



SAVANT INFOCOMM LIMITED



**28th Annual Report
2005-2006**



SAVANT INFOCOMM LIMITED

Registered Office: 6 First Main Road, Kasturba Nagar, Adyar, Chennai 600 020

BOARD OF DIRECTORS

SHRI K.J.M.SHETTY

SHRI HAIDER M. SITHAWALLA

SHRI R.JAYAPAL

SHRI V.O.BALAGANGADHARAN

SHRI PRAKASH DAMODARAN

COMPANY SECRETARY

SHRI K.V.DEVANATHAN

AUDITORS

M/S. N.RAJA & ASSOCIATES

18 VEEKAY MANOR

8 GOPALAKRISHNA ROAD

T.NAGAR

CHENNAI 600 017

BANKERS

HDFC BANK

SASTRI NAGAR BRANCH

T-31 SEVENTH AVENUE, M.G.ROAD

BESANT NAGAR

CHENNAI 600 090

REGISTERED OFFICE

6, FIRST MAIN ROAD

KASTURBA NAGAR, ADYAR

CHENNAI 600 020

REGISTRARS & SHARE TRANSFER AGENTS

M/S. SHAREX DYNAMIC (INDIA) PVT LTD.

UNIT NO.1, LUTHRA INDUSTRIAL PREMISES

ANDHERI KURLA ROAD SAFED POOL,

ANDHERI (E)

MUMBAI:- 400 072

ANNUAL GENERAL MEETING VENUE

HOTEL MOUNT HEERA

THIRD FLOOR CONFERENCE HALL

287 M.K.N. ROAD

ALANDUR

CHENNAI 600 016

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 28th ANNUAL GENERAL MEETING of the members of **SAVANT INFOCOMM LIMITED** will be held at Hotel Mount Heera, Conference Hall, Third Floor, 287 M.K.N Road, Alandur, Chennai 600 016 on Tuesday, 26th September 2006 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2006 and Profit and Loss Account of the Company for the year ended on that date and reports of the Board of Directors and Auditors thereon.
- 2) To appoint Directors in place of Shri V.O.Balagangadharan, Shri R.Jayapal and Shri H.M.Sithawalla, who retire by rotation and being eligible, offer themselves for reappointment.
- 3) To appoint Auditors and to fix their remuneration.

By Order of the Board Directors
for **SAVANT INFOCOMM LIMITED**.

PLACE: CHENNAI

DATE : 11th July, 2006

PRAKASH DAMODARAN
DIRECTOR

NOTE

- 1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member.
- 2) The proxy in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.
- 3) The Register of members and share transfer books of the company will remain closed from 19 September 2006 to 26 September 2006, (both days inclusive).
- 4) Members desirous of seeking any further information or clarification in respect of the company are requested to send their queries in writing to the company at the registered office so as to reach at least 10 days before the date of the meeting so that the required information can be made available during the meeting.
- 5) Members are requested to bring their copy of the annual report and the attendance slip with them to the meeting.
- 6) Members are requested to notify immediately any change in their address to the company's share transfer agents, quoting their folio number and giving their complete address (with PIN code) in block letters.
- 7) Members who are holding shares in identical names(s) under different folios are requested to apply for consolidation of such folios and send the relevant equity share certificate(s) to the company at its registered office.
- 8) At the ensuing annual general meeting, Shri V.O.Balagangadharan, Shri H.M.Sithawalla and Shri R.Jayapal retire by rotation and being eligible, offer themselves for re-appointment. The information/details pertaining to these Directors to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges is furnished in the statement of corporate governance.
- 9) De-materialization of shares – the company has entered into agreements with both **NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL)** and **CENTRAL DEPOSITORY SYSTEMS LIMITED (CDSL)**. Members can therefore hold and deal in the shares of the company in electronic form. **MEMBERS MAY AND ARE STRONGLY URGED AND ENCOURAGED TO APPROACH ANY OF THE DEPOSITORY PARTICIPANTS LINKED TO NSDL OR CDSL, AS CONVENIENT TO THEM TO DEMATERIALIZE (i.e. conversion of physical share certificates into electronic form) THEIR SHARE CERTIFICATE(S) AND HOLD THEIR SHARE(S) IN ELECTRONIC FORM.**

By Order of the Board
For **SAVANT INFOCOMM LIMITED**

Place : CHENNAI

Date: 11th July, 2006

PRAKASH DAMODARAN
DIRECTOR

SAVANT INFOCOMM LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors present their Twenty Eighth Annual Report along with the Audited Accounts for the year ended 31st March 2006.

