

# **TWIN CITIES INFOTECH LTD**

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***ANNUAL REPORT***

***2004 - 2005***

## **TWIN CITIES INFOTECH LTD**

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### **BOARD OF DIRECTORS**

Shri K.Prakash  
Shri Vishwanathan  
Shri S.S.Kumar  
Shri I.Srinivas  
Shri Mallikarjuna

### **AUDITORS**

T.S. Srinivasan  
Chartered Accountant  
Flat No-A/2Aashirwad Appts;  
#5, Raman Street, T.Nagar,  
Chennai-17

### **BANKERS**

Andhra Bank,  
Sowcarpet Branch,  
Chennai-79

### **REGISTERED OFFICE**

#503-B, Maheshwari Chambers,  
Somajiguda, Hyderabad.

### **SHARE TRANSFER AGENTS**

M/s. Cameo Corporate Services Limited,  
"Subramaniam Building", V Floor,  
1, Club House Road,  
Chennai-600 002.  
Phone (044) 28460390 (5 lines)  
Fax: (044) 28460129

## **TWIN CITIES INFOTECH LTD**

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### **NOTICE**

NOTICE is hereby given that the Tenth Annual General Meeting of the members of TWIN CITIES INFOTECH LTD will be held on Friday , the 30th September 2005 at 10 a.m. at 503-B, Maheshwari Chambers, Somajiguda, Hyderabad to transact the following business:

#### **ORDINARY BUSINESS:**

01. To receive, consider and adopt the audited Balance Sheet as at 31st March 2005 and the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
02. To appoint a Director in place of Mr.K.Prakash, who retires by rotation and, being eligible, offers himself for reappointment.
03. To appoint a Director in place of Mr.I.Srinivas, who retires by rotation and, being eligible, offers himself for reappointment.
04. To consider and if thought fit to pass with or without modification the following resolution as ordinary Resolution:

"RESOLVED THAT M/S. R.Kankaria & Uttam Singhi, Chartered Accountants be and are hereby appointed as the Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company in place of Mr.T.Srinivasan Chartered Accountant, the retiring Auditor of the company, who had informed their unwillingness to be re-appointed due to pre-occupation. The Board of Directors may fix the remuneration of the auditors."

**By order of the Board,  
For Twin Cities Infotech Ltd**

**(Mallikarjuna)  
DIRECTOR**

**PLACE: CHENNAI**

**DATE: 05<sup>th</sup> September 2005**

## TWIN CITIES INFOTECH LTD

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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 Register of Members and the Transfer of book in respect of the Equity shares will remain closed from 23<sup>rd</sup> September 2005, 30<sup>th</sup> September 2005, both days inclusive.
4. The Members' are requested to intimate to the Registrar and Transfer Agents, Cameo Corporate Services Limited #1, Subramaniam Building, Club House Road, Mount Road, Chennai-2, change of address, if any, at the earliest quoting their registered folio number.
5. 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.
6. Members seeking any information with regard to accounts or operation are requested to write to the company at an early date so as to enable the management to keep their information readily.

## TWIN CITIES INFOTECH LTD

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### DIRECTORS REPORT

Dear Members,

Yours Directors have great pleasure in presenting the Tenth annual Report of the company with audited accounts for the year ended 31<sup>st</sup> March 2005.

#### FINANCIAL RESULTS:

	Year Ended 31.03.2005 Rs (lakhs)	Year Ended 31.03.2004 Rs (lakhs)
PROFIT BEFORE DEPRECIATION	5.59	(4.21)
LESS: DEPRECIATION	22.86	21.13
PROFIT BEFORE TAX	(17.27)	(25.34)
LESS: PROVISION FOR TAX	Nil	Nil
PROFIT AFTER TAX	(17.27)	(25.34)

#### DIVIDEND:

To conserve the reserves and plough back the profits for expansion activities of the company.

Your Directors do not recommend any dividend for financial year 2004-2005.

#### MANAGEMENT DISCUSSION AND ANALYSIS

##### a) Industry Structure And Development:

There has been considerable slowdown in global scenario of software industry. The same trend has been observed in India also. The slowdown has largely been because of the slowdown in overall economy of the world. As a consequence, Indian has grown at a considerable rate over the past 3 years.

## TWIN CITIES INFOTECH LTD

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### **b) Business Performance**

The turnover is Rs. 30 Lacs in financial year 2004-2005 against Rs.5.53 Lakhs in the financial year 2003-2004. Your Directors are hopeful of improving the turnover and profit in coming years by strategic business plans.

### **c) Out Look**

The issues remain essentially the same as at last year-end, and with evidence now of a slowdown, both globally and locally, we can expect no favour from the markets in which we operate. In accepting these challenges, we also expect our entire workforce to play their part. The simple fact remains that to improve returns, will require continued focus on productivity's improvements, optimal sourcing and general cost containment.

