



Sandak

INFORMATION TECHNOLOGY LTD.

8th Annual Report 2001-2002

Sarda Information Technology Limited.

BOARD OF DIRECTORS

Shri. PURUSHOTTAM D SARDA	Chairman
Shri. SHAMSUNDER P SARDA	
Shri. SATYANARAYAN B SARDA	
Shri. MADHUSUDAN Z SARDA	Managing Director
Shri. BAJRANG Z SARDA	
Shri. SHREEGOPAL R. SARDA	
Shri. AMIT V SARDA	

AUDITORS

M/s. N.B.MUNDADA & CO.
Chartered Accountants.

LEGAL ADVISORS.

Shri. S.B.PALLOD (Advocate)

BANKERS

THE UNITED WESTERN BANK LTD.

SHARE TRANSFER AGENTS

MCS LIMITED
'Shri Venkatesh Bhavan'
Plot No. 27, 11, M.I.D.C. Area,
Andheri (East), Mumbai - 93

REGISTERED OFFICE

Plot No. – 44 to 50, Industrial Estate,
Nagar – Pune Road, Ahmednagar 414 005
Maharashtra
India.

FACTORY

Plot No. – 44 to 50, Industrial Estate,
Nagar – Pune Road, Ahmednagar 414 005
Maharashtra
India.

Sarda Information Technology Ltd.**Notice of Annual General Meeting**

Notice is hereby given that the Eighth Annual General Meeting of the Company will be held on Monday, 30th September 2002 at 9.00 A.M. at the Registered Office of the Company, Plot No.44-50, Industrial Estate, Nagar-Pune Road, Ahmednagar 414 005, Maharashtra, India to transact the following business.

Ordinary Business.

1. To receive and adopt the Audited Balance Sheet of the Company, as on 31st March 2002 and Profit & Loss Account for the year ending on that date together with the Directors Report and Auditors Report thereon,
2. To appoint a Director in place of Shri. Purushottam D Sarda, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri. Shamsunder P Sarda who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri. Shreegopal R Sarda who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and fix their remuneration.

Note:

A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

By order of the Board of Directors.

sd/-

Madhusudan Z Sarda
(Managing Director)

Regd. Office.:

45-50, Industrial Estate, Nagar-Pune Road, Ahmednagar, 414 005

Place : Ahmednagar.

Date: 06/05/2002

Directors' Report

To,

The Members,

Your Directors have pleasure in presenting the Eighth Annual Report and Audited statement of Accounts of the Company for the year ending on 31st March 2002.

1. Financial Results.	2001-2002 (Rs.Lacs)	2000-2001 (Rs.Lacs)
a) Sales and Other Income	503.81	1258.60
b) Profit before depreciation	(719.86)	(65.10)
c) Depreciation	19.47	19.46
d) Profit before Tax	(739.33)	(84.56)
e) Provision for Tax	0.00	0.00
f) Profit after Tax.	(739.33)	(84.56)
g) Balance carried to Balance Sheet.	(739.33)	(84.56)

2. Dividend

In view of the losses incurred by the company, no dividend is declared.

3. Business Prospects.

The company's performance received a solid setback during the year under review. Due to the continuing recession in the overall industrial scenario, your company did not get any new orders. Also the business of your company with other garment companies for manufacturing their garments has abruptly stopped by them. As a result, the company incurred heavy losses in the 2nd consecutive year, and the company has been a sick industrial company as defined under the Sick Companies (Special Provision) Act, 1985. The recessionary market conditions followed by tough competition faced by your company in particular and the industry in general are the contributory factors for the situation. The management is trying its level best to obtain new business contracts with other renowned companies and also achieve the normalcy as early as possible and it is hoped that the year under consideration would fetch the expected results.

4. Directors' responsibility Statement

As required by sub-section (2AA) of the section 217 of the Companies Act., 1956, directors state.

- a) That in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) That 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 the period.
- c) That the directors have taken proper and sufficient care for the 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) That the annual accounts have been prepared on an ongoing concern basis.

5. Statutory disclosures.

- a) Your company is not having any subsidiary company
- b) None of the employees of the Company received remuneration during the year as provided under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of employees) Rules, 1975, as amended.

Sarda Information Technology Ltd.

- c) Particulars regarding technology absorption, conservation of energy and foreign exchange earning and outgo required under section 217 (1) (e) of the Companies Act, 1956 and Companies (Disclosure of Particulars in the report of board of directors) Rules, 1988 have been attached to the Directors Report.
- d) A Cash Flow statement for the year 2001-02 is attached to the Balance Sheet.
- e) Directors' Responsibility Statement as required by section 217 (2AA) of the Companies act, 1956 appears in para 4
- f) A certificate from the auditors of the company regarding compliance of conditions of Corporate Governance is annexed to the report

6. Corporate Governance

Pursuant to clause 49 of the listing agreement with stock exchanges, a separate section titled **Corporate Governance** has been included in this annual report.

7. Auditors.

You are requested to appoint auditors for the period from the conclusion the ensuing annual general meeting and fix their remuneration.

8. Auditors Report.

The report is self-explanatory.

9. Industrial Relations.

The relations with the staff and workmen continued to be peaceful and cordial.

10. Acknowledgements.

The board is thankful to the employees of the company, shareholders and bankers for extending the co-operation throughout the year.

On behalf of the Board of Directors.

sd/-

Madhusudan Z Sarda
(Managing Director)

Regd. Office.:

45-50, Industrial Estate, Nagar-Pune Road, Ahmednagar, 414 005

Place : Ahmednagar.

Date: 06/05/2002

Annexure to the Director's Report**Annexure : I**

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES. 1998

Conservation of Energy.

- a) Energy conservation measures taken: Proper up-keep and maintenance of machinery.
- b) Additional investment and proposals: Nil
- c) Impact of above measures: Cannot be quantified
- d) Total energy consumption and energy consumption per unit of production.

FORM "A"

Form for disclosure of particulars with respect to Conservation of energy.

1. Power and Fuel consumption:	2001-2002	2000-2001
1. Electricity		
Purchased Units	33162	130966
Total amount (Rs)	187365	718505
Rate per unit (Rs)	5.65	5.48

Due to the element of fixed charges in the power bill, the rate has gone up. This is because of lesser capacity utilisation in comparison with the last year.

2. Own Boiler for Production of Readymade Garments.	
Utilisation of Diesel.	
Own Generator / Boiler	
D.G.Set.	
Generator / Boiler Diesel Ltrs.	
Unit per liter of Diesel	4000 @ 16.00 per Litter
Cost of Diesel	Rs. 64000
2. Consumption per unit of production:	Rs. 4.07

Form B

Form of disclosure of particulars with respect to Technology absorption for 2001-2002

1. Specific areas in which Research and Development carried out by the company.
The company is engaged in carrying research activities in the plant throughout the year so as to achieve automation and cost reduction.
2. Benefits Derived. - Cannot be quantified.