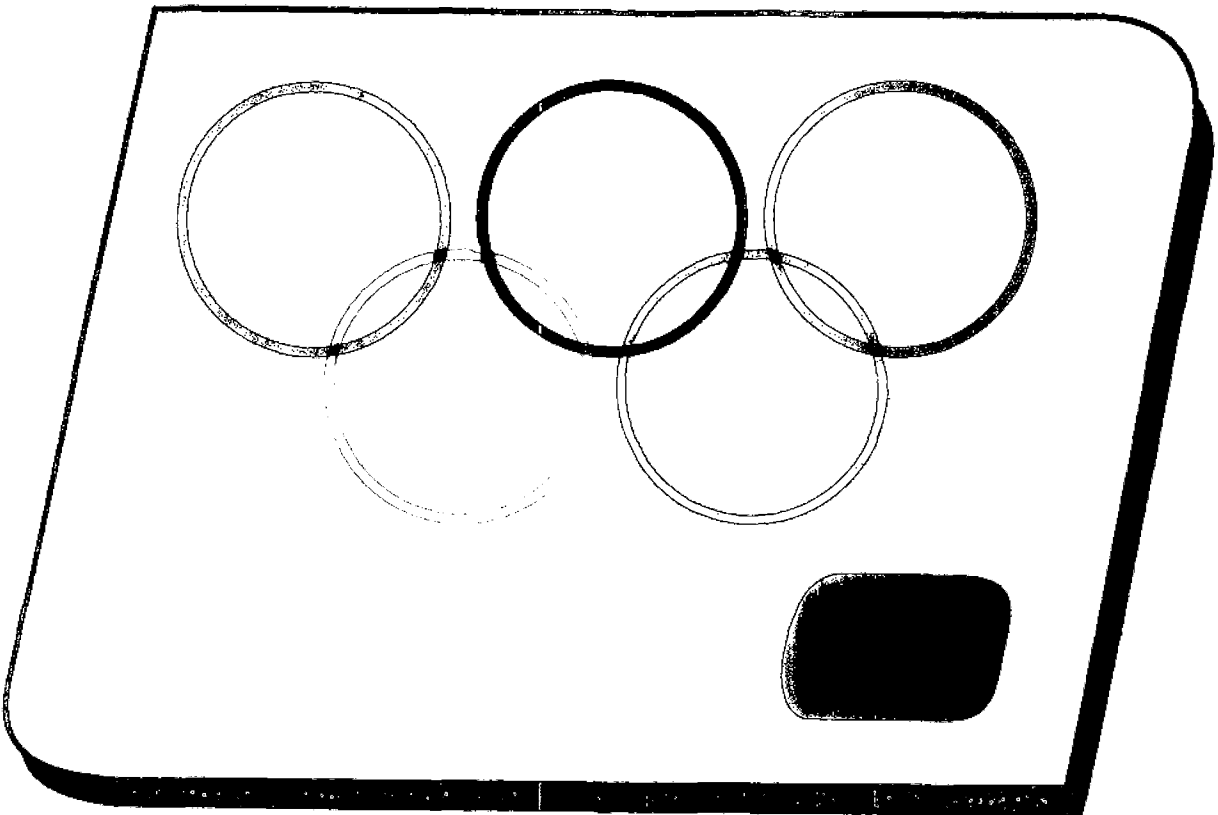


CERTIFIED TRUE COPY  
COMPUTER POINT LTD.

*R. Gupta*  
Authorized Signatory/Director



**COMPUTER POINT LTD.**

**23rd ANNUAL REPORT  
2007 - 2008**

# COMPUTER POINT LIMITED

Regd. Office : B-1523, Shastri Nagar, 1st Floor, Delhi-110052

## NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of shareholders of M/s. COMPUTER POINT LTD. will held at B-1523, Shastri Nagar, 1st Floor, Delhi-110052 on Wednesday 6th August, 2008 at 3.30 P.M. to transact the following business :

### **Ordinary Business :**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2008 and Profit & Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr.Rajesh Gupta who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr.J.Kumar who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

### **SPECIAL BUSINESS :**

5. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :**  
"RESOLVED THAT Mrs. Shashi Jain who was appointed as an Additional Director at the meeting of the Board of Directors of the Company on 1st July, 2008 and whose term expires at this Annual General Meeting of the Company and for the appointment of whom the company has received a notice under Section 257 of the Act from a member proposing his candidature for the office of the Director , be and is hereby appointed as a Director of the Company whose period in office will be liable to determination by retirement by rotation."
6. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :**  
"RESOLVED THAT Mr. Ankush Jain who was appointed as an Additional Director at the meeting of the Board of Directors of the Company on 1st July, 2008 and whose term expires at this Annual General Meeting of the Company and for the appointment of whom the company has received a notice under Section 257 of the Act from a member proposing his candidature for the office of the Director , be and is hereby appointed as a Director of the Company whose period in office will be liable to determination by retirement by rotation."
7. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :**  
"RESOLVED THAT pursuant to section 81(1A) and all other applicable provisions, if any, of the Companies Act 1956 (including any amendment thereat or re-enactment thereof) (herein after referred to as 'the Act') and subject to the enabling provisions of the Memorandum of Association of the company, the Listing Agreements entered into by the company with the stock exchanges where the Shares of the company are listed and in accordance with the applicable guidelines issued by the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), Government of India (GOI) or any other relevant Authority and Clarification thereon issued from time to time, if any, and subject to all such Statutory, Regulatory and Government approvals, permissions and Sanctions as may be necessary and subject to such condition and modification as may be prescribed or imposed by any one of them, while granting such approval, permission or sanctions, which may be agreed to by the Board of Directors or any Committee thereof (herein after referred to as 'the Board'), the consent of the Company be and is hereby accorded to the

Board to create, issue and allot, in one or more tranches, and upon such terms and conditions the Board may deem as appropriate, by way of preferential allotment, not exceeding in the aggregate 1,50,00,000 Convertible Warrants carrying a right of options to be exercisable within 18 months from the date of allotment thereof for conversion of each warrant into one Equity Shares of Rs 10/- each for Cash at par, ranking pari-passu in all respects including Dividend entitlement, with the existing equity shares of the company as on the date of the respective allotments, the issue price of the said new equity shares being determined with reference to the relevant date being 7th July, 2008, as per the SEBI (Discloser & Investors Protection) guideline 2000 for Preferential Issue, to the investors mentioned in the following table up to the number of convertible warrants mentioned against each name and on such other terms and conditions as the Board may deem appropriate in its absolute discretion.

**NON PROMOTERS**

<u>Serial No</u>	<u>Investor/Entity</u>	<u>No. of Convertible Warrants</u>
1.	Goldview Traders Pvt.Ltd.	37,50,000
2.	Protect Marketing Pvt.Ltd.	37,50,000
3.	Kalpotaru Suppliers Pvt. Ltd.	37,50,000
4.	Compare Commercial Pvt. Ltd.	37,50,000

The aggregate no. of warrants to be subscribed to by the persons as above shall not exceed 1,50,00,000. Which after exercising the option for conversion of warrants and allotment of shares thereon will result in not exceeding 1,50,00,000 Equity Shares of Rs.10/- each in the aggregate.

**RESOLVED FURTHER that :**

- (A) The relevant date for the pricing of the shares in accordance with the SEBI (Discloser & Investor Protection) guidelines 2000, be fixed as 7th July 2008 being the 30th day prior to the date on which the meeting of the shareholders will be held i.e. 6th August 2008, in terms of Section 81(1A) of the Act, to consider the proposed preferential issue.
- (A) Options as above may be offered to the intending subscribers, by way of convertible warrants which would be convertible into & exchangeable with equity shares of Rs 10/- each of the company at a price of Rs. 10/- (Rupees Ten only) per share determined as per SEBI guidelines on preferential issue.
- (B) The issue or subscription price of equity shares arising out of or exchanged against such convertible warrants shall be at par i.e. Rs 10/- per shares.
- (C) On allotment of the convertible warrants the allottees shall be liable to pay Rs 1/- (Rupees one) per share as 'up- front' being not less than 10% of the price fixed for the shares arising out of, or exchanged with such convertible warrants. The amount so collected shall be adjusted against the subscription payable subsequently on exercising the options. The holder of the convertible warrants shall, before the date of respective conversion, pay the balance 90% of the consideration towards subscriptions to equity shares.

In case, the allottee of the convertible warrants subsequently decides not to exercise the option to exchange into shares, the upfront payment made by him shall stand forfeited. The options attached to the convertible warrants shall not be transferred or otherwise disposed off to any other person/third party.

- (D) The Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of and right of options to be attached to warrants to be allotted and also shall be entitled to vary modify or alter any of the terms and conditions, including the issue price on a higher side than the one mentioned above, as it may deem fit and expedient, without being required to seek any further consent or approval of the company in a general meeting.
- (E) The offer for issue and allotment of the aforesaid Warrants shall be made at such time or times as the Board may decide in its absolute discretion.
- (F) The Board be and is hereby authorized to delegate all or any of the powers herein transferred by the resolution to any director or directors or to any committee of directors of the company to give effect to the above resolutions.

RESOLVED further that for giving effect to this resolution, the Board be and is hereby authorized to take such steps and do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question and remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the shares and utilization of the issue proceeds of the shares, to prescribe the forms of application, enter into any agreements or other instruments and to take such actions or give such directives as they may consider necessary or desirable and to obtain any approval, permissions, and sanction which may be necessary or desirable as they may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any amendments, modification, variations and alteration as the G01/RB1/SEBI or any other regularity authority may stipulate in that behalf."

8. **To Consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution :**

"Resolved that pursuant to Section 94 and other applicable provisions if any of the Companies Act, 1956 the Authorised Share Capital of the Company be and is hereby increased from Rs.15.10 Crores (Rupees Fifteen Crores Ten Lacs) divided into 1,51,00,000 (One Crore Fifty One Lacs) Equity Shares of Rs.10/- each to Rs.31.00 Crores (Rupees Thirty One Crores) divided into 3,10,00,000 (Three Crores Ten Lacs) Equity shares of Rs.10/- each by creation of further 1,59,00,000 (One Crore Fifty Nine Lacs) Equity Shares of Rs.10/- each ranking Pari- Passu with the existing equity shares of the Company in all respect."

"RESOLVED FURTHER that the capital clause of Memorandum of Association of the Company be and is hereby altered suitably to incorporate aforesaid increase."

