bank Balances	19
10. Other Current Assets	19
11. Loan & Advances	20
12. Current Liabilities & Provisions	20
13. Revenue from Operations	21
14. Other Income	21
15. Stores and Spares Consumed	21
16. (Increase)/Decrease in Inventories	21
17. Operating & Maintenance Expenses	22
18. Personnel Costs	22
19. Administrative and Other Expenses	22
20. Interest and Finance Charges	22
21. Prior Period Adjustments	22
Cash Flow Statement	23
22. Significant Accounting Policies and Notes to Accounts	25

Statements u/s 212 of the Companies Act, 1956	37
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Consolidated Financial Statements	40
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ORG Informatics Limited

Regd. Office:

3rd Floor, "Abhishek", Akshar Chowk, Old Padra Road, Vadodara 390 020.

Notice

The Thirty second Annual General Meeting of the Company will be held on Monday, 29th day of September, 2008 at 11.00 A.M. at Vanijya Bhavan, Race Course, Vadodara to transact the following business:

Ordinary business:

Item 1

To receive, consider and adopt the Directors' Report and Audited Profit and Loss Account for the year ended 31.3.2008 and the Balance Sheet of the Company as on that date.

Item 2

To appoint a Director in place of Mr. B.V. Suryakumar, who retires by rotation and being eligible offers himself for re-appointment.

Item 3

To appoint a Director in place of Mr. Kartikeya V. Sarabhai, who retires by rotation and being eligible offers himself for re-appointment.

Item 4

To appoint M/s Khanna & Annadhanam, Chartered Accountants, New Delhi, as Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

Special business:

To consider and, if thought fit, to pass with or without modification(s), the following:

Item 5 - Special Resolution

"**RESOLVED** that pursuant to the provisions of Section 31 and all other applicable provisions, if any of the Companies Act, 1956, the existing Article 140 (3) of the Articles of Association of the Company be and is hereby substituted as mentioned herein below:

140 (3) "The fee payable to a Director for attending a meeting of the Board or Committee thereof shall be a sum not exceeding Rs.10,000/- or such other sum as the Company in General Meeting may from time to time determine."

Item No.6 – Ordinary Resolution:

"**RESOLVED** that in accordance with the Special Resolution under provisions of Section 79A and 81 and other applicable provisions, if any, of the Companies Act, 1956 (herein after referred to as the Act), passed by the shareholders of the Company in their Annual General Meeting held on 30.8.2003 and again addendum by the Special Resolution passed by them in their Annual General Meeting held on 30.8.2005 for inclusion of the Employees of ORG Telecom Limited, a wholly owned subsidiary of the Company under the ESOS Scheme and the provisions contained in the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme)

Guidelines, 1999 (herein after referred to as the Regulations) including any statutory modification(s) or re-enactment of the Act or the Regulations for the time being in force/ and the Regulations/ Guidelines prescribed by any other relevant authority from time to time to the extent applicable and pursuant to the recommendation of the ESOS Compensation Committee, approval of the shareholders of the Company be and is hereby accorded to the Company to revise the exercise price of Options granted by the ESOS Compensation Committee on 30.8.2005 and 19.9.2006 and remained unexercised and also remaining due for vesting (whether or not they have been vested), to its and its subsidiary company's employees under Company's ESOS Scheme, from Rs.50/- and Rs.62/- respectively to Rs.27/- per equity share of Rs.10/- each at a premium of Rs.17/- per share. "

By Order of the Board of Directors,

Vinod Singh Negi
Company Secretary

Gurgaon, Haryana

31st July, 2008

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 A PROXY NEED NOT BE A MEMBER.
2. Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and the Share Transfer Books of the Company will remain closed from 26th September, 2008 to 29th September, 2008 (both days inclusive).
3. Shareholders holding the shares in Electronic form are requested to bring their Client ID and DPID at the meeting for easy identification.
4. The information required to be given pursuant to Corporate Governance Code regarding appointment / reappointment of Director/s is as under:
 - i) Mr. B.V. Suryakumar is a Graduate in Commerce and Professional Cost Accountant (ICWAI). He has over 46 years of wide and varied experience in Managing various areas of Corporate Management. His last employment was at Essar Projects Limited, Mumbai where he served at its Whole-time Director & CEO.
He holds Directorships in 3 other companies including Private Limited companies. He holds 2522 equity shares in the Company.
 - ii) Mr. Kartikeya V. Sarabhai has did Tripos in Natural Science from Cambridge University and Post Graduate at MIT, USA. He has varied experience in both industrial and NGO Sector. He is the Chairman of Ambalal Sarabhai Enterprises Limited. He played a Key Instrumental role in the setting up of two dynamic joint ventures, namely Sarabhai Piramal Pharmaceuticals Limited (SPPL) and Sarabhai Zydus Animal Health Limited (SZAHL).

