

SENASH INFOTECH PRIVATE LIMITED, CHENNAI

NOTICE

Notice is hereby given that the First Annual General Meeting of the shareholders of the Company will be held on August 25th, 2006, Friday at 11.00 am at the Registered Office of the Company at 100-A(NEW NO.8) First Floor, Sritram Nagar South, Street Alwarpet, Chennai - 600 018 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31.03.2006, the Profit & Loss Account for the period ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint Statutory 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 of Directors to fix their remuneration.

On behalf of the Board

Tamilarasu Kumar

Director

Place : Chennai
Date : 01.08.2006

Note:

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 of the company. The instrument appointing a proxy should however be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.

SENASH INFOTECH PRIVATE LIMITED, CHENNAI

DIRECTORS' REPORT

Your Directors have pleasure in presenting you the First Annual Report together with the audited accounts for the period ended 31 March 2006.

FINANCIAL RESULTS

The Company has earned a Net Income of Rs.1,19,052.26 (after tax).

DIVIDEND

Your Directors have not recommended any dividend for the year under review.

DEPOSITS

No deposit from public has been accepted or renewed by the Company during the year.

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

There has been no technology absorption and foreign exchange earnings or outgo are as per the Annexure.

AUDITORS

The auditor Mr. S.Mohammad Hassan, Chartered Accountant, Erode retires at the ensuing annual general meeting and is eligible for reappointment.

AUDITOR'S REPORT

The Auditor's Report does not contain any Qualifications. The notes to the accounts referred to in the Auditor's Report are self explanatory and therefore does not call for any further comments of Directors.

DIRECTORS RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Your Directors confirm that,

- (i) in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (ii) proper accounting policies had been selected 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 for the Profit and Loss of the Company for the year.

- (iii) proper and sufficient care had been taken 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; and

- (iv) The annual accounts have been prepared on a going concern basis.

GENERAL

None of the employees was in receipt of remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956. The Directors wish to thank the bankers and staff for their continued support and unstinted co-operation.

On behalf of the Board

Tamilasalam Kumar
Director

Director

Place : CHENNAI
Date : 01.08.2006

ANNEXURE TO DIRECTOR'S REPORT

a) **Research & Development:** The Company has not carried out any research and development activities during the year.

b) **Absorption of Technology:** There was no new technology absorption activity carried out during the year.

c) **Foreign Exchange Earnings & Outgo:**

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo : US \$ 1,00,000

On behalf of the Board

Place : Chennai
Date : 01.08.2006

Director

Tamilalai Kumar

Director

SENASH INFOTECH PRIVATE LIMITED

100A (New No:8) First Floor, Sriram Nagar,
South Alwarpet Street, Chennai - 600 018

BALANCE SHEET AS AT 31.03.2006

PARTICULARS		SCH	31.03.2006
Rs. Ps			
CAPITAL AND LIABILITIES			
(1). Share Holder Fund	1		100,000.00
(a) Share Capital			119,052.26
(b) Reserves and Surplus			13,100,000.00
(2). Advance towards Share Capital	2		
(3). Non Current Liabilities			
(a) Long-Term Borrowings			
(b) Deferred Tax Liabilities (Net)			
(4). Current Liabilities	3		
(a) Short-term Borrowings			
(b) Trade Payables			
(c) Other Current Liabilities			20,000.00
(d) Short-term Provisions			65,500.00
TOTAL			13,404,552.26
ASSETS			
(1). Non Current Assets			
(a) Fixed Assets			
(b) Long-Term Investments	4		4,446,159.00
(c) Other Non-Current Assets			
(2). Current Assets	5		
(a) Current Investments			
(b) Inventories			
(c) Trade Receivables			
(d) Cash and Cash Equivalents			1,289,532.72
(e) Short term Loans and Advances			7,608,207.00
(f) Other Current Assets			60,653.54
(3). Miscellaneous Expenditure			
TOTAL			13,404,552.26

"As per my report of even date"

For S. Mohammad Hassan

Chartered Accountant

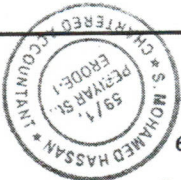
For Senash Infotech Private Limited
Tamiladas Kumar

Directors

Place: Chennai

Date: 01.08.2006

Mem No: 019159



PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2006

PARTICULARS			Rs. Ps
I	REVENUE FROM OPERATIONS		22,350.00
II	COST OF SALES		-
	Change in Inventories		-
	Cost of Production		-
III	GROSS PROFIT / (GROSS LOSS)		22,350.00
IV	OPERATING EXPENSES		
	(1) Selling and Marketing Expense		-
	(2) Repairs and Maintenance		-
	(2) Administrative Expenses		148,742.22
	(3) Depreciation and Amortisation of Assets	7	-
	Total Operating Expenses		148,742.22
V	(1) Result from Operating Activities		(126,392.22)
	(III-IV)		-
	(2) Gain on Sale of Longterm Investments		-
	(3) Other Income		310,944.48
	(4) Other Expenses		-
	(i) Finance Cost		-
	(ii) Others	6	-
VI	Income / (Loss) Before Income Tax		184,552.26
VII	Tax Expenses		
	Income Tax Provision		65,500.00
	Deferred Tax Liability/ (assets)		-
VIII	Profit / (Loss) for the Period (VI- VII)		119,052.26

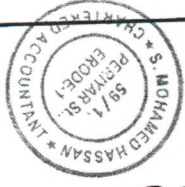
"As per my report of even date"

For S. Mohammad Hassan

Chartered Accountant

S. M. M.

Memb No: 019159



For Senash Infotech Private Limited
Tamilas Kumar

Directors

Place: Chennai

Date: 01.08.2006

SENASH INFOTECH PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2006

1. Financial Statements are prepared under historical cost convention on accrual basis and are materially complied with the mandatory Accounting Standards issued by The Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

2. In the opinion of the company, Current Assets, Loans and Advances are of the value stated and realizable in the ordinary course of the business. The Provision for all known liabilities is adequate.

3. No Provision for Liabilities of Contingent nature has been provided for.

4. Transactions in foreign Currencies are recorded at the exchange rates prevailing at the date of transactions. Foreign Currency denominated current assets and current liabilities are translated at year end exchange rates. The resulting gains and losses are recognised in the Profit & Loss Account.

5. No significant events which could affect the financial position as on 31.03.2006 to a material extent have been reported by the assessee after the balance sheet date till the date of signing the report.

6. The Related Party Transactions during the year are as :

a) Related Party Relationships:

Sl. No.	Name of Related Party	Nature of Relationship
1.	S.Arul Kumar	Director
2.	Tamilarasi Kumar	Director
3.	Dhyan Infotech Pvt Ltd.	Company with common Director.
4.	Dhyan Infotech Inc.	Company in which Relative of Director has substantial interest.

S.No	Particulars	Related Companies	Key Management Personnel	Total
1	Financing - Loans given	27.35	-	27.35
2	Equity Investment	44.46	-	44.46

b) Transactions during the year are as:

(in Rs' Lacs)

8. Earnings in Foreign Currency : NIL
Expenditure in Foreign Currency : NIL

9. The Company holds only Long Term Investments and the same have been valued at Cost.
10. The accounts have been prepared on a Historical Cost basis and a going concern assumption.

For M/s. SENASH INFOTECH PVT LTD.
FOR S. MOHAMMAD HASSAN

Tamilarasu Kumar
Director

Director

Chartered Accountant
Memb. No:019159



Place : Chennai
Date : 01.08.2006