FINANCIAL RESULTS FOR FY 2005-2006

The financial results of their Company for FY 2005-2006 are summarized below:

Item	Current Year Rs. in Lakhs	Previous Year Rs. in Lakhs
Income	18.895	0.79
Expenditure	37.591	23.03
(Profit)/Loss before Depreciation & Taxation		22.24
Add Depreciation	18.696	-
Provision for Taxation	-	-
(Profit)/Loss after Depreciation and Tax	18.696	22.24
Opening Balance of P & LA/c	342.142	319.90
Balance Carried to Balance Sheet	360.838	342.14

OPERATIONS DURING FY 2005-2006

BACKGROUND

As the members are aware, the operations of the company had been closed with effect from 21st October 2002. Hence, during the year 2004-2005, there were no activities.

M/s Savant India Institute of Technology Pvt. Ltd. (SIIT), a company registered under the Companies Act, 1956, having its registered office at No.6, First Main Road, Kasturba Nagar Adyar, Chennai: 600 020 had acquired all the 14,04,800 equity shares held by the promoters of your company at a negotiated price of Rs. 1.40 per share. Thereafter, in accordance with the provisions of the SEBI (SAST) Regulations 1997, SIIT made an open offer to the shareholders, resulting in acquisition of 35,800 more equity shares. On completion of the acquisition process, SIIT had a total of 14,40,600 shares, representing 42.62% of the 33,80,300 fully paid up equity shares of your company.

PRESENT STATUS

Consequent to these changes and consequent to the decisions during the Extra Ordinary General meeting held on 29 March 2005, your company had done the following:

- Incorporated the changes in the objects clause and authorized capital in its Memorandum of Association
- Got its name changed to Savant Infocomm Limited
- Got the registered office changed from Bangalore in Karnataka state to Chennai in Tamil Nadu state
- Inducted personnel from 01 June 2005
- Commenced business operations from 01 June 2005
- Got its equity shares voluntarily de-listed from the Bangalore Stock Exchange with effect from 24 November 2005
- Entered into an agreement with National Securities Depository Limited, Mumbai (NSDL) to dematerialize its equity shares with NSDL in addition to its existing arrangement with CDSL

The operations are broadly as follows:

- IT security training, leading to CISSP certification
- Microelectronics programs in VLSI and Embedded Systems design
- Delivery of undergraduate and post graduate programs of the University of Mysore within India and abroad
- Developing online and offline content for specialized certification programs like Certified Finance Professional

Your company also plans to explore actively the possibility of acquiring several lines of business including software services and development.

Your company will also explore possibilities of leveraging its management strength and pan-Asian presence by growth through acquisitions of companies or entities in businesses that offer synergies with its existing activities.

DIVIDEND

Your Directors do not recommend any Dividend for the year under review.

DEPOSITS

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules framed there under.

DIRECTORS

In accordance with Articles 106 and 107 of the Articles of Association of the company, Shri V.O.Balagangadharan, R.Jayapal and Shri H.M.Sithawalla retire by rotation and being eligible, offer themselves for re-appointment.

CORPORATE GOVERNANCE

The company has a system of Corporate Governance in place. As required by the company's Listing Agreement, a separate report on Corporate Governance is enclosed as part of this Annual Report. A certificate from the Auditors of the Company regarding compliance is also annexed to the report on Corporate Governance.

LISTING

Your Company's shares are listed in the Stock Exchange at Mumbai under Scrip Code 517320 and the listing fees for FY 2006-2007 have been duly paid.

Based on our request for voluntary de-listing, the Bangalore Stock Exchange has de-listed our equity shares with effect from 24 November 2005.

DIRECTORS RESPONSIBILITY

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000, your Directors state:

- a. that in the preparation of the 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 have 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 ended on 31.03.2006.
- 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 Directors have prepared Annual Accounts on the assumption that the company is a going concern.

AUDITORS

M/s N.Raja & Associates, Chartered Accountants, Chennai retire and being eligible, offer themselves for re-appointment. As regards the Auditors' observations in their report, the relevant notes are self-explanatory.

PARTICULARS OF EMPLOYEES:

No employee has been employed in the Company attracting provisions of Section 217 (2A) of the Companies' Act 1956 read with Companies (Particulars of Employees) Rules 1975, as amended.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTFLOW

Pursuant to Section 217(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the report of Board of Directors) Rules 1988, the following information is provided.

- (a) Your Company's operations involve low energy consumption. However efforts to conserve energy will continue.
- (b) Foreign Exchange:
 - a) Foreign Exchange Earnings: Rs. Nil (Previous Year: Rs. Nil)
 - b) Foreign Exchange Outgo: Rs. Nil (Previous Year: Rs. Nil)
- (c) Your Company has nothing to report on particulars relating to research and development, technology absorption etc.