"RESOLVED FURTHER that the Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and expedient for affecting the above Resolution."

Date : 1st July, 2008  
Place : Delhi

By Order of the Board  
**R.Gupta**  
Director

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY / PROXIES IN HIS / HER STEAD AND A PROXY NEED NOT BE A MEMBER. A PROXY TO BE EFFECTIVE SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HRS BEFORE THE MEETING. A PROXY FORM IS ENCLOSED HEREWITH.
2. The register of the members and Share transfer Books of the Company shall remain closed from 31st July 2008 to 6th August 2008. (Both days inclusive)
3. An Explanatory Statement pursuant to Sec. 173(2) of the companies Act, 1956 is annexed and details under clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Director seeking appointment / re-appointment at the Annual General Meeting are annexed hereto.
4. Members are requested to notify any change in their mailing address forthwith.
5. Members who are holding shares in identical order of names and address in more than one account are requested to intimate the Company, the Ledger Folio of such accounts with Share Certificate to enable the Company to consolidate their holding into one account. The Share certificate will be duly returned after making necessary endorsements thereon.
6. Members desiring any information on the accounts at the Annual General Meeting may kindly write to the Company at least 7 days in advance, so as to enable the company to keep the information ready.
7. Members are requested to kindly bring their copies of the report and Accounts to the meeting.
8. Members who hold shares in dematerialized form are requested to bring their Client ID & DP ID Numbers for easy identification for attendance at the meeting.
9. Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**

**Item No. 5**

Mrs. Shashi Jain was appointed as an Additional Director during the year and his term in office is due to expire at the conclusion of the forthcoming Annual General Meeting. In the meantime the company has received a notice U/s 257 of the Companies Act, 1956 from a member proposing a resolution as set out under item No. 5 of the Notice to be moved in the forthcoming Annual General Meeting. Your directors recommend the subject resolution for adoption in the interest of the Company's better administration and Management.

None of the Directors other than Mrs. Shashi Jain is personally interested or concerned in this resolution.

**Item No. 6**

Mr. Ankush Jain was appointed as an Additional Director during the year and his term in office is due to expire at the conclusion of the forthcoming Annual General Meeting. In the meantime the company has received a notice U/s 257 of the Companies Act, 1956 from a member proposing a resolution as set out under item No. 5 of the Notice to be moved in the forthcoming Annual General Meeting. Your directors recommend the subject resolution for adoption in the interest of the Company's better administration and Management.

None of the Directors other than Mr. Ankush Jain is personally interested or concerned in this resolution.

**Item No. 7**

It is proposed that the proceeds of further issue and allotment of shares on conversion of warrants at later date will be utilized for expansion of companies business by way of setting up green field projects in conjunction with various technical Universities for imparting specially designed IT courses.

Accordingly, your directors in their meeting held on 1st July, 2008 have proposed that subject to approval of the members in a general meeting and such other requisite statutory approval, consents and sanction, and subject to negotiations and execution of appropriate legal documentations and fulfillments of the conditions mentioned therein, to offer for subscription by way of Preferential Allotment of up to but not exceeding 1,50,00,000 Convertible Warrants of the company to the entities named in the resolution under item no 7 in one or more tranches, at par, for an aggregate value of not exceeding Rs.15,00,00,000/- . The special resolution U/S 81 (1A) of the Companies Act, 1956 has been proposed in view of the fact that the convertible warrants would be offered to person who may or may not be existing shareholders.

The pricing of the shares on conversion of warrants to be offered has been arrived at as per the SEBI (Disclosures & Investors / Protection) Guideline 2000, for preferential issue and that the 'relevant date' for this purpose has been taken as 30 days prior to the date on which the General meeting for approval of the regulation U/S 81(1A) of the Act to be held (i.e. on 06/08/2008) and the Relevant date being 07/07/2008. The acquisition / allotment of warrants by/ to the financial investors pursuant to this resolution is being made independently.

The Board considers and believes that the proposed offer to the persons stated in the resolution will be in the best interest of the company and its members. Please refer below to the information as required under clause 13-1A of the SEBI guidelines 2000 for preferential issue. The shares to be allotted on exercising the option at a later date shall rank pari-passu in all respect and shall carry the same rights, including dividend as the existing equity shares.

The consummation of the proposed investment is subject to fulfillment and agreement to such terms and condition as may be mutually agreeable approval to both the company and these investment subject to approval from any Government / or regulation authorities / investment committee of these investors, if required and / or as applicable. The acquisition / allotment of the share's by / to the financial Investors pursuant to the resolution is being made independently of the Promoter Groups.

**1. Object of the Issue**

The Object of the issue is to finance the new projects of initiating various new courses in conjunction with different Universities.

**2. Intentions of the Subscribes to the offer :**

The subscribes have intended to subscribe for 1,50,00,000 Convertible Warrants of Rs.10/- each at par to be exchanged with equal number of equity Shares of Rs 10/- each at par within such date as may be fixed by the board of Director but not later than 18 months from the date of allotment of warrants.

The following entities have conveyed to the company in writing their respective intention to subscribe for the warrants of the company on a preferential / private placement basis as proposed in the Resolution, set out under item no. 7

Sl. No.	Name of the proposed Allottees / Subscribes	Max. no . of Warrants
1.	Goldview Traders Pvt. Ltd.	37,50,000
2.	Protect Marketing Pvt. Ltd.	37,50,000
3.	Kalpotaru Suppliers Pvt. Ltd.	37,50,000
4.	Compare Commercial Pvt. Ltd.	37,50,000
		<u>1,50,00,000</u>

2. Share holding patterns before and after issue of equity share (including shares resulting from Exercise of options attached to warrants)

	Existing share holding		Post issue share holding (upon conversion of Warrants)	
	Pre Issue			
	No. of shares	%	No. of shares	%
i) Promoters				
a) Indian promoters	5,50,200	3.67	5,50,200	1.84
b) Foreign Promoters	-	-	-	-
Total :-	<u>5,50,200</u>	<u>3.67</u>	<u>5,50,200</u>	<u>1.84</u>
ii) Non Promoters				
a) Banks / Financial Institutions	3,000	.02	3,000	.01
b) NRI / OCBs	-	-	-	-
c) Other Bodies Corporate	71, 92,632	47.95	2,21, 92,632	73.97
d) Public	72, 55,468	48.36	72, 55,468	24.18
Total :	<u>1,44,51,100</u>	<u>96.33</u>	<u>2,94,51,100</u>	<u>98.16</u>
Total of i) + ii)	<u>1,50,01,300</u>	<u>100.00</u>	<u>3,00,01,300</u>	<u>100.00</u>

The proposed preferential allotment will not change the Management Control; voting rights shall change according to change in share holding pattern mentioned above.

**4(A). Identity of the Proposed Allottees and the percentage of the Post Preferential issue Capital that may be held by them:**

For Convertible Warrants:

- A. Foreign Investor: - NIL
- B. Indian Investor: - (Non Promoter)

Sr. No.	Name of Proposed Allottees	No of Equity Shares To be Allotted on conversion	% of post issue Share holdings
1.	Goldview Traders Pvt. Ltd.	37,50,000	12.50
2.	Protect Marketing Pvt. Ltd.	37,50,000	12.50
3.	Kalpotaru Suppliers Pvt. Ltd.	37,50,000	12.50
4.	Compare Commercial Pvt. Ltd.	37,50,000	12.50

(The above post issue Shareholding pattern assume that all persons mentioned in the Resolution will participate in the Preferential Issue to the full extent proposed and all Convertible warrants are converted into equity share, failing which the percentage will change accordingly.)

**B. Promoter Group : - NIL**

The above Non - Promoter subscribers are all Bodies Corporates.

The aggregate number of Warrants to be allotted is 1,50,00,000 which will be exchanged for an Aggregate no. of 1,50,00,000 Equity shares.

Section 81 of the Companies Act, 1956, provides, inter alia, that whenever it is proposed to issue further convertible warrants, such warrants shall be issued/offered to the existing shareholders of the company in the manner laid down in the said section unless shareholders decide otherwise in a *general meeting by special resolutions*. Accordingly the consent of the shareholders is being sought pursuant to Section 81(1A) and other applicable provisions of the Act and Chapter (XIII) on preferential issue in SEBI (Disclosure & Investor Protection) guidelines, 2000 and in terms of the provisions of the listing Agreement.

The convertible warrants to be allotted at a later date as above, shall be subject to lock-in for one year from the date of issue, of warrants in accordance with the SEBI guidelines as above.

A copy of Certificate from M/s Prodip Sarkar & Associates, Chartered Accountants, Statutory Auditors of the Company certifying that the issue of Convertible warrants on Preferential basis is being made in accordance with the requirement of SEBI guidelines for Preferential issue as contained in the securities and Exchange Board of India (Disclosure & Investor Protection) guideline 2000, shall be placed before the shareholders at the forth coming Annual General Meeting.

None of the Directors of the company is in any way concerned and interested in the resolution. They recommend the resolution for approval in the interest of the company.

**Item No. 8**

With a view to accommodate the proposed issue and allotment of further Convertible Warrants the authorised capital of the Company need to be suitably increased.

The Board recommends the adoption of the resolution set out under Agenda No.8 of the notice for the interest of the Company.

None of the Directors is personally interested or concerned in this resolution.

Date : 1st July, 2008  
Place : Delhi

By Order of the Board  
**R.Gupta**  
Director



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**INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT**

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<b>NAME OF DIRECTOR</b>	<b>Mr. J.Kumar</b>	<b>Mr. Rajesh Gupta</b>	<b>Mrs. Shashi Jain</b>	<b>Mr. Ankush Jain</b>
1. Date of Birth	06.09.1972	05.10.1967	15.09.1964	15.05.1987
2. Date of Appointment	30.01.2002	8.01.2000	01.07.2008	01.07.2008
3. Qualification	B.Com (Hons), PGDCA	B.Com	B.A	B.Com
4. Expertise in specific Functional area	Financial Advisor	Rich expertise to develop new market in rural & metros.	Exposure in diverse businesses & management	Young & dynamic to handle IT Sector in front-foot
5. Directorship in other Companies	NIL	NIL	NIL	NIL
6. Chairmanship/ Membership in Committees In other Ltd. Companies	NIL	NIL	NIL	NIL
7. Shareholding as on 31.03.2008	NIL	NIL	70200	150000

- 1. BOARD OF DIRECTORS** : MR. RAJESH GUPTA - Director  
MR. R. R. CHHALANI - Director  
MR. ASHOK KUMAR KATIAL - Director  
SMT. SHASHI JAIN - Director  
MR. ANKUSH JAIN - Director  
MR. S. KUMAR - Director  
MR. J. KUMAR - Director
- 2. COMPANY SECRETARY** : MR. J. TIWARI
- 3. AUDITORS** : PRODIP SARKAR & ASSOCIATES  
Chartered Accountants  
Kolkata
- 4. SOLICITORS** : B.K. JAIN & CO.  
SOLICITORS & ADVOCATES  
KOLKATA
- 5. BANKER** : ABN AMRO BANK
- 6. REGISTERED OFFICE** : B – 1523 Shastri Nagar, 1st Floor  
Delhi - 110052
- 7. REGISTRARS & SHARE TRANSFER AGENT :** M/s. S. K. COMPUTER  
34/1A, Sudhir Chatterjee Street  
Kolkata-700 006

## DIRECTOR'S REPORT

The Directors take pleasure in presenting the 23rd Annual Report and the Audited Statement of Accounts for the year ended 31st March 2008.

