

SUCCESS GETS BIGGER  
WHEN A TEAM WORKS TOGETHER



ANNUAL REPORT 08-09

**Jetking<sup>®</sup>**

India's No.1  
Computer Hardware & Networking Institute



## OUR MISSION:

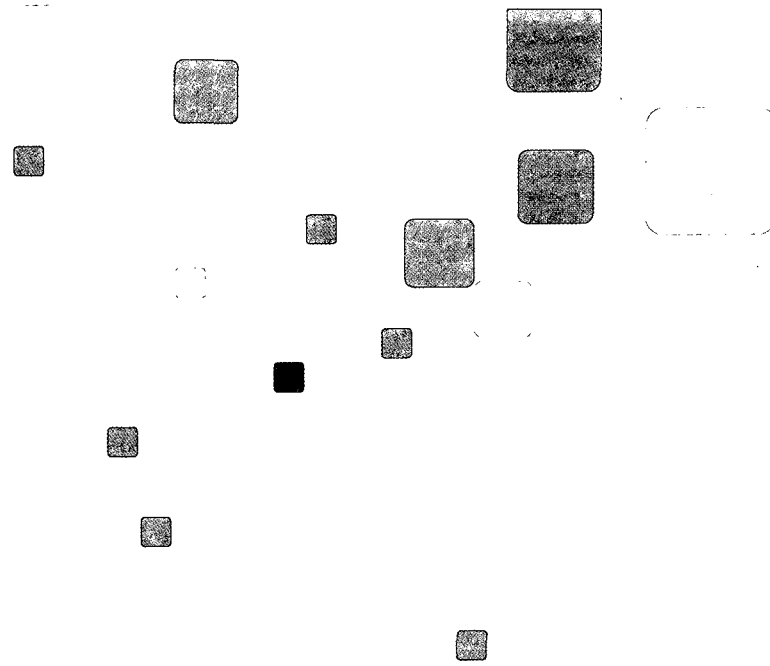
TO BECOME A WORLD-CLASS ENGINE FOR EMPLOYMENT  
GENERATION THROUGH AN EFFICIENT PARTNERSHIP NETWORK

## OUR VISION:

TO PROVIDE ECONOMIC INDEPENDENCE  
TO 10 MILLION PEOPLE IN INDIA AND ABROAD

## OUR VALUES:

TRUST, INNOVATION, LEARNING & TEACHING, BALANCED  
STATE OF MIND, SELF-MOTIVATION, HANDS-ON, QUALITY



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## FROM THE CHAIRMAN'S DESK



*It's always a pleasure to write to you as we come to the close of yet another successful year.*

*This year too has been full of challenges and innovations for Jetking. And like always, we have withstood it all to emerge bigger and better than before. The quality of education we impart meant that we have not gone back on our promise of 100% job guarantee, even though the world has been reeling under a global meltdown. It is education through innovation.*

### Hardware And Networking Education Scenario In India

The buoyancy of the Indian IT job market has lifted growth rates in IT training as well. In fact, growth rates above 20% Year on Year have been seen in the last three years. However, due to recessionary trends, margins have been hit considerably.

According to NASSCOM, the global IT Infrastructure Management Services (IMS) market is estimated to be between \$ 86bn and \$ 150bn. Also, IMS exports from India are expected to grow at 50% over the next 3-5 years contributing close to 20% of the total IT revenues.

### Demand For Hardware And Networking Professionals

We make a promise to all Jetking students giving them 100% job guarantee. And we make this promise on the basis of industry findings and the demand for hardware and networking professionals. According to the Ministry of IT and MAIT, during 2008, India's electronics hardware industry will be worth US \$40 billion. The Remote Infrastructure Management segment – which employs a large number of networking professionals – is set to touch US \$13-15 billion by 2013. This sector alone will create 3,75,000 new jobs by 2009 – most of them for networking professionals.



## Education Through Innovation

This year we have entered our 20th year since we entered the education business on 27 March 1990.