### **d) Internal control systems and their adequacy:**

The system on of internal control comprises controls established to provide reasonable assurance of safeguarding assets and maintenance of proper accounting records and its accuracy.

The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to security and its adequacy. Reports are prepared and circulated to senior management and action taken to strengthen controls where necessary.

### **e) Human Resources and Industrial relations:**

Your company continued to have cordial relations with its employees

### **DEPOSITS:**

The Company has not accepted any deposit from the public.

### **DIRECTORS**

In Accordance with the provision of the Companies Act 1956 and the Companies Articles of Association Mr.K.Prakash and Mr.I.Srinivas is due to retire by rotation and is eligible for reappointment.

## **TWIN CITIES INFOTECH LTD**

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### **DIRECTORS RESPONSIBILITY STATEMENT:**

As required under Section 217 of the Companies Act, the Directors hereby confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The Directors had 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 of the Company for that period.
3. The Directors had 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 and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.

### **AUDITORS AND AUDITORS REPORT:**

Mr.T.Srinivasan Chartered Accountant has expressed their inability to continue as auditor of the company due to personal reasons. M/S R.Kankaria & Uttam Singhi Chartered Accountants has been appointed in the place of retiring auditor Mr.T.Srinivasan, Chartered Accountant, to hold the position till the conclusion of the ensuing AGM and is recommended for appointment Your company has received certificate from M/s A.Chinnappan Chartered Accountant, to the effect that the appointment, if made, would be within the prescribed from A.Chinnappan Chartered Accountant to the effect that the appointment, if made would be within the prescribed limits under 224(1B) of the companies Act, 1956.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS/OUTGO:**

The Company has no activity relating to Conservation of energy or technology absorption. The Company did not have any foreign exchange earnings or outgo during the year.

## **TWIN CITIES INFOTECH LTD**

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### **CORPORATE GOVERNANCE:**

#### **Company's Philosophy on Corporate governance:**

The company's Philosophy of corporate governance is aimed at assisting the top management of the company in the efficient conduct of its business and in meeting its obligations to the shareholders. A separate report on corporate governance is produced as a part of the annual report.

### **PERSONNEL:**

Particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956 are not applicable since none of the employees are in receipt of remuneration in excess of the limits specified herein during the period under review.

### **ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their deep appreciation of the dedication and commitment of employees to the growth of your Company during the year. Your Directors also express their sincere gratitude to the Banks, Consultants, Auditors and shareholders for their continued patronage and Co-operation

**For and on behalf of the Board,**

**(Mallikarjuna)**  
**DIRECTOR**

**(S.S. Kumar)**  
**DIRECTOR**

**PLACE: CHENNAI**

**DATE: 05<sup>th</sup> August 2005**

### **STATEMENTS AND REPORTS ON CORPORATE GOVERNANCE**

#### **MANDATORY REPORTS ON CORPORATE GOVERNANCE: -**

##### **Company's Philosophy On Corporate Governance:**

The company's Philosophy of corporate governance is aimed at exhibiting maximum transparency to the investors by providing them with more information. This is done not only with the information that are to be revealed under mandatory provisions but also with those information which according to the Management and the Board are relevant to the Investors and other Statutory Authorities to whom these Reports are addressed to.



## TWIN CITIES INFOTECH LTD

### Board of Directors:

The board of directors comprise of 1 executive & 3 non-executive director.

### Board Meetings:

Six board meetings were held on following dates: 29<sup>th</sup> June 2004, 31<sup>st</sup> July 2004, 02<sup>nd</sup> September 2004, 30<sup>th</sup> October 2004, 3rd January 2005, 29<sup>th</sup> January 2005

Attendance of each Director at the Board meetings and last AGM during last year:

Name of the director	No of Board Meetings attended	Attendance at the last AGM
Mr.K.Prakash	6	Yes
Mr. Vishwanathan	6	Yes
Mr. S.Kumar	6	Yes
Mr.I.Srinivas	6	Yes
Mr.Mallikarjuna Rao	6	Yes

None of the Directors is member in more than 10 committees or acting as Chairman of more than five committees.

### REMUNERATION TO DIRECTORS:

The details of the remuneration paid to director for the year ended on 31<sup>st</sup> March 2005, is as follows:

Name of Director	Sitting Fees (Rs.)	Salaries and perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
Mr.K.Prakash	Nil	Nil	Nil	Nil
Mr. S.S.Kumar	Nil	Nil	Nil	Nil
Mr.I.Srinivas	Nil	Nil	Nil	Nil
Mr.Mallikarjuna Rao	Nil	Nil	Nil	Nil
Mr. Viswanathan	Nil	Nil	Nil	Nil