## FINANCIAL RESULTS

A summary of the Financial results for the year under review is as under :

	(Rs. in Lacs)	
	Current Year ended on 31.03.2008 (Twelve Months)	For the year ended 31.03.2007 (Nine Months)
Gross Sales	4831.45	2695.80
Other Income	283.09	2.67
Total	5114.54	2698.47
Less : Expenditure	4917.65	2913.76
Gross Profit/(Loss)	196.89	(215.29)
Less : Interest	0.79	0.39
Less : Depreciation	182.88	15.51
Net Profit / (Loss) before tax	13.22	(231.19)
Less : Provision for Income Tax	1.36	0.75
Fringe Benefit Tax	1.37	1.22
Add : Deferred Tax	62.19	0.41
Net Profit / (Loss) after tax (PAT)	(51.70)	(233.69)
Earlier Year Deferred Tax	(27.94)	-
Add : Balance B/F from previous year	(213.87)	19.82
Balance C/F to Balance Sheet	(293.51)	(213.87)
Earning Per Share	(0.34)	(1.95)

## DIVIDEND

In order to conserve the financial resources of the Company and therefore the directors of your Company regret their inability to recommend any dividend for the financial period 2007-2008.

## REVIEW OF OPERATIONS

The sustained re-engineering initiative and re-structured diversification process adopted by the company over the last couple of years have yielded positive results re-conforming/ reinforcing the company's dignified pressure in the Indian IT Industry and Business Training Institutions. In to-days competitive global market the Company is providing effective business solutions in conjunction with Universities. The company has continued its inquest in innovation and technology restructuring to enrich its technology base.

There has been radical change in its performance as a result of restructuring. There had been an increase of about 90% in the annual revenue resulting in a given profit of Rs.197.00 lacs as against a gross trading loss of Rs.215 lacs in the last year. After absorbing the Interest and Depreciation the Net Profit before Tax (PBT) remained at Rs.13.22 lacs as against Net (Loss) of Rs.231.19 lacs in the previous year. This confirms the managements forecast in Company's performance.

Encouraged by the radical turn around the management proposes to initiate extensive expansion in Business Schools and Technical Educational Institutions in the Eastern India in close-co-ordination with well recognized University.

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## **CAPITAL STRUCTURE**

During the financial year 2007-2008 the paid up share capital of the company was increased to Rs.1500.13 Lacs from Rs.1200.13 Lacs on account of allotment of 30,00,000 Convertible warrants into Equity shares of Rs. 10/- each at par on preferential basis to Non – Promoters body Corporate to the same investors.

## **CURRENT PERFORMANCE**

It is true that the growth of IT market is going through a rough patch. However, the hardware market has not been affected to that extent, as a lot of buying is still going on. As per Gartner's prediction, this trend will continue till early next year. Gartner also believes the continued growth will be spurred by companies buying servers for consolidation & virtualization, and also by strong emerging markets. Another observation is that software market has gone down heavily because of slowdown in the US, whereas the hardware market in the US is still pretty strong. As a domestic market, India has a huge potential. And due to adding some innovative products the company will continue to do good in future also.

## **DIRECTORS**

Shri Rajesh Gupta & Shri J.Kumar, Directors of the company retires by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment.

Smt. Shashi Jain a Commerce Graduate from Calcutta University and having a wide exposure in business and administration has since been appointed as an additional director of the company whose period in office is due to expire at the conclusion of the forthcoming Annual General Meeting. Meantime the company has received a notice U/s 257 of the Companies Act, 1956 from a member indicating the proposal to move necessary resolution in the forthcoming Annual General Meeting for appointment of Mrs. Shashi Jain as a rotational Director.

Shri Ankush Jain a Commerce Graduate and having a wide exposure in business and administration has since been appointed as an additional director of the company whose period in office is due to expire at the conclusion of the forthcoming Annual General Meeting. Meantime the company has received a notice U/s 257 of the Companies Act, 1956 from a member indicating the proposal to move necessary resolution in the forthcoming Annual General Meeting for appointment of Shri. Ankush Jain as a rotational Director.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to requirements under section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement it is hereby confirmed that:-

- a) in the preparation of Annual Accounts for the Financial Year 2007-2008 the applicable Accounting Standards had been followed and no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the profit and loss of the company for that period;
- c) to the best of their knowledge and information , they 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; and
- d) they have prepared the Annual Accounts on a going concern basis.

## **FIXED DEPOSITS**

The company has neither accepted and / or renewed any fixed deposit from the public during the period nor was their any carried forward balance at the end of year.

## **AUDITORS & THEIR REPORT :**

Messers Prodip Sarkar & Associates, Chartered Accountants, the auditors of the company retires at the conclusion of the forthcoming Annual General Meeting and they being eligible, offers themselves for re-appointment.

The report of the Auditors and the observations made there-at when read with the notes on Accounts are self explanatory and need no further explanation.

## **COMPLIANCES**

The Company did not default in the payment of interest and / or repayment of loan to any of the financial institutions and / or banks during the period under review.

## **CORPORATE GOVERNANCE**

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is annexed herewith, as apart of the Annual Report along with the Auditor's Certificate on its Compliance.

## **STATUTORY INFORMATION :**

### **(1) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

In view of the nature of activities that are being carried on by your Company, Rule 2A & 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning conservation of energy and technology absorption, respectively are not applicable to your Company. Your company being an IT solution provider provider requires minimal energy consumption and every endeavor, avoid wastage and conserve energy as far as possible.

### **(2) FOREIGN EXCHANGE INCOME AND OUTGO**

	<u>Current Year</u>	<u>Previous Year</u>
Foreign Exchange Earned :	Rs. NIL	Rs. NIL
Foreign Exchange Outgo :	Rs. NIL	Rs. NIL

### **(3) EMPLOYEES PARTICULARS**

The company having no employee drawing salaries in excess of Rs. 24,00,000 p.a. or Rs.2,00,000 per month for a part of the year, the provisions U/S 217(2A) of the Companies Act, 1956 are not attracted.

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## **PERSONNEL/INDUSTRIAL RELATIONS**

The industrial relations during the year, under review remained cordial between the workers and Management. There was a total understanding of the Management objectives by the workers. Your directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry despite increased competition from several existing and new players.

### **CAUTIONARY STATEMENT:**

Statements made in the Report describing the Company's Objectives, Expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include economic development, Government actions, risks inherent in the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant looking statements.

### **APPRECIATION**

Your Directors wish to place on record their appreciation of the assistance and co-operation that your Company received from the Government of India, Financial Institutions, Banks, Stakeholders and all others whose continued support has been a source of strength to the Company. Your Directors also wish to place on record their sincere appreciation of the devotion and commitment of every employee of the company.

For and on behalf of the Board  
**(RAJESH GUPTA)**  
Director

Date : 1st July 2008  
Registered Office :  
B - 1523 Shastri Nagar, 1st Floor,  
Delhi - 110 052

## ANNEXURE A1 TO THE DIRECTORS REPORT

### REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2007-2008

#### 1. COMPANY'S PHILOSOPHY

Good corporate governance, for the company does not mean only compliance with various statutory and regulatory requirements. The company strongly believes that the spirit of corporate governance goes beyond the statutory form. Sound Corporate Governance is a key driver of sustainable corporate growth and long-term value creation for the stakeholders and protection of their interests. It is the endeavor of the company to meet the growing aspirations of all stakeholders including shareholders, employees, customers, leaders, business partners and government. The Company is continued to maintain the highest level of transparency, accountability, and equity in its operations.

The Company's Corporate Governance framework is based on the following principle:

- A sound system of internal control and risk management,
- Transparency, honesty, integrity, professionalism and accountability,
- Compliance with applicable rules and regulations,
- Timely and correct flow of information to the Board and its committee to enable them discharge their functions effectively,
- Fair and equitable treatment of all its stakeholders including employees, customers, shareholders and investors.

#### 2. BOARD OF DIRECTORS

As on 31st March 2008 the Board consists of five directors out of which four are independent directors. All important strategic policy matters are deliberated to the board meetings where the role of independent directors is crucial. The independent are expert professionals with high credentials, who actively contribute in the deliberations of the Board.

##### (i) Composition & Category of Directors

The Board of Directors of your company as on 31st March 2008 consisted of five Directors as under :

Name of Directors	Designation	Category
Mr. R. Gupta	Director	Executive Director
Mr. S. Kumar	Director	Non-Executive & Independent
Mr. J. Kumar	Director	Non-Executive & Independent
Mr. Ashok Kumar Katial	Director	Non-Executive & Independent
Mr. Rishabraj Chhallani	Director	Non-Executive & Independent

The Board has an optimum combination of Executive and Non Executive Directors and more than two third of the Board comprises of Independent Directors. The Independent Directors are not related with the promoters or with the persons occupying the management position at the Board level or any level below the Board. They were neither in employment of the company for the last three years nor were related with the

company in a capacity as suppliers, service providers, lessors, lessees or customers of the company which might have affected their in dependency. None of the Directors are holding any substantial shares of the company individually or jointly with others.

Apart from sitting fees paid for attending Board/Committee Meetings, the Executive & Non- Executive Directors did not have any pecuniary relationship or transactions with the company. During the year 2007-2008 all non- executive directors with diverse knowledge, experience and expertise, provide valuable contribution in the deliberations and decisions of the Board.