Mr. Sarabhai is the Director of Centre for Environment Education since inception, a center for excellence associated with Ministry of Environment and Forest.

He is also the Managing Trustee of Nehru Foundation for Development.

He holds Directorships in 34 other companies including private limited companies. He holds 2984 equity shares in the Company.

Explanatory Statement.

Required under Section 173 of the Companies Act, 1956, to accompany the notice of Thirty second Annual General Meeting of the Company.

Item No. 5

The members are hereby informed that since inception of the company the Articles of Association of the company prescribed the limit of sitting fee of Rs.250/- to the directors for attending the Board Meeting and Committee Meeting thereof. Considering the depreciation in the value of money since the incorporation of the company it was felt by the company and advised by the Board of Directors to increase the sitting fee for attending the meeting of Board of Directors and committee thereof. After discussion with the Board it has been decided that the aforesaid limit of Rs.250/- may be increased upto Rs.10,000/- for attending the Board Meeting and committee thereof.

Pursuant to the provisions of section 31 of the Companies Act, 1956, to alter any provision of the Articles of Association of the Company, approval of the Shareholders is required.

The said item requires the approval of shareholders of the company by way of Special Resolution.

Therefore, your Directors recommended the resolution set out in the notice for the approval of members.

None of the Directors of the Company is, in any way, concerned or interested in said resolution, except to the extent to receive the sitting fee for attending the Board or Committee Meetings.

Item No.6.

The Members are aware that during last few months the global economy has been crumble and have impacted the Indian economy and Stock Market. Consequently the share price of the company has come down to around Rs.25/- per share from around Rs.125/- a year ago. Considering this drastic fall in the price of the share of the Company in Indian Stock Exchanges the ESOS Compensation Committee of the Board and Board of Directors in its meeting held on 31st July, 2008 had recommended to revise the Exercise Price for the Option Granted by the Company under its different Employees Stock Option Schemes.

Pursuant to the provisions of the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 including any statutory modification(s) or re-enactment of the Act or the Regulations for the time being in force and the Regulations/ Guidelines prescribed by any other relevant authority from time to time to the extent applicable and Employees Stock Option Scheme of the Company, revision of Exercised Price is require the recommendation of ESOS Compensation Committee and

also approval of Shareholders of the Company. For the Options Granted but outstanding for Vesting the ESOS Compensation Committee and Board of Directors has recommended a price of Rs.27/- per equity share of Rs.10/- at a premium of Rs.17/- per share from Rs.50/- per share and Rs.62 per share for existing ESOS schemes of the Company. The revision in the price is in the interest of the Employees covered under the Scheme.

The said item requires the approval of shareholders of the company by way of Ordinary Resolution.

Therefore, your Directors recommended the resolution set out in the notice for the approval of members.

None of the Directors of the Company is, in any way, concerned or interested in said resolution, except to the extent to Option Granted to them.

Inspection of Documents

All the documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company during business hours on all working days (except Saturdays) till the date of the meeting.

By order of the Board of Directors

Vinod Singh Negi
Company Secretary

Place : Gurgaon, Haryana
31st July, 2008.

Directors' Report

1. To the Members

Your Directors have pleasure in submitting the Annual Report and Audited Statement of Accounts for the year ended 31.3.2008.

2. Financial Results

The financial Results of the Company on consolidated basis are summarized hereunder :-

	2007-2008	2006-2007
	TRs.	TRs.
Income	2,468,115	3,144,858
Expenditure	2,246,842	2,831,703
Gross Profit	221,273	313,155
Interest & Finance Charges	73,843	43,567
Depreciation & Amortization	81,961	34,777
Tax	41,708	59,344
Prior Period Adjustments	20,199	2,194
Net Profit	3,562	173,272

3. Dividends

The Directors feel that company's profits need to be plough back to accelerate the growth pace in the future which will ultimately increase the worth of the

shareholders and therefore, your Directors are not recommending payment of any dividend for this year.