PLACE: CHENNAI

DATE: 11th July, 2006

FOR AND BEHALF OF THE BOARD

K.J.M.SHETTY
DIRECTOR

PRAKASH DAMODARAN
DIRECTOR

SAVANT INFOCOMM LIMITED**CORPORATE GOVERNANCE****1. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE****CODE OF CONDUCT**

Your company has articulated and adopted the following as its code of conduct: "The company is committed to the highest standards of customer satisfaction, integrity, transparency, fairness and to the pursuit of excellence in every field of endeavor". This has been included in the company's website www.savant-infocomm.co.in.

2. BOARD OF DIRECTORS**A BOARD COMPOSITION**

Name	Position	Number of other Directorships
Shri K.J.M.Shetty	Non whole time Independent	4
Shri Haider M.Sithawalla	Non whole time	1
Shri R.Jayapal	Non whole time	1
Shri V.O.Balagangadharan	Non whole time Independent	—
Shri Prakash Damodaran	Whole time	3

B BOARD MEETINGS AND ATTENDANCE

Five Board Meetings were held during the period from 01.04.2005 to 31.03.06, on 18.04.2005, 08.07.2005, 28.09.2005, 18.10.2005 and 09.01.2006. Details of attendance of each Director at the Board, last AGM and various Committees of the Board during the financial year ended 31 March 2006 are given below:

Directors	Board Meeting	Audit Committee	Shareholders/Investor Grievance Committee	Last AGM Attended (YES/NO)
	(5)	(4)	(4)	
K.J.M.Shetty	3	3	3	NO
H.M.Sithawalla	0	—	—	NO
R.Jayapal	0	—	—	NO
V.O.Balagangadharan	2	1	1	YES
Prakash Damodaran	5	4	4	YES

C. RE-APPOINTMENT OF DIRECTORS

Shri V.O.Balagandharan, Shri R.Jayapal and Shri H.M.Sithawalla are retiring by rotation and are eligible for re-appointment.

Other Directorships:

Sl.No	Name of the Company	Designation
Shri R.Jayapal		
1	AEC Business School Private Limited	Director
Shri H.M.Sithawalla		
1	Edutech Informatics India Limited	Director
Shri V.O.Balagangadharan		
	NIL	

3. COMMITTEES OF DIRECTORS

The Board has constituted two Committees of Directors to deal with the matters referred to it.

28th Annual Report 2005-2006**(A) AUDIT COMMITTEE:**

The committee presently consists of the following Directors as its Members:

- | | | |
|----|--------------------------|----------|
| 1) | Shri V.O Balagangadharan | Chairman |
| 2) | Shri K.J.M.Shetty | Member |
| 3) | Shri Prakash Damodaran | Member |

The broad terms of reference to the committee are compliance of adequate internal control system, financial disclosures and other issues confirming to the requirements specified in the listing agreement. The Committee has met four times in all during the financial year ended 31st March 2006.

(B) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:

The committee presently consists of the following Directors as its Members:

- | | | |
|----|--------------------------|----------|
| 1) | Shri V.O Balagangadharan | Chairman |
| 2) | Shri K.J.M.Shetty | Member |
| 3) | Shri Prakash Damodaran | Member |

The Committee has been formed to specifically look into the Shareholders/ investors compliance, if any, on transfer of shares, non receipt of balance sheets etc., and also action taken by the company on the above matters.

During the year 11 (eleven) complaints were received from the investors. These were all resolved to their satisfaction. The outstanding complaints as on 31 March 2006 were NIL.

The Committee has met 4 times in all during the financial year ended 31 March 2006.

4. GENERAL BODY MEETINGS:

Information regarding last 3 years' General Body Meetings is given below:

LOCATION	AGM/EGM	DAY	DATE	TIME
Estate Club, Huskur Road, Goolimangala, Bangalore 562 158	AGM	Friday	26.09.2003	1030
Hotel Chalukya, 44 Race Course Road, Bangalore 560 001	AGM	Monday	20.12.2004	0930
Hotel Chalukya, 44 Race Course Road, Bangalore 560 001	EGM	Tuesday	29.03.2005	1000
Hotel Chalukya, 44 Race Course Road, Bangalore 560 001	AGM	Wednesday	28.09.2005	0900

SPECIAL RESOLUTIONS

The special resolutions passed during the EGM on 29 March 2005 were detailed in the last annual report. One special resolution was passed during the AGM on 28 September 2005 regarding an amendment to the Article 4 in the Articles of Association.

5. DISCLOSURES:

There are no materially significant related party transactions that would have a potential conflict with the interests of the company at large.

No penalty or strictures have been imposed on the company by any regulatory authority for non compliance of any law.

6. MEANS OF COMMUNICATION:

The quarterly results were published in leading Newspapers viz. Financial Express (English) and Sanjevani (Kannada) till the registered office was in Karnataka and thereafter, in Financial Express/Economic times (English) and Makkal Kural (Tamil).