**(ii) Attendance at the Board Meeting & the last Annual General Meeting Directorship & Chairmanships/ Membership in other Boards/Board Committees :**

Name and category of the Directors on the Board, their attendance at Board meetings held during the period, number of Directors and committee Chairmanships/ Memberships held by them in other public limited companies are given below. Other Directorships do not include alternate Directorships, Directorship in Private Limited Companies, and Companies under Section 25 of the Companies Act, 1956 and of the Companies incorporated outside India. Chairmanship/ Membership of Board committee relates to only Audit and Shareholders' Grievances Committee.

Name of Directors	Category	No of Board Meetings		Whether attended last AGM held on 21st Sep' 2007	No. of Directorship in other Public Ltd. Companies	No. of Committee positions held in other Public Ltd Companies	
		Held during tenure	Attended			As Chairman	As Member
Mr. R.Gupta	Executive & Non Independent	6	6	Yes	nil	nil	nil
Mr. S.Kumar	Non Executive & Independent	6	5	Yes	nil	nil	nil
Mr. J.Kumar	Non Executive & Independent	6	3	Yes	nil	nil	nil
Ashok Kumar Katial	Non Executive & Independent	5	3	Yes	nil	nil	nil
Rishab Raj Chhallani	Non Executive & Independent	5	4	No	nil	nil	nil

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 committees as specified in Claus 49, across all the Companies in which he is a Director. The Directors have made necessary disclosure regarding committee positions held in other public limited companies as on 31st March 2008.

**(iv) Number of Board Meetings held and the dates on which meetings held:**

A total of 6 (Six) Board Meetings were held during the year as against the minimum requirements of 4 meetings. The maximum gap between any two Board Meetings was not more than four months at any time.



Sl.No	Date of Board Meeting	No. of Directors Present
1	30.04.2007	5
2	30.07.2007	4
3	18.08.2007	4
4	30.10.2007	3
5	30.01.2008	3
6	27.02.2008	4

### 3. BOARD PROCEDURE

The Board of Directors meet from time to time to transact such business in respect of which the attention and sanction of the board is required. There is a well laid procedure of sending to all the Directors due notice of the meetings accompanied by detailed agenda papers sufficiently in advance. The Directors freely express their views and seek clarification on various points concerning the respective business of the meeting and decision taken in such meetings are duly and correctly implemented without any reservation and are recorded in the minute's book maintained for the purpose. The Directors hold their offices strictly in compliance with the provisions the Companies Act, 1956 and the provisions of the Articles of Association of the Company.

### 4. BOARD COMMITTEE

The Board of Directors has three (3) Committees of Directors to assist the Board in discharging its responsibilities towards strategic supervision;

The said committees are: Audit Committee, Share Transfer Committee & Investor Grievance Committee and Remuneration Committee.

### 5. AUDIT COMMITTEE

- i) The role and terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and in Section 292A of the Companies Act, 1956 the Company's Audit Committee comprises of the following Directors the majority of being are independent.

1. Mr. S.Kumar (Independent Non Executive) - Chairman (since replaced by Mr. Katial)
2. Mr. A.K.Katial (Independent Non Executive) - Chairman
3. Mr.R.Gupta (Independent Non Executive) - Member
4. Mr. J.Kumar (Independent Non Executive) - Member (resigned from Committee)

Brief descriptions of the terms of reference of the Audit Committee are as follows :

- a) Oversight of the company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct sufficient and credible.
- b) Discussion with the statutory auditors before the audit commences about nature and scope of audit as well as post- audit discussion to ascertain any area of concern.

- c) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- d) Reviewing, with the management, the annual financial statement before submission to the Board for approval, with particular reference to :
- Matters required to be included in the Director's Responsibility Statement, to be included in the Board's report in terms of clause 2AA of Section 217 of the Companies Act, 1956.
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on exercise of judgement by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with Listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transaction;
  - Qualification of draft audit report.
- f) Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- g) Discussion with internal auditors of any significant findings and follow-up thereon.

**ii) Meeting & attendance during the year**

Name of Directors	Category	No. of Meetings	
		Held during tenure	Attended
Mr. S.Kumar	Non Executive & Independent	5	5
Mr. R.Gupta	Executive & Non Independent	5	5
Mr. J.Kumar*	Non Executive & Independent	2	2
Mr. A.K.Katial	Non Executive & Independent	3	3

Mr. J.Kumar vacated the office of Committee Members w.e.f 1st August, 2007.

Five Meetings of the Audit Committee were held during the financial year ended 31st March 2008. The dates on which the Audit Committee meetings were held are as follows 27th April 2007, 28th July 2007, 16th August 2007, 29th September 2007 & 28th January 2008.

## 6. SHARE TRANSFER COMMITTEE / INVESTORS GRIEVANCE COMMITTEE

The Board has constituted a Share transfer Committee to deal with the request for transfer/ transmission/ duplicate issue of shares in due Compliance with the provisions of the Companies Act, 1956 and also the listing Agreements.

The present composition of the Shareholders'/Investors' Grievances Committee is as follows :-

Name of Directors	Category	Membership
Mr. J.Kumar	Non Executive & Independent	Chairman
Mr. S.Kumar	Non Executive & Independent	Member

The Committee oversees the performance of M/s S.K.Computers, the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. Though the powers to approve share transfer/share transmission are delegated to the Registrars and Share Transfer Agent, all the share transfer / transmission cases approved by the Registrar are reported to the Committee which also keeps a close watch on disposal status of all complaints / grievances of shareholders.

During the year the committee met on 12 occasions on 30.04.2007, 30.05.2007, 30.06.2007, 30.07.2007, 30.08.2007, 29.09.2007, 30.10.2007, 30.11.2007, 29.12.2007, 30.01.2008, 28.02.2008, 28.03.2008. Instead of appointing a separate committee for dealing with the shareholders/investors grievance, the same Share Transfer Committee has been assigned the responsibility of attending to Shareholders/Investors grievance also.

All valid transfer requests received by the company as the same are concerned with shares in physical mode were duly transferred / transmitted within 30 days from the date of receipt while in case of requests for dematerialization are dealt within 15 days from the date of receipt.

## 7. REMUNERATION COMMITTEE

The Board of Directors of the Company constituted a Remuneration Committee of Directors mainly for the purpose of recommending the Company's policy on Remuneration Package for the Managing / Executive Directors, reviewing the structure, design and implementation of remuneration policy in respect of such Directors.

The Composition of the Remuneration Committee as on the date of the report is as follows:-

1. Mr. R.R.Chhallani – Chairman
2. Mr. S.Kumar (replaced by Mr. Chhallani as Chairman w.e.f from 01.08.07)
3. Mr. J. Kumar

During the period under review, only one meeting of the remuneration Committee was held on 25th August 2007 in which all the members were present.

All the Non Executive directors are paid a sitting fees of Rs.1,000/- for attending every meeting of the Board and Committees based on their attendance.

#### 8. NAME AND DESIGNATION OF COMPLIANCE OFFICER

Our Company Secretary has been designated as the compliance officer in terms of clause 47(a) of the listing agreement. The shareholders may send their complaints directly to Company Secretary at the below mentioned address :

Company Secretary  
B – 1523 Shastri Nagar, 1st Floor,  
Delhi – 110 052  
Email – [cpcal@rediffmail.com](mailto:cpcal@rediffmail.com)

#### 9. GENERAL BODY MEETINGS

##### LOCATION AND TIME OF LAST THREE ANNUAL GENERAL MEETING.

Financial Year	Date	Time	Venue
30.06.2005	13.12.2005	3.00 P.M.	1098, Raja Uggar Sen, Bazar Sita Ram, Delhi – 110 016
30.06.2006	27.12.2006	9.30 A.M	A-1/288, Safdargunj Enclave, New Delhi – 110 029
31.03.2007	21.09.2007	3.30 P.M.	B-1523, Shastri Nagar Delhi – 110 052

No Special Resolution has been put through by postal Ballot so far by the Company. At present, the company does not have any proposal for postal ballot this year.

#### 10. DISCLOSURES :

- a) The company has not entered into any transaction of material nature, with promoters, Directors or the Management, or its relatives, etc. that may have potential conflict with the interest of the Company at large, other than in the normal course of business.

The transaction undertaken during the year has been disclosed in schedule '20' forming part of the Accounts for the year ended 31st March 2008.

- b) Details of Non compliance by the company, penalties & strictures imposed on the company by the stock exchange, SEBI or any statutory Authority, on any matter related to capital market during the last 3 (three) years ended on 31.03.2008 : NIL
- c) The company duly complied with the mandatory requirements of clause 49 of the listing Agreement with the stock Exchange.

#### 11. MEANS OF COMMUNICATION

- i) The Audited Annual Financial Reports and the Directors Report on the performance of the Company are regularly sent by paid post to each and every shareholder as also the notices of all shareholders meetings are sent in due compliance with the provisions of the Companies Act, 1956. Besides, in terms of the provisions under the Listing Agreements with the Stock Exchanges, the other periodic



**f) THE REGISTRAR & SHARE TRANSFER AGENT**

In accordance with the SEBI directive vide Circular Nos. D & C/FITTC/CIR-15/2002 dated 27th December, 2002, the Company has appointed the following SEBI registered Agency as the common Registrar and Share Transfer Agent of the Company for both the physical and Dematerialized Segments :

M/S S.K.COMPUTERS  
34/1A, Sudhir Chatterjee Road,  
Kolkata-700 006  
Ph – 033-22194815

**13. SHARE TRANSFER SYSTEM**

Applications for transfer of share in physical mode are received at the office of the Registrar & Share transfer Agents. The Committee of the Board of Directors attend / to Share Transfer formalities at least once in every month depending on the requirement.

Shares held in dematerialized form are electronically traded in the Depository and the RTA of the company periodically receives from the depository, the details of beneficial holding for them to update their records and to send all corporate communication, etc. Physical shares received for dematerialization are processed and completed within a period of 15 days from the date of receipt provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participant under advice to the shareholders.

**14. SHAREHOLDING PATTERN (AS ON 31ST MARCH 2008)**

Category	No. of Shareholders	No of Shares	Percentage
<b>PROMOTERS</b>			
Indian Promoters	1	70200	0.47
Foreign Promoters	—	—	—
Person Acting in Concert	4	480000	3.20
<b>BODIES CORPORATE</b>			
Banks & Mutual Funds	1	3000	0.02
NRIs/OCRs	—	—	—
Other Body Corporate	170	7167932	47.78
Resident Individuals	6075	7280168	48.53
Others	—	—	—
Total	<u>6251</u>	<u>15001300</u>	<u>100.00</u>

**15. DEMATERIALISATION & LIQUIDITY**

As on 31st March 2008 about 56.36% shares of the company are in dematerialized form. The shares of the company are permitted to trade only on dematerialized form w.e.f.23.10.2000.