4. Operations

Global uncertainty and adverse development across the sector has also impacted the Revenue and profit margin of the company compared to the previous year. Your Company had reported last year that we were considering acquisition of Satellite Communication Business in Europe. It is our pleasure to inform you all that we have acquired the running Satellite Communication Business of M/s Belgacom, SA, Belgium by incorporating a wholly owned subsidiary company namely Belgium Satellite Services SA (BSS). The acquisition was funded by issue of Foreign Currency Convertible Bonds (FCCB) raised by company in November, 2007. During the year under review the new subsidiary BSS has contributed revenue of approximately INR 40.25 crores and profit of INR 6.37 crores. The company is confident that in the coming year BSS will contribute significantly in the growth of ORG Group.

5. Subsidiaries

The company has four wholly owned subsidiary companies namely, ORG Telecom Ltd., Unified Technologies Pvt. Ltd., ORG Singapore Pte. Ltd. (formally known as DGIT Solutions Pte. Ltd, Singapore) and Belgium Satellite Services SA (Belgium). The Belgium Satellite Services SA has been incorporated under the law of Belgium on 18th October, 2007 to acquire running business of M/s Belgacom SA. During the period under review the subsidiary has achieved revenue of INR 40.25 crores and earned a net profit of INR 6.37 crores. These are unaudited results as the first financial year of the subsidiary will be closed on 31st March, 2009, which is permissible under the Law of Belgium.

Audited Balance Sheets, Profits & Loss accounts, Directors reports and auditor's report of these subsidiary companies are not attached with this Annual Report as the company has taken the Central Government approval under section 212 of the Companies Act, 1956, except for the Belgium Satellite Services SA (Belgium) whose first financial year will be closed on 31st March, 2009.

6. Employees Stock Options Scheme

Pursuant to permission granted by the shareholders of the Company to issue shares under ESOS to its employees, your Board of Directors has formed an ESOS Committee. As on date this Committee is consisting of Mr. Ajoy K. Khandheria, Mr. John Cornell, Mr. Kartikeya V. Sarabhai and Mr. B.V. Suryakumar, Directors of the Company.

Pursuant to the ESOS scheme framed by the Company in accordance to the approval obtained from shareholders vide resolution dated August 30, 2003, Company has got in principle approval for issuance of 1176000 equity shares from the Stock Exchange,

Mumbai. These shares could be issued by the ESOS Committee from time to time in accordance with the Scheme and SEBI Guidelines. The said ESOS Scheme was extended to the employees of Subsidiary Company i.e. ORG Telecom Ltd. also vide Special Resolution passed by the shareholders of the Company in their Annual General Meeting held on 30.8.2005.

Following disclosures are being made in respect of the present ESOS Scheme and Options allotted pursuant thereto as per the requirement of Clause 12.1 of the SEBI (ESOS & ESPS) Guidelines, 1999:-

- I. (a) Options granted : 127500 (On May 17, 2004 to be vested over a period of 4 years equally at the rate of 25% each year).
- (b) The pricing formula : Par Value or Last One year average of the closing price whichever is high.
- (c) Options vested :
 - (i) As on May 7, 2005- 30,000 Options were vested
 - (ii) As on May 17, 2006- 23,625 another Options were vested
 - (iii) As on May 17, 2007- 23,625 another Options were vested
 - (iv) As on May 17, 2008- 23,625 another Options were vested
- (d) Options exercised :
 - (i) 29,250
 - (ii) 23,625
 - (iii) 23,625
 - (iv) 11,750
- (e) (i) The total number of shares arising as a result of exercise of Option:
 - (i) 29,250
 - (ii) 23,625
 - (iii) 23,625
 - (iv) 11,750
- (f) Options lapsed :
 - (i) 750
 - (ii) 5625
 - (iii) Nil
 - (iv) 11,875
- (g) Variation of terms of Options : N.A. except inclusion of employees of Subsidiary of the Company (ORG Telecom Limited).
- (h) Money realized by exercise of Options :
 - (i) Rs. 2,92,500
 - (ii) Rs. 2,36,250
 - (iii) Rs. 2,36,250
 - (iv) Rs. 1,17,500
- (i) Total number of Options in force: 11,76,000 Options
- (j) Employee wise details of Options granted to :
Initially Options were granted to 15 persons including senior managerial personnel i.e. 51500 Options were granted to these senior managerial personnel.
9 personnel were granted 5% or more of Options out of the total Options granted in that year.