**16. OUTSTANDING GDRS/ADRS/WARRANTS OR CONVERTIBLE INSTRUMENTS:**

The company has not issued any GDRs /ADRs /Warrants or any convertible instruments.

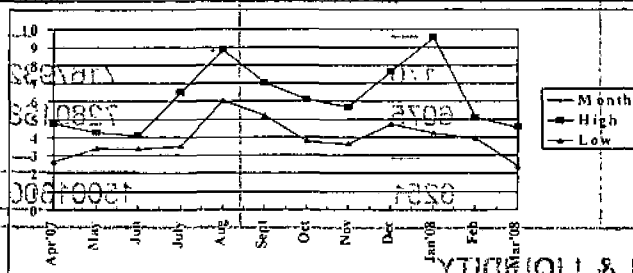
**17. DISTRIBUTION OF SHAREHOLDING PATTERN AS ON 31ST MARCH 2008**

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
Upto 500	4032	64.50	954129	6.36
501 – 1000	1038	16.61	958453	6.38
1001 – 2000	505	8.08	859023	5.73
2001 – 3000	201	3.22	540955	3.60
3001 – 4000	107	1.71	401853	2.66
4001 – 5000	119	1.90	581742	3.88
5001 – 10000	139	2.22	1037295	6.91
10001 – 50000	88	1.41	1906351	12.71
50001 – 100000	5	0.08	204021	1.37
100001 and above	7	0.11	663809	4.42
<b>Total</b>	<b>6251</b>	<b>100.00</b>	<b>15001300</b>	<b>100.00</b>

**18. STOCK MARKET DATA**

The shares of the company are regularly traded on the BSE. The Annual Data for Trading on BSE are given below

Month	High	Low
April 2007	4.80	2.66
May 2007	4.30	3.38
June 2007	4.10	3.36
July 2007	6.49	3.50
August 2007	8.85	6.09
September 2007	7.05	5.25
October 2007	6.09	5.08
November 2007	5.68	5.08
December 2007	7.66	5.08
January 2008	9.55	4.25
February 2008	5.12	3.97
March 2008	4.56	2.40



Source : BSE Website

**19. INVESTORS CORRESPONDENCE ADDRESS :**

As on 31st March 2008 about 56.36% shares of the company are in dematerialized form. The shares

**COMPUTER POINT LTD.**

B – 1523 SHASTRI NAGAR, 1ST FLOOR

DELHI – 110011

Date : 1st July, 2008

Place : Delhi

For and on Behalf of the Board

**R.Gupta – Director**

**S. Kumar – Director**

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**ANNEXURE A2 TO THE DIRECTORS REPORT  
MANAGEMENT DISCUSSION AND ANALYSIS**

**1. COMPANY PROFILE :**

The Company, 'Computer Point Ltd.' (CPL) is a pioneer and well known Institution in IT enabled services. The spate of growth of Indian Industries over the recent past was possible by the extension of knowledge education and training in IT enabled services. In this arena CPL has so far contributed equally alongwith other prominent Institutions in the country. Computer operations and knowledge has been become essential in the day-today operations of Industries and government departments. The government is spending a huge amount extension of Computer Education right from the school and college levels. CPL can not be silent on-looks. It has developed a huge net-work spread over the country, especially in the eastern part of the Country. In the process the Company has entered into collaborations with state education departments and various universities for extending Computer and Management Education and training from the basic school level upto University degrees in respective fields. The company is conducting degree courses in business management in collaborations and license from the Punjab Technical University.

**2. INDUSTRY STRUCTURE AND DEVELOPMENT :**

India economy has recorded a rapid growth over the last few years, followed by a large number of Indian companies extending their operations globally and competing with other foreign multi-nationals in equal footing and even acquiring control over a number of them. Such rapid growth of Indian Economy was made possible by the meteoric growth of service sector like Information Technology (IT and IT enabled services) industry which is expected to continue its growth process by about 25% during the year to come. This growth process of IT enabled services is appropriately complemented by the necessary development and extension of Education and Training imparted by a host of Management and computer Education Institutions. In this background 'Computer Point' (CPL) which has already established its presence with a brand equity in Computer & Management Training and Education stands to have extensive opportunities ahead.

**3. OPPORTUNITY AND THREAT :**

Your company has a huge network of franchisee spread all over the country especially in the rural areas through which it carries out its educational business. Your Company's products enjoy wide acceptance in various users Industries including widely dispersed Educational institutions and universities. Yet in the ever changing corporate and technology scenario, it is always necessary to keep regular vigilance and to maintain a constant pace with Technology developments and to update one's system of operations. The dynamic and energetic infusion in company's management team is capable of utilizing for the Company's benefit.

**4. OUTLOOK :**

The funds which is raised in the preferential allotment was utilized in liquidating the secured terms loan to boost up the liquidating position and that too is expected to be supplemented by setting up green field projects for specially design IT courses as proposed. For this company has entered in an agreement with the Punjab Technical University for imparting their professional courses like MBA, MCA, BBA, etc. in the eastern Region of the country.

Barring a few unforeseen, the Company is confident to maintain its growth rate and once its liquidity problem is solved, it is definite to accelerate with higher and higher quality services to its customers and students.



## 5. RISK AND CONCERNS :

The Education sector in India is highly fragmented .the sector is mainly dominated by the small regional players having presence in their own region like city or state. There are a very few companies in India having a brand name and nation wide presence. Computer Point is one of the Companies having a nation wide presence especially in Eastern India region. Since there are a few players more and bigger players are eyeing this sector as a nice segment for the business. Thus many new big players are entering in the market with big capital expenditure plans. Again the sector is highly dependent on the Govt. budgetary support for imparting education in the country. Due to rising fiscal deficit Govt. may reduce the budgetary support which may have an impact on the performance of the Company.

## 6. INTERNAL CONTROL SYSTEM :

The Company has proper and adequate system of internal controls to ensure that all assets are safeguarded; transactions are authorised, recorded and reported correctly. The controls also ensure compliances with policies and statutes. The operational management drives its control over business processes through operational systems, procedure manuals and financial limits of authority manual, which are being reviewed and updated on an on going basis with an objective to improve systems and efficiency of operations.

The scope of the audit activity is mainly guided by the annual audit programme developed by the internal audit team of the company in consultation with the statutory auditors, which is first reviewed by the management committee of the Board of Directors. The Internal audit programme is aligned to the existing system and procedures, financial limits of authority and also the key risk areas.

Internal audit department carries out audit throughout the year covering almost all areas of operations including the follow up action. The Audit Committee of the Board of Directors reviews the internal audit report alongwith the direction/action plan recommended by the management committee and the implementation of corrective actions.

## 7. HUMAN RESOURCES DEVELOPMENT & INDUSTRIAL RELATION :

The company believes that the quality of its employees is the key to its success in the long run and is committed to provide the necessary human resource development and training opportunities to equip them with the skills, which would enable them to adapt to contemporary technological advancements. Industrial relations during the year continues to be cordial and the Company is committed to maintain good industrial relations through negotiations, meetings etc.

Date : 1st July 2008  
Place : Delhi

For and on Behalf of the Board  
**R.Gupta** – Director  
**S.Kumar** – Director

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### **Director (CEO) and Chief Financial Officer (CFO) Certificate**

We, R.Gupta, Director & CEO and S. Mukherjee, Chief Financial Officer of Computer Point Limited, to the best of our knowledge and belief, certify that :

- 1) We have reviewed the balance sheet as at 31st March, 2008 and Profit & loss Account, and all its schedules and notes on accounts, as well as cash flow statements and the director's report for the year ended on that date.
- 2) Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or does not contain any statement that might be misleading;
- 3) Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report and are in compliance with the existing accounting standards and / or applicable laws and regulations:
- 4) To the best of our knowledge and belief, no transactions entered into by the company during the aforesaid period are fraudulent, illegal or violative of the company's code of conduct.
- 5) We are responsible for establishing and maintaining disclosure controls and procedure and internal controls over financial reporting for the company and, we have
  - i. evaluated the effectiveness of the company's disclosure, controls and procedures over financial reporting : and
  - ii. disclosed in this report any change in company's internal control over financial reporting that occurred during the company's most recent accounting period that may have materially affected, or is reasonably likely to affect, the company's internal control over financial reporting.
- 6) We have disclosed based on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of Directors
  - i. All deficiencies in the design or operation of internal controls, which could adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors, any material weakness in internal control over financial reporting including any corrective actions with regard to such deficiencies, if any;
  - ii. Significant changes in internal control during the period covered by this report, if any;
  - iii. All significant changes in internal controls during the period if any and that the same have been disclosed in the notes to the financial statements.
  - iv. No instances of significant fraud of which we are aware, involving management or other employees who have significant role in the company's internal controls system
- 7) We further declare that all board members and senior management personnel have affirmed compliance with the code of conduct (since its adoption) during the period under review.

Date : 1st July, 2008  
Place : Delhi

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**S. Mukherjee**  
Chief Financial Officer

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**R.Gupta**  
Director & CEO

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**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members  
M/s Computer Point Ltd.

We have examined the compliance of corporate governance by M/s Computer Point Ltd for the period ended on 31st March 2008 as stipulated under clause 49 of the listing Agreement of the said company with Stock Exchanges.

The Compliance of the corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereon, adopted by the Company for ensuring the Compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state that no investor grievance is pending for a period exceeding one month against the Company as per records, maintained by the Registrar Share Transfer Agents of the Company.

We further state that such compliance is neither an assurance as to the viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **PRODIP SARKAR & ASSOCIATES**  
**Chartered Accountants**

Date: 1st July, 2008  
Place: Kolkata

**(Prodip Kumar Sarkar)**  
Proprietor  
Membership No. 050198

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**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Director. In addition, the Company has adopted a Code of Conduct for its Non – Executive Directors. Both these are available on the Company's Website.

I confirm that the Company has in respect of the financial year ended March 31, 2008, received from the Senior Management Team of the Company and Members of the Board a declaration of the Compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the Executive Vice President cadre and the Company Secretary as on March 31, 2008.