Now, the 4 years equally vesting and exercise of Options under this tranche has been completed.

- II. (a) Options granted : 1,47,500 Options were granted to the Employees of ORG Telecom Limited (a wholly owned subsidiary of your Company) and 1,45,500 Options were granted to the Employees of ORG Informatics Limited on 30.8.2005 to be vested over a period of 4 years equally at the rate of 25% each year.

Total Options granted : 2,93,000

- (b) The pricing formula : Par Value or Last One year average of the closing price whichever is high.

- (c) Options vested : (i) As on August 30, 2006 – 36,875 Options were vested to the Employees of ORG Telecom Limited and 36,375 Options were vested to the Employees of ORG Informatics Limited.

Total Options vested : 73,250

- (ii) As on August 30, 2007– 33,625 Options were vested to the Employees of ORG Telecom Limited and 36,375 Options were vested to the Employees of ORG Informatics Limited.

Total Options vested : 70,000

- (d) Options exercised (i) 24,875 Options were exercised by the Employees of ORG Telecom Limited and 17,200 Options were exercised by the Employees of ORG Informatics Limited.

Total Options exercised : 42,075

- (ii) 23,025 Options were exercised by the Employees of ORG Telecom Limited and 13,625 Options were exercised by the Employees of ORG Informatics Limited.

Total Options exercised : 36,650

- (e) The total number of shares arising as a result of exercise of Options:

- (i) 42,075 i.e. 24875 shares by Employees of ORG Telecom Limited and 17,200 shares by Employees of ORG Informatics Limited.

- (ii) 40,200 i.e. 23,025 shares against exercise of current year Options and 3,500 shares against exercise of last year's carried forward Options by the Employees of ORG Telecom Limited and 13,625 shares against exercise of current year Options and 50 shares against exercise of last year's carried forward Options by the Employees of ORG Informatics Limited

- (f) (I) Options carried to next year :

- (i) 27,925 i.e. 8,750 Options were carried to next year by the Employees of ORG Telecom Limited and

19,175 Options were carried to next year by the Employees of ORG Informatics Limited.

- (ii) 45,250 i.e. 3,875 Options of the current year were carried to next year and 3,875 Options of the last year's were also carried to next year by the Employees of ORG Telecom Limited and 18,750 Options of the current year were carried to next year and 18,750 Options of the last year's were also carried to next year by the Employees of ORG Informatics Limited

- (II) Options lapsed :

- (i) 3250 Options were lapsed by the Employees of ORG Telecom Limited

- (ii) 1,375 Options of the last year's carried forward Options were lapsed during the current year and 6,725 options were lapsed for the current year Options by the Employees of ORG Telecom Limited and 375 Options were lapsed for the last year carried forward Options and 4,000 Options were lapsed for the current year Options by the Employees of ORG Informatics Limited.

- (g) Variation of terms of Options : N.A. except inclusion of employees of Subsidiary of the Company (ORG Telecom Limited).

- (h) Money realized by exercise of Options :

- (i) Rs. 21,03,750 i.e. Rs.12,43,750/- from the Employee of ORG Telecom Limited and Rs. 8,60,000/- from the Employees of ORG Informatics Limited.

- (ii) Rs.20,10,000 i.e. Rs.13,26,250 /- from the Employee of ORG Telecom Limited and Rs.6,83,750/- from the Employees of ORG Informatics Limited.

- (i) Total number of Options in force : 11,76,000 Options

- (j) Employees wise details of options granted to: Initially, Options were granted to 39 persons of ORG Telecom Limited including 11 senior managerial personnel 83,000 Options were granted to these senior managerial personnel and 24 persons of ORG Informatics Limited including 7 senior managerial personnel 1,21,000 Options were granted to these senior managerial personnel.

11 Personnel of ORG Telecom Limited and 5 personnel of ORG Informatics Limited were granted 5% or more of Options out of the total Options granted in that year.

- III. (a) Options granted : 3,96,000 Options were granted to the Employees of ORG Telecom Limited (a wholly owned subsidiary of your Company) and 50,000 Options were granted to the Employees of ORG Informatics Limited on 19.9.2006 to be vested over a period of 4 years equally at the rate of 25% each year.

Total Options granted : 4,46,000

- (b) The pricing formula : Weighted average price of share of the Company over the last three years period in Bombay Stock Exchange.
- (c) Options vested : As on September 19, 2007 – 99,000 Options were vested to the Employees of ORG Telecom Limited and 12,500 Options were vested to the Employees of ORG Informatics Limited.
Total Options vested : 1,11,500
- (d) Options exercised : 43,125 Options were exercised by the Employees of ORG Telecom Limited and 7,500 Options were exercised by the Employees of ORG Informatics Limited.
Total Options exercised : 50,625
- (e) The total number of shares arising as a result of exercise of Options: 50,625 i.e. 43,125 shares by Employees of ORG Telecom Limited and 7,500 shares by Employees of ORG Informatics Limited.
- (f) (A) Options carried to next year : 53,375 Options were carried to next year by the Employees of ORG Telecom Limited.
(B) Options lapsed : 7,500 i.e. 2,500 Options were lapsed by the Employees of ORG Telecom Limited and 5,000 Options lapsed by the Employees of ORG Informatics Limited.
- (g) Variation of terms of Options : N.A. except inclusion of employees of subsidiary of the Company (ORG Telecom Limited).
- (h) Money realized by exercise of Options : Rs.31,38,750/- i.e. Rs.26,73,750/- from the Employee of ORG Telecom Limited and Rs. 4,65,000/- from the Employees of ORG Informatics Limited.
- (i) Total number of Options in force : 11,76,000 Options
- (j) Employee wise details of Options granted to : Initially, Options were granted to 14 persons of ORG Telecom Limited including 14 senior managerial personnel i.e. 3,96,000 Options were granted to these senior managerial personnel and 2 persons of ORG Informatics Limited including 2 senior managerial personnel i.e. 50,000 Options were granted to these senior managerial personnel.
11 Personnel of ORG Telecom Limited and 2 personnel of ORG Informatics Limited were granted 5% or more of Options out of the total Options granted in that year.

7. Directors

Mr. Anil Chawla has resigned as Director with effect from 24.4.2008. The Board placed on record its appreciation of the guidance received from him during his association with the Company.

Mr. B. V. Suryakumar and Mr. Kartikeya V. Sarabhai retire by rotation and being eligible offer themselves for re-appointment.

8. Auditor's Report

The attached Auditor's Report to the members of the company for the period under review is self explanatory except Clause 8 of the 'Annexure to the Auditor's Re-

port'. The comments of Board of Directors on the aforesaid point is as under:

"The board of directors have noted the observation of the Auditors that the internal audit was not commensurate with the size and nature of the company's business. The board assures the members that immediate steps will be taken to ensure that the internal audit is commensurate with the size and nature of business of the company".

9. General

Particulars as required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 is appended herewith and forms part of this report.

There was no employee who withdrew the remuneration exceeding the limits specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended from time to time.

10. Directors' Responsibility Statement

Your Directors confirm that:-

- (i) In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The directors have selected such 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 that period;
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
- (iv) The directors have prepared the annual accounts on a going concern basis.

11. Corporate Governance

The Report on Corporate Governance as required under Clause 49 of the Listing Agreement is given as an Annexure to this Report. A certificate from Practicing Company Secretaries regarding compliance of applicable conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is also attached to this report.

12. Acknowledgements

The Board records its appreciation of the support which the Company has received from its bankers, customers, government organizations, overseas strategic alliance partners, staff and employees. The Board also appreciates the confidence reposed by the shareholders in the Company and its management.

For and on behalf of the Board of Directors

Ajoy K. Khandheria
Managing Director & CEO
Gurgaon, Haryana
July 31, 2008

B.V. Suryakumar
Director

Annexure to Directors' Report.

Information required under 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.

Conservation of Energy

Although the Computer Services Industry as such is not an energy intensive industry, efforts are being made continuously by the Company for the conservation of energy through improved operational methods and other means.