For and on Behalf of the Board  
**R.Gupta**  
*(Director)*

Date: 1st July, 2008  
Place : Delhi

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**AUDITOR'S REPORT****TO THE MEMBERS OF  
COMPUTER POINT LIMITED**

1. We have audited the attached Balance Sheet of M/S. **COMPUTER POINT LIMITED** ("The Company") as at 31st March, 2008 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the period ended on that date annexed thereto. These financial statements are the responsibility of Company's Management, our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of Companies Act, 1956, we enclose in the Annexure a statement on the matter specified in paragraphs 4 and 5 of said Order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - I. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - II. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - III. the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - IV. in our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - V. on the basis of written representations received from the directors, as on March 31, 2008, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2008 from being appointed as a director in terms of clause (g) of sub-section 274 of the Companies Act, 1956; and
  - VI. in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
    - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2008;
    - b) in the case of the Profit and Loss Account, of the profit for the period ended on the date; and
    - c) in the case of the Cash Flow Statement, of cash flows for the period ended on that date.

Date : 1st Day of July, 2008  
Place : Kolkata

For **PRODIP SARKAR & ASSOCIATES**  
**Chartered Accountants**  
**(Prodip Kumar Sarkar)**  
Proprietor  
Membership No. 050198

(Referred to in paragraph 3 of the our report of even date)

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
  - (b) According to the information and explanations given to us, the fixed assets were physically verified during the year by the management in accordance with the programme of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification were not material and have been properly dealt with in the books of account.
  - (c) There was no disposal of a substantial part of fixed asset
- ii) (a) The Company has conducted physical verification of inventory at reasonable intervals during the year.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (a), (b), (c) and (d) of clause 4(iii) are not applicable to the Company.
  - (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (e), (f) and (g) of clause 4(iii) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations provided to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services, During the course of our audit, no major weakness has been noticed in the internal control system.
- v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, there have been no contracts or arrangement referred to in Section 301 of the Act, the particulars of which are required to be entered during the year in the Register maintained under that Section.
  - (b) To the best of our knowledge and belief and according to the information and explanations given to us, there have been no transactions made in pursuance of such contracts and exceeding the value of Rupees Five Lakhs in respect of any party during the year.
- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of clause 4 (vi) of the Order are not applicable to the Company.
- vii) Under the course of our audit and according to the comment of the Management, the Company has adequate in-house audit system considering the turnover and the nature of the Company.
- viii) In our opinion, the Central Government has not prescribed maintenance of cost records under Clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for any of the products dealt by the Company.

- ix) (a) As per records produced before us and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like income tax, value added tax with the appropriate authorities, and there were no arrears of such dues at the year-end which have remained outstanding for a period of more than six months from the date they became payable.
- (b) As per records produced before us and according to the information and explanations given to us, there are no dues of Income tax, Sales tax, Customs Duty, Wealth tax, Service tax, Excise Duty or Cess, which have not been deposited on account of any dispute.
- x) The Company have accumulated losses of Rs.293.51 Lacs as at 31st March, 2008 (Prev. Year Rs. 213.87) which is below fifty percent of its net worth and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank or financial institutions or debenture holders.
- xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special statute applicable to chit fund / nidhi /mutual benefit fund /societies are not applicable to the company.
- xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee, for loans taken by others from banks or financial institutions during the year.
- xvi) In our opinion and according to the information and explanations given to us, no term loans have been applied for the purpose for which they were raised.
- xvii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) According to the information and explanations given to us, during the period covered by our audit report, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The Company has not issue any debentures and accordingly the question of creation of securities or charge in this regard does not arise.
- xx) During the year covered by our audit report, the Company has not raised any money by way of public issue.
- xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **PRODIP SARKAR & ASSOCIATES**  
**Chartered Accountants**

Date: 1st day of July, 2008  
Place: Kolkata

(**Prodip Kumar Sarkar**)  
Proprietor  
Membership No. 050198

**COMPUTER POINT LIMITED**  
**BALANCE SHEET FOR THE YEAR ENDED ON 31ST MARCH 2008**

PARTICULARS	SCH.	31st March 2008 (Rs. In Lacs)	(9 Months) 31st March 2007 (Rs. In Lacs)
<b>SOURCES OF FUNDS :</b>			
<b>1. SHAREHOLDERS' FUND :</b>			
(a) Share Capital	1	1,500.13	1,230.13
(b) Reserves & Surplus	2	656.55	656.55
<b>2. LOAN FUNDS</b>			
(a) Secured Loan	3	12.60	6.15
<b>3. DEFERRED TAX LIABILITIES (NET)</b>	4	<u>65.03</u>	<u>2.84</u>
<b>4. TOTAL FUNDS EMPLOYED</b>		<u><u>2,234.31</u></u>	<u><u>1,895.67</u></u>
<b>APPLICATION OF FUND :</b>			
<b>5. FIXED ASSETS</b>			
(a) Gross Block		746.62	140.76
(b) Less : Accumulated Depreciation		<u>216.28</u>	<u>36.00</u>
(c) Net Block		530.34	104.76
<b>6. INVESTMENTS</b>	6	311.00	311.00
<b>7. CURRENT ASSETS, LOANS &amp; ADVANCES :</b>			
(a) Inventories	7	16.70	15.60
(b) Sundry Debtors	8	659.30	672.04
(c) Cash & Bank Balances	9	15.35	359.19
(d) Loans & Advances	10	<u>846.46</u>	<u>741.20</u>
		1,537.81	1,788.03
<b>8. Less - CURRENT LIABILITIES &amp; PROVISIONS</b>			
<b>CURRENT LIABILITIES</b>	11	434.46	548.98
<b>PROVISIONS</b>	12	<u>4.65</u>	<u>1.97</u>
		439.11	550.95
<b>9. NET CURRENT ASSETS</b>		1,098.70	1,237.08
<b>10. MISCELLANEOUS EXPENDITURE</b>	13	0.76	1.02
(To the extent not written off or adjusted)			
<b>11. PROFIT &amp; LOSS ACCOUNT</b>	14	<u>293.51</u>	<u>241.81</u>
		<u><u>2,234.31</u></u>	<u><u>1,895.67</u></u>
<b>12. Accounting Policy &amp; Notes to the Accounts</b>	20		
<b>13. Balance Sheet Abstract &amp; General Business Profile</b>	21		

The Schedules referred to the above form an integral part of the Balance Sheet of the Company.  
In terms of our report of even date attached

**For Prodip Sarkar & Associates**  
Chartered Accountants

**Prodip Kumar Sarkar**  
Proprietor  
Membership No. 050198

For and on behalf of the Board

**Mr. Rajesh Gupta**  
(Director)

**Mr. S. Kumar**  
(Director)

**Mr. J Tiwari**  
(Company Secretary)

Place : Kolkata  
Date : 1st July, 2008

**COMPUTER POINT LIMITED**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2008**

PARTICULARS	SCH.	31st March 2008 (Rs. In Lacs)	(9 Months) 31st March 2007 (Rs. In Lacs)
<b>INCOME</b>			
1. Sales		4,820.45	2,695.80
2. Education Incomes & Services		241.76	-
3. Other Incomes(Net)	15	52.33	2.67
		<u>5,114.54</u>	<u>2,698.47</u>
<b>EXPENDITURE</b>			
Cost of Sales	16	4,769.24	2,793.60
Payment to Employees	17	69.16	35.80
Administrative & Other Expenses	18	75.57	53.13
Selling & Distribution Expenses	19	3.12	1.95
Interest on Car Loan		0.79	0.39
Depreciation		182.88	15.51
Preliminary Expenses		0.26	0.26
Loss on Sale of Fixed Assets		0.30	29.02
		<u>5,101.32</u>	<u>2,929.66</u>
Net Profit/(Loss) before Tax (A - B)		13.22	(231.19)
Less : Income Tax for the year		1.36	0.75
Less : Fringe Benefit Tax		1.32	1.22
Less : Interest on Fringe Benefit Tax		0.05	0.12
Add/(Less) : Deferred Tax		(62.19)	(0.41)
Net Profit/(Loss) after Tax		(51.70)	(233.69)
Earlier Year Deferred Tax		(27.94)	-
Profit B / f from previous year		(213.87)	19.82
Balance carried to Balance Sheet		<u>(293.51)</u>	<u>(213.87)</u>
<b>Earning per shares- Basic (Rs.)</b>		(0.34)	(1.95)
<b>Earning per shares- Diluted (Rs.)</b>		(0.34)	(1.56)
(Refer Note 10, Schedule 20)			

**Accounting Policy & Notes  
to the Accounts**

20

**General Business Profile**

21

**As per our attached report of even date.**

The Schedules referred to the above form an integral part of the Balance Sheet of the Company.  
In terms of our report of even date attached

**For Prodip Sarkar & Associates**  
*Chartered Accountants*

For and on behalf of the Board

**Prodip Kumar Sarkar**  
*Proprietor*  
Membership No. 050198

**Mr. Rajesh Gupta**  
(Director)

**Mr. S. Kumar**  
(Director)

**Mr. J Tiwari**  
(Company Secretary)

Place : Kolkata  
Date : 1st day of July, 2008



**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET  
AND PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31ST MARCH, 2008**