Form of Disclosure of Particulars with respect to Absorption of Technology, Research & Development (R&D).

FORM B

1. Research & Development : Not Applicable
2. Foreign Exchange earnings/ Outgoings : Rs. (TRs.)
- Foreign Exchange Earnings : 71,586
- Foreign Exchange Expenditure : 1,152

REPORT ON CORPORATE GOVERNANCE**I. Corporate Governance Philosophy:**

The primary objective of good Corporate Governance is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness and to develop capabilities and identify opportunities that best serves the goal of value creation. Your company remains committed to achieving these objects. Given below is the report on corporate governance at ORG Informatics Limited.

II Board of Directors :

As on 31.3.2008, the Board of Directors of the Company comprises of Six Directors of whom one is Executive and five are Non-Executive Directors.

The Company is professionally managed and its Board of Directors comprises of professionally qualified Directors who have rich experience in the field of Management, Information Technology, Telecommunications and Finance.

The names, Categories of the Directors on the Board and numbers of Directorships and Committee Position held by them in other company are given below:

(a) Composition of Board:

Name	Category of Directorship	No. of other Directorships.*	No. of committee Memberships in Other companies**	Nos. of equity shares held in the Co.,
Mr. Ajoy K. Khandheria	Executive - Non Independent	14	—	7029
Mr. John W. Cornell	Non-Executive - Independent	7	—	Nil
Mr. Anil Chawla***	Non-Executive - Independent	7	—	Nil
Mr. Kartikeya V. Sarabhai	Non-Executive - Non Independent	34	1	2984
Mr. B.V. Suryakumar	Non-Executive - Independent	3	1	2522
Mr. R.L. Dube	Non-Executive - Independent	—	—	Nil

* including Private Companies.

** In accordance with Clause 49 of the Listing Agreement, memberships of only the Audit Committee and Shareholders' / Investors' Grievance Committees of Public Limited Companies have been considered.

*** Resigned with effect from 24.4.2008

No. of Board Meetings:-

Eight Board Meetings were held during the year 2007-2008 on the following dates.

23.5.2007, 23.5.2007, 6.7.2007, 31.7.2007, 11.10.2007, 13.11.2007, 23.11.2007 and 30.1.2008.

Attendance of Directors at Board meetings and the last Annual General Meeting.

Name of Director	Board Meeting Attended.	Last AGM Attended
Mr. Ajoy K. Khandheria	7	Yes
Mr. John W. Cornell	...	No
Mr. Anil Chawla*	1	No
Mr. Kartikeya V. Sarabhai	1	Yes
Mr. B.V. Suryakumar	3	Yes
Mr. R.L. Dube	4	No
Brig. J.S. Ahuja**	6	No
Mr. Manish Arora***	2	No

* Resigned with effect from 24.4.2008

** Alternate Director to Mr. John W. Cornell

*** Appointed as an Alternate Director to Mr. B.V. Suryakumar with effect from 23.5.2007 and ceased with effect from 31.7.2007.

(b) Code of Business Conduct and Ethics for Directors and Senior Management.

The Board of Directors of the Company by Circular Resolution dated 1.12.2005 passed by them, has adopted the Code of Business Conduct and Ethics for Directors and Senior Management ('the code').

A copy of the Code has been put on the Website of the Company i.e. www.orgltd.com

The Code has been circulated to all the members of the Board and Senior Management and the Compliance of the same has been affirmed by them. A declaration signed by the Managing Director & CEO of the Company is given below :

(c) DECLARATION.

I hereby confirm that, the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the Financial Year 2007-2008.

For ORG Informatics Limited,

Ajoy K. Khandheria,
Managing Director & CEO
Gurgaon, Haryana
April 2, 2008

(d) Certification by the Managing Director & CEO and CFO:

Mr. Ajoy K. Khandheria, Managing Director & CEO and Mr. Rajesh Suri, Chief Finance Officer of the Company have issued a Certificate to the Board on the lines of sub-clause V of Clause 49 of the Listing Agreement in connection with the Financial Statements and Cash Flow Statement etc. for the year 2007-2008.

The said certificate was placed before the Board Meeting held on 31st July, 2008.

III. Audit Committee :

The Audit Committee comprises of following members.

Mr. B.V. Suryakumar

Mr. John W. Cornell

Mr. Kartikeya V. Sarabhai

Mr. R.L. Dube

During the financial year ended 31st March, 2008, four meetings of the committee were held and all the meetings were attended by two members.

IV. Shareholders' / Investors' Grievance Committee:

The Shareholders' / Investors' Grievance Committee comprises of following members.

Mr. Ajoy K. Khandheria

Mr. John W. Cornell

Mr. Kartikeya V. Sarabhai

Mr. B.V. Suryakumar

A meeting of the Shareholders' / Investors' Grievance Committee was held on 23.5.2007 where three members of the Committee were present. It was reported in the meeting that 25 complaints received by the Company from the Shareholders had been amicably resolved by the Company.

V. Remuneration Committee :

- a) The remuneration committee comprises of following members.

Mr. John W. Cornell

Mr. Kartikeya V. Sarabhai

Mr. B.V. Suryakumar

No meeting of remuneration committee was held during the year.

Details of Remuneration paid to Directors :

Sr No	Director	Relation-ship With other Directors	Sitting fees For Board & Committee Meetings 2007-08	Salaries perquisites (including P.F.Super Annuation & Gratuity) 2007-08	Comm-ission	Total
			Rs.	Rs.	2007-08 Rs.	2007-08 Rs.
1	Mr. Ajoy K. Khandheria	None	Nil	Nil	Nil	Nil
2	Mr. John W. Cornell	None	Nil	Nil	Nil	Nil
3	Mr. Kartikeya V. Sarabhai	None	500	Nil	Nil	500
4	Mr. B.V. Suryakumar	None	1250	Nil	Nil	1250
5	Mr. Anil Chawla*	None	250	Nil	Nil	250
6	R.L. Dube	None	1500	Nil	Nil	1500
7	Brig. J.S. Ahuja**	None	2500	Nil	Nil	2500
8	Mr. Manish Arora***	None	1250	Nil	Nil	1250

* Resigned with effect from 24.4.2008

** Alternate Director to Mr. John W. Cornell

*** Appointed as an Alternate Director to Mr. B.V. Suryakumar with effect from 23.5.2007 and ceased with effect from 31.7.2007.

- b) i. On 17.5.2004, the ESOS Committee of the Company have allotted 14000 Options to Mr. Ajoy K. Khandheria, Managing Director & CEO of the Company. The said Options were to be vested over a period of 4 years at the rate of 25% per year commencing from 17.5.2005 into the equity shares of Rs.10/- each at par on the basis of accepted Options.

- ii. On 30.8.2005, the ESOS Committee of the Company has allotted 65000 Options to Mr. Ajoy K. Khandheria, Managing Director & CEO, 10000 Options to Mr. John W. Cornell, Director and 10000 Options to Mr. B.V. Suryakumar, Director of the Company. The said Options are to be vested into the equity shares of Rs.10/- each of the Company at a premium of Rs. 40/- per share, over a period of 4 years, at the rate of 25% per year commencing from 30.8.2006, on the basis of accepted Options.

VI. General Body Meetings:

Location, date and time of Annual General Meetings / Extraordinary General Meetings held during last three years.

Year	Date	Time	Location
2004-2005 29 th AGM	30.08.2005	11.00 A.M	Vanijya Bhavan, Race Course, Vadodara
2005-2006 30 th AGM	19.9.2006	11.00 A.M	Vanijya Bhavan, Race Course, Vadodara
2006 Extraordinary General Meeting	22.12.2006	11.00 A.M	Vanijya Bhavan, Race Course, Vadodara
2007 Extraordinary General Meeting	13.2.2007	11.00 A..M	DLF City Club, DLF City, Phase-IV, Opp.Galleria Market, Gurgaon – 122002, Haryana.
2006-2007 31 st AGM	20.8.2007	11.00 A.M	Vanijya Bhavan, Race Course, Vadodara
2007 Extraordinary General Meeting	6.11.2007	11.00 A..M	301, Orchid Square Building, Sushant Lok-1, Block-B, Gurgaon-122002, Haryana.
2008 Extraordinary General Meeting	28.2.2008	11.00 A..M	301, Orchid Square Building, Sushant Lok-1, Block-B, Gurgaon-122002, Haryana.