	31.03.2008 Rs. In Lacs	(9 Months) 31.03.2007 Rs. In Lacs
<b>SCHEDULE - 1 : SHARE CAPITAL :</b>		
<b>AUTHORISED CAPITAL :</b>		
1,51,00,000 Equity Shares of Rs. 10/- each	<u>1,510.00</u>	<u>1,510.00</u>
(Prev. year 1,51,00,000 Equity Shares of Rs. 10/- each)	<u>1,510.00</u>	<u>1,510.00</u>
<b>ISSUED SUBSCRIBED &amp; PAID-UP :</b>		
1,50,01,300 Equity Shares of Rs. 10/- each fully paid-up.	1,500.13	1,200.13
(Prev. Year 1,50,01,300 Equity Shares of Rs. 10/- each )		
30,00,000 Share Warrants @10/- each partly paid up Re.1.00	-	30.00
(90% Balance Payment Received; Pre. Year recd. 10% Upfront- Rs.30/- Lacs)	<u>1,500.13</u>	<u>1,230.13</u>
Notes : The 30,00,000 Equity Shares of Rs.10/- each on allotted on Conversion of Warrants on resolution passed by the Board on 27/02/2008.		
<b>SCHEDULE - 2 : RESERVES &amp; SURPLUS :</b>		
<b>(a) Securities Premium</b>		
Balance Carried Forward during the Year	500.00	500.00
<b>(b) Capital Reserves</b>		
Balance Carried Forward during the Year	<u>156.55</u>	<u>156.55</u>
	<u>656.55</u>	<u>656.55</u>
<b>SCHEDULE - 3 : SECURED LOANS</b>		
Car Loan from ICICI Bank		
(Secured by hypothecation of related assets acquired-Motor Car)	<u>12.60</u>	<u>6.15</u>
Total	<u>12.60</u>	<u>6.15</u>
<b>SCHEDULE - 4 : DEFERRED TAX</b>		
Timing Difference in opening WDV	2.84	2.43
Add/(Less): Adjustment on account of Current Depreciation	<u>62.19</u>	<u>0.41</u>
	<u>65.03</u>	<u>2.84</u>
<b>SCHEDULE - 6 : INVESTMENTS</b>		
<b>Long Term Investments</b>		
<b>At Cost (Equity Shares Fully Paid Up)</b>		
Quoted	-	-
Other than Trade - Unquoted	<u>311.00</u>	<u>311.00</u>
(As per Annexure "A")	<u>311.00</u>	<u>311.00</u>
<b>SCHEDULE - 7 : INVENTORIES</b>		
Stock in trade	16.70	15.60
(at cost as verified, valued and certified by the management)	<u>16.70</u>	<u>15.60</u>
<b>SCHEDULE - 8 : SUNDRY DEBTORS</b>		
( Unsecured, Considered Good unless otherwise stated)		
a ) Over six months - considered good	598.55	585.30
b ) Others - considered good	<u>60.75</u>	<u>86.74</u>
	<u>659.30</u>	<u>672.04</u>

**COMPUTER POINT LTD.**  
**SCHEDULES TO BALANCE SHEET & PROFIT AND LOSS ACCOUNT**

**SCHEDULE - 5:**  
**FIXED ASSETS**

DESCRIPTIONS OF ASSETS	Block Rate	Gross Block				Depreciation				Net Block	
		As at 01.04.2007	Additions during the Period	Deduction during the Period	As at 31.03.2008	Up-to 31.03.2007	For the Year	Write off during the Year	Up-to 31.03.2008	As at 31.03.2008	As at 31.03.2007
Computer Systems with networking & soft.	40.00%	6,300,000	60,000,000	-	66,300,000	595,718	17,281,713	-	17,877,431	48,422,569	5,704,282
Furniture & Fixture	18.10%	6,500,000	-	-	6,500,000	2,450,699	732,923	-	3,183,622	3,316,378	4,049,301
Motor Car	25.89%	1,276,000	1,210,830	625,000	1,861,830	563,811	273,528	260,301	567,038	1,294,792	722,189
<b>GRAND TOTAL</b>		<b>14,076,000</b>	<b>61,210,830</b>	<b>625,000</b>	<b>74,661,830</b>	<b>3,600,228</b>	<b>18,288,164</b>	<b>260,301</b>	<b>21,628,091</b>	<b>53,033,739</b>	<b>10,475,772</b>
<b>PREVIOUS YEAR :</b>		78,860,998	6,300,000	71,084,998	14,076,000	68,196,203	1,551,181	66,147,156	3,600,227	10,475,772	10,664,795

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET  
AND PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31ST MARCH, 2008**

	31.03.2008 Rs. In Lacs	(9 Months) 31.03.2007 Rs. In Lacs
<b>SCHEDULE - 9 : CASH &amp; BANK BALANCES</b>		
a ) Cash-in-hand (As Certified by the Management)	10.32	9.64
b ) Balances with Scheduled Banks in current A/c	5.03	19.55
c) Balance with Current Account- Unutilised monies raised by way of Preferential Issue during the year.	-	330.00
	<u>15.35</u>	<u>359.19</u>
<b>SCHEDULE - 10 : LOANS AND ADVANCES (Unsecured, Considered Good unless otherwise stated)</b>		
Loans to Bodies Corporate & Others (Advances Recoverable in cash or in kind or for value to be received)	481.43	382.13
Advance for FBT	1.50	0.50
Tax deducted at source	13.02	3.06
Advance to Suppliers	226.90	257.40
Advance for Properties	25.50	-
Total (a)	<u>748.35</u>	<u>643.09</u>
<b>DEPOSITS</b>		
with Government Bodies	1.81	1.81
with others	64.30	64.30
Security Deposits for Properties	32.00	32.00
Total (b)	<u>98.11</u>	<u>98.11</u>
Total (a+b)	<u>846.46</u>	<u>741.20</u>
<b>SCHEDULE - 11 : CURRENT LIABILITIES</b>		
Sundry Creditors & Acceptance	358.11	540.51
Other Liabilities	8.35	7.12
Vat Payable	-	1.35
Advance from Party	68.00	-
	<u>434.46</u>	<u>548.98</u>
<b>SCHEDULE - 12 : PROVISIONS</b>		
Bad Debts A/c	-	26.50
Add: During the Year	-	-
Less: Bad Debts Written Off	-	26.50
	-	-
for Income Tax	2.11	0.75
for Fringe Benefit Tax	2.54	1.22
for VAT	-	-
	<u>4.65</u>	<u>1.97</u>
<b>SCHEDULE - 13 : MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)</b>		
Fees for the Increase in Authorised Capital	1.02	1.28
Less: Written Off during the year	0.26	0.26
	<u>0.76</u>	<u>1.02</u>

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET  
AND PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31ST MARCH, 2008**

	31.03.2008 Rs. In Lacs	(9 Months) 31.03.2007 Rs. In Lacs
<b>SCHEDULE - 14 : PROFIT &amp; LOSS ACCOUNT</b>		
Profit brought forward from last year	(241.81)	5.69
Less : Profit/(Loss) during the year	(51.70)	(233.69)
Add/(Less): Deferred Tax on timing difference in opening WDV	-	2.43
	<u>(293.51)</u>	<u>241.81</u>
<b>SCHEDULE - 15 : OTHER INCOME</b>		
Interest Received (TDS Rs.9,17,053/- Prev.yr. Rs.54,295/-)	44.52	2.67
Commission (TDS Rs.63,675/- P.Y.Rs.NIL)	7.81	-
	<u>52.33</u>	<u>2.67</u>
<b>SCHEDULE - 16 : COST OF SALES</b>		
Opening Stock	15.60	92.36
Add : Purchases	4,770.34	2,716.84
	4,785.94	2,809.20
Less : Closing Stock	16.70	15.60
	<u>4,769.24</u>	<u>2,793.60</u>
<b>SCHEDULE - 17 : PAYMENT TO EMPLOYEES</b>		
Salaries, Bonus and other Allowances	66.10	34.20
Staff Welfare Expenses for Tea & Coffee	3.06	1.60
	<u>69.16</u>	<u>35.80</u>
<b>SCHEDULE - 18 : ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Direct Consumables	8.18	5.06
Rent	10.44	4.72
Miscellaneous Expenditure	3.60	1.98
Electricity charges	3.60	2.40
Repairs & maintenance	1.47	1.50
Legal & Professional Fees	1.75	1.00
Auditors Remuneration:		
i) Audit Fees for Statutory Audit	0.37	0.37
ii) Audit Fees for Tax Audit	0.15	0.15
iii) Certificate Charges	0.05	0.05
iv) Out of Pocket Expenses	0.05	0.05
Insurance Premium Paid	15.73	15.73
Conveyance & Travelling	9.62	6.55
Printing & Stationery	8.11	5.40
Communication Expenses	5.20	3.92
Vehicle Running & Repair	2.75	2.05
Hire Charges	1.10	0.40
Office Maintenance Expenses	3.40	1.80
	<u>75.57</u>	<u>53.13</u>
<b>SCHEDULE - 19 : SELLING &amp; DISTRIBUTION EXPENSES</b>		
Exhibition, Seminar etc. Expenses (Sales Promotions)	2.07	1.32
Packing & Forwarding Expenses	1.05	0.63
	<u>3.12</u>	<u>1.95</u>

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## 20. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

### A. Accounting Policies

#### 1. Basis of Preparation :

The financial statements are prepared under the historical cost convention and the requirements of the Companies Act, 1956.

#### 2. Use of Estimates :

The preparation of financial statements requires the management of the company to make estimates and assumption that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amount of incomes and expenses during the year.

#### 3. Fixed Assets :

Fixed Assets are stated at Cost, less accumulated depreciation. Cost includes expenditure incurred in the acquisition and construction / installation and other related expenses.

#### 3. Depreciation :

Depreciation is provided under Written down Value method and the rates and in the manner specified under Schedule XIV of the Companies Act, 1956.

#### 5. Investments :

Investments, being long-term investments, in shares are unquoted and stated at cost, unless there is other than temporary decline in the value thereof. Whereas some of shares have been send for transfer during the period of our Audit.

#### 6. Retirement Benefits :

There being no employee of permanent nature serving continuously for specified period for entitlement to Retirement benefits under the statutory regulations no provisions therefore was made in the accounts. The terms of employment does not permit for carry forward and/or encashment of leave and hence no provision for leave encashment was made in the Accounts.

#### 7. Revenue Recognition :

- a. Education & Training Income has been recognized at the time of the enrollment for courses and training programs.
- b. Revenue form sales are recognized upon delivery. Which is when title passes to the customer.
- c. Items of Income and Expenditure are recognised on accrual and prudent basis.

#### 8. Taxation :

Provision for Taxation is made on the basis of the taxable profits computed for the current accounting period (reporting period) in accordance with the Income Tax Act, 1961.

Deferred Tax expenses or benefit is recognized on timing difference being the difference between books accounting depreciation on fixed assets as per companies Act'1956 and taxable depreciation as per Income Tax Act'1961 that originated in one period and are capable of reversal in one or more subsequent period. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the balance sheet date.

Fringe Benefits Tax (FBT) payable under the provisions of Section 115WC of the Income Tax Act, 1961 is in accordance with the Guidance Note on Accounting for Fringe Benefits Tax issued by the ICAI regarded as an additional income tax and considered in determination of the profits for the year.

**9. Inventories :**

Inventories are carried at lower of cost and net realizable value. Cost is determined on a weighted average basis.

**10. Contingent Liabilities :**

Contingent Liabilities are not provided but disclosed by way of notes under Notes to the Accounts.