All the resolutions setout in the respective Notices of the Meetings aforesaid were passed by the shareholders of the Company unanimously except the resolution which was proposed in the Extraordinary General Meeting held on 22.12.2006. With the approval of the Shareholders present, the Extraordinary General Meeting of the shareholders of the Company held on 22.12.2006 was concluded without discussing proposal for which the said Extraordinary General Meeting was called.

Last year, there was no occasion for the Company to put any resolution through postal ballot or any of the matter/s as mandated by Section 192A of the Companies Act, 1956 / Clause 49 of the Listing Agreement.

This year also the Company has not put any resolution through postal ballot.

VII. Disclosures :

- In terms of Section 299(3) (b) of the Companies Act, 1956, the General Notices of disclosure of interest are obtained from the Directors and accordingly the Register of Contracts under Section 301 of the Companies Act, 1956 is tabled and signed.
- Transactions with the "related parties" are disclosed in detail in note No. 13. of 'Notes forming part of Accounts' annexed to the financial statements for the year ended 31st March, 2008. Adequate care was taken by the Board to ensure that the potential conflict of interest did not harm the interest of the Company.
- There was no non-compliance during the last three years by the Company on any matter related to Capital Market except the Quarterly result for the quarter ended 30th September, 2007 was published on 23rd November, 2007 instead of on or before 30th October, 2007.

VIII. Means of Communication:

- Quarterly / Half Yearly Financial Results of the Company are forwarded to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited and are also published in Lokasatta (Gujarati Language) and the Economic Times / Business Standard (English Language). These are also posted on the website of the company i.e. www.orgltd.com
- Management Discussion & Analysis is part of Directors' Report to Members.

IX. Shareholders Information:

- Annual General Meeting.
Date : 29th September, 2008
Time : 11.00 A.M.
Venue : Vanijya Bhavan, Race Course,
Vadodara - 390 007.
- Financial Calender : 2008 – 2009
Event : Board Meeting

i) Unaudited Results	Qtrly. June 08	July-08
Unaudited Results	Qtrly. Sept. 08	Oct.– 08
Unaudited Results	Qtrly. Dec. 08	Jan. –09
Audited Accounts	March 09	June 09

(ii) Annual General Meeting : September, 2009

- Date of Book Closure:
26th September, 2008 to 29th September, 2008 (both days inclusive)
- Stock Exchanges where securities are listed and Stock Code.
Bombay Stock Exchange Limited, Mumbai - 517195
National Stock Exchange of India Limited, Mumbai - ORGINFO
- Listing fees for the year 2008-2009 have been paid to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
- Stock Price Data on BSE & NSE*:

MONTH	HIGH (BSE)	HIGH (NSE)	LOW (BSE)	LOW (NSE)
April – 2007	135.00	-	123.00	-
May – 2007	130.00	-	99.00	-
June – 2007	119.40	-	98.00	-
July – 2007	130.00	-	101.05	-
August – 2007	119.45	119.90	95.10	94.00
September – 2007	111.50	120.00	99.50	99.00
October – 2007	124.80	121.05	75.00	78.00
November – 2007	114.95	125.00	93.00	85.00
December – 2007	103.80	104.65	78.00	77.00
January – 2008	108.00	108.40	50.05	50.00
February – 2008	58.90	58.97	43.00	43.60
March – 2008	48.00	48.65	24.25	25.50

*The Company has been listed with NSE w.e.f. 17.08.2007

g) Registrar & Transfer Agents:

The Company has appointed MAS Services Pvt. Ltd., AB-4, Safdarjung Enclave, New Delhi – 110 029 as its Registrar and Transfer Agent for share registry work for both Physical as well as Electronic Connectivity.

h) Share Transfer System:

The shares of the Company are compulsorily traded in dematerialization form as per SEBI's directive. The Company has already appointed MAS Services Pvt. Ltd., New Delhi as its RTA for dematerialization purposes and also has set up the requisite facilities for dematerialization of shares with National Securities Depositories Ltd., (NSDL) and Central Depository Securities (India) Ltd., (CDSL).

For physical Share Transfer, if the share transfer documents are otherwise in order, share transfers are registered upon approval by the Share Transfer Committee of Directors, the meetings of which Committee of Directors are generally held at regular intervals of about 15 / 20 days. Thereafter, duly transferred share certificates are dispatched.