**11. Earning per Share :**

Earning per share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders, by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or losses for the period attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**12. General :**

Accounting Policies not specially referred to are consistent with the generally accepted accounting practices.

13. In view of current year figures appearing in this account are not comparable with the previous year figures as comprised of 9 months.

**B. Notes to the Accounts :-**

	<u>31.03.2008</u>	<u>31.03.2007</u>
1. Capital Commitments :	Rs. Nil	Rs. Nil
2. Contingent Liability :		
a. Interest on Loan from Financial Institution	Rs. Nil	Rs. Nil
b. If demand by Income Tax (Pending Appeal)	Rs. Nil	Rs. Nil
c. Guarantees given by Company (if any)	Rs. Nil	Rs. Nil
d. Estimated amount of Royalty, Payable in Future year (if any)	Rs. Nil	Rs. Nil
3. Stock have not been verified and valued by us, the same has been taken in books, physically verified, certified and confirmed by the Management of the Company.		
4. The Company has not provided gratuity on the basis of actuarial valuation as prescribed under the accounting standard and the guideline framed by the Institute of Chartered Accountants since in the opinion of the management no employee has not completed five years of services and/or qualified to receive.		
5. Particulars in respect of goods traded as per information required by Part II of Schedule VI have been furnished hereunder :		

**A. DETAILS OF GOODS TRADED :-**

Items	Particulars	31.03.2008		31.03.2007	
		Qty. (In Nos.)	Value (In Lacs.)	Qty. (In Nos.)	Value (In Lacs.)
Computer & Pheripherals	Opening Stock	230	15.60	298	92.36
	Purchases	71200	4770.34	40107	2716.84
	Sales	71196	4820.45	40175	2352.06
	Closing Stock	234	16.70	230	15.60

In case of other traded items, considering the nature, scale and size of items it is not possible for us to determine the quantitative details for the same, whereas amount is added in the columns of Value shown in the above chart.

6. Income Tax has been provided according to tax liabilities determined as per the financial statements prepared as at 31st March, 2008.
7. No creditor of the Company has informed the company of their status being SSI Units.
8. There are no Micro, Small and Medium Enterprise to whom the Company owes dues which are outstanding for more than 45 days at the Balance Sheet date.
9. The management has certified that same as above there are no other matter or claims involving the company and for which liabilities may arise at present or in future and/or which may otherwise require any disclosure on the face of the accounts and/or in auditors report etc.
10. Earnings per share are computed in accordance with Accounting Standard-20 issued by the Institute of Chartered Accountants of India.

	2007-2008 (Rs. In Lacs)	2006-2007 (Rs. In Lacs)
a) Profit after Tax as per Accounts	(51.70)	(7.11)
b) Weighted Average of Shares Outstanding during the period	1,50,01,300	1,20,01,300
c) Earnings Per Share-Basic	(0.34)	(1.95)
d) Earnings Per Share-Diluted	(0.34)	(1.56)
11. (a) Earning in Foreign Exchange	Rs. Nil	Rs. Nil
(b) Expenditure in Foreign Currency	Rs. Nil	Rs. Nil

12. During the period liability for F.B.T. Rs. 37,209/- is remain unpaid till date.

13. Related Party Disclosures as required by Accounting Standard (AS-18) issued by the Institute of Chartered Accountants of India, are given below :

**A. Particulars of Related Parties :**

Subsidiary Companies	:	NIL
Associate Companies	:	NIL
Enterprises in which key Management personnel have significant influence : NIL		

**B. Key Management Personnel :**

1. Mr. Rajesh Gupta	:	Director
2. Mr. S.Mukherjee	:	Chief Financial Officer

**C. Relatives of Key Management personnel :**

During the year the company does not entered any transaction with the key relative of the Management personnel.

14. Previous figures have been regrouped / rearranged wherever considered necessary.

For **PRODIP SARKAR & ASSOCIATES**  
*CHARTERED ACCOUNTANTS*

**Prodip Kumar Sarkar**  
*Proprietor*  
Membership No.050198

For and on behalf of the Board

**Rajesh Gupta - Director**

**S. Kumar - Director**

**Place :** Kolkata

**Dated :** 1st day of July, 2008

**Jitendra Tiwari - Company Secretary**

**COMPUTER POINT LIMITED**

**21. INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. REGISTRATION DETAILS :**

Registration No.	045719	State Code	55
Balance Sheet Date	31.03.2008		

**II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Lacs)**

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	270.00

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs.Lacs)**

Total Liabilities	2673.42	Total Assets	2673.42
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**Source of Funds :**

Paid-up Capital	1500.13	Reserve & Surplus	656.55
Secured Loan	12.60	Unsecured Loan	Nil
Share Application Money	Nil	Deferred Tax	65.03
Other Liabilities	NIL		

**Application Of Funds :**

Net Fixed Assets	530.34	Investments	311.00
Net Current Assets	1098.70	Miscellaneous Expenditure	0.76
Accumulated Losses	293.51	Other Assets	Nil

**IV. PERFORMANCE OF THE COMPANY (Amount in Rs. Lacs)**

Turnover*	5114.54	Total Expenditure	5101.32
* includes other income			
Profit for the year	13.22	Profit after Tax	(51.70)
Earnings Per Share in Rs.	(0.43)	Dividend rate %	Nil
Weighted Average			
Profit before Tax	Nil		

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE CO. (AS PER MONETARY TERMS)**

Product / Services Descriptions	Items Code No. (ITC Code)
Computer Peripherals	- 28392009
Computer Consumables	- 319106004
Computer Software	- 8524510010

**For Prodip Sarkar & Associates**

*Chartered Accountants*

**Prodip Kumar Sarkar**

*Proprietor*

Membership No. 050198

For and on behalf of the Board

**Mr. Rajesh Gupta**

*(Director)*

**Mr. S. Kumar**

*(Director)*

**Mr. J Tiwari**

*(Company Secretary)*

Place : Kolkata

Date : 1st day of July, 2008



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008**

	( Rs. In Lacs) Current Year ended on 31.03.08	( Rs. In Lacs) Previous Year ended on 31.03.07
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before taxes & extraordinary items	13.22	(231.19)
Adjustment for:		
Depreciation	182.88	15.51
Preliminary Expenses	0.26	0.26
Interest Paid	0.79	0.39
Interest/Dividend Received	(52.33)	(2.67)
Loss on Sale of Fixed Assets	0.30	29.02
Operating Profit before working Capital Changes	<u>131.90</u>	<u>42.51</u>
Adjustment for :		
Trade Receivables	12.74	723.70
Inventories	(1.10)	76.76
Other Receivables	(105.26)	(476.78)
Trade Payables	(114.52)	243.20
deff. Tax earlier	-	(14.78)
<b>Cash Generated from Operations :</b>	<u>(63.02)</u>	<u>363.42</u>
Interest Paid	(0.79)	(0.39)
Direct Taxes Paid (FBT)	-	-
	<u>(63.81)</u>	<u>(0.39)</u>
<b>Cash Flow before Extra Ordinary Items</b>		<u>363.03</u>
Less Extra Ordinary Items	-	-
<b>Net Cash from Operating Activities</b>	<u>(63.81)</u>	<u>363.03</u>
<b>B. CASH FLOW USED IN INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(600.00)	(63.00)
Purchase for Investments	-	(145.00)
Payment Towards VAT	(3.10)	-
Interest Received	52.33	2.67
Sale of Fixed Assets	2.51	20.36
payment towards FBT	(1.77)	(1.12)
Misc. Exp. For Share Issue	-	(1.28)
<b>Net Cash used in Investing Activities</b>	<u>(550.03)</u>	<u>(187.37)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Issue of Share Capital	270.00	300.00
Proceeds from Issue of Share Warrant Capital (Part)	-	30.00
Payment of Long Term Loan	-	(151.53)
<b>Net Cash from Financial Activities</b>	<u>270.00</u>	<u>178.47</u>
<b>Net Increase/Decrease in Cash &amp; Cash Equivalent</b>		
Cash & Cash Equivalent as opening Balance	359.19	5.06
Cash & Cash Equivalent as closing Balance	15.35	359.19

**Notes :**

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on 'Cash Flow Statement' issue by the Institute of Chartered Accountants of India.
- Previous years figures have been regrouped and reclassified to conform to those of the current year.

This is the Cash Flow statement referred to in our report of even date.

For and on behalf of the Board of Directors

For Prodip Sarkar & Associates  
Chartered Accountants

(Prodip Kumar Sarkar)  
Proprietor  
Membership No. 050198  
Place: Kolkata  
Date: 1st July, 2008

**Mr. Rajesh Gupta**  
(Director)

**Mr. S. Kumar**  
(Director)

**Mr. J Tiwari**  
(Company Secretary)

**COMPUTER POINT LIMITED**  
Registered Office: B- 1523 Shastri Nagar, 1<sup>st</sup> Floor, Delhi – 110052

**P R O X Y F O R M**

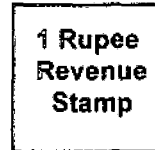
Reg. Folio No	
No Of Shares held	

* DP ID	
Clint ID	

I/ We ..... Of.....  
 ..... In the district of .....  
 Being a Member / Members of the above named Company hereby appoint  
 ..... Of.....  
 In the district of ..... or failing him.....  
 Of..... in the district of .....  
 as my / our proxy to attend and vote for me/ us on my /our behalf at the 23rd Annual General Meeting of the Company to be held on at B- 1523 Shastri Nagar, 1st Floor, Delhi – 110052 on Wednesday, the 6th August, 2008 at 3.30 P.M. and any adjournment there of.

Signed this ..... day of..... 2008.

Signature \_\_\_\_\_



\* Applicable for investorsholding in electronic form.

Note: The proxy order to be effective should be duly stamped, completed and signed must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the meeting.

**COMPUTER POINT LIMITED**  
Registered Office: B- 1523 Shastri Nagar, 1st Floor, Delhi – 110052

**ATTENDANCE SLIP**

23rd Annual General Meeting on Wednesday, the 6th August, 2008

Reg. Folio No	
No Of Shares held	

* DP ID	
Clint ID	

I certify that I am a registered Shareholder/proxy for the registered shareholder of the Company, I hereby record my presence of the 23rd Annual General Meeting of the Company to be held on B- 1523 Shastri Nagar, 1st Floor, Delhi – 110052 on Wednesday, the 6th August, 2008.

.....  
**Member's / Proxy's Name in BLOCK Letters**

.....  
**Member's / Proxy's Signature**