At Jetking, we make our students 'Employable'. The word employable means a lot to us at Jetking. The job does not end with teaching. It involves coaching, mentoring and shaping careers. In short, it is like carving a diamond from a coal.

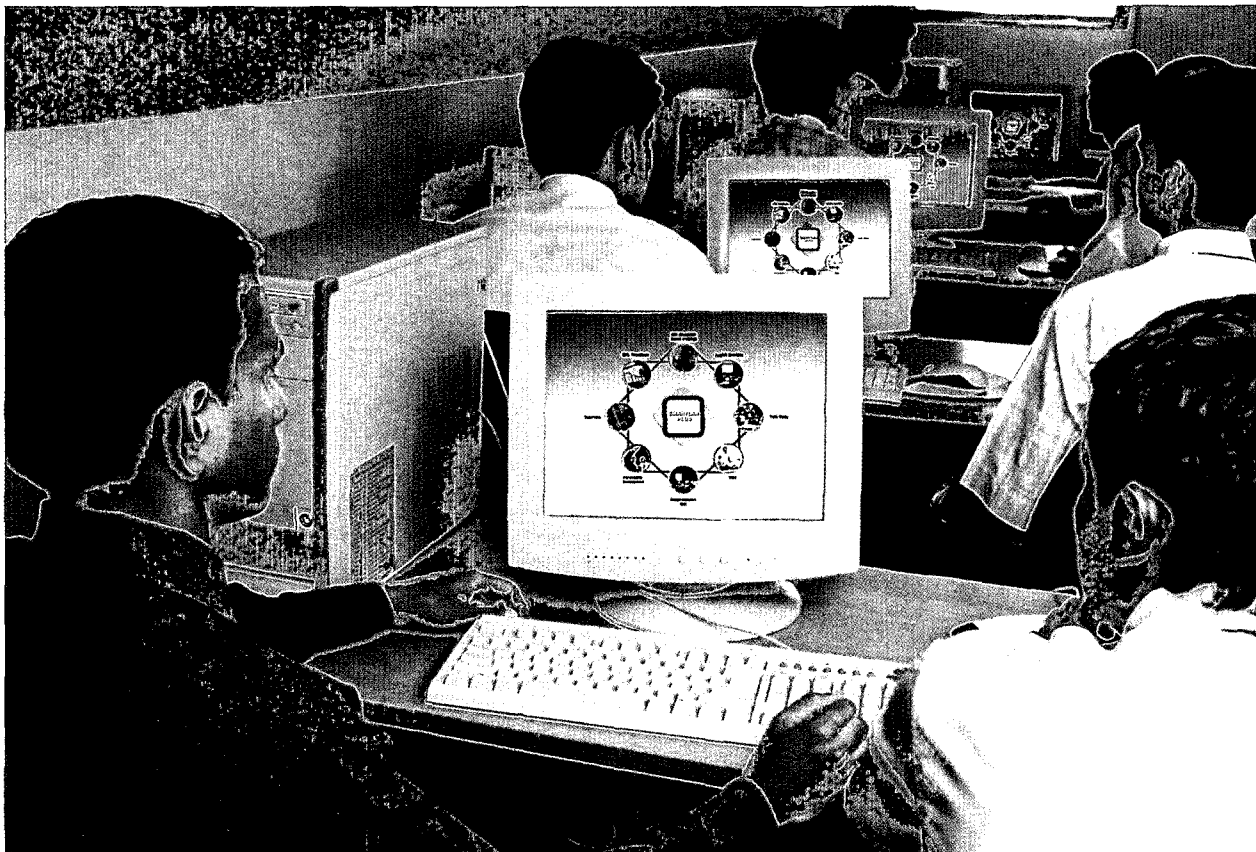
Innovation is our core value. We have incorporated many innovative ideas which have gone on to make us who we are.

Our target audiences are primarily from economically-challenged backgrounds. Essentially from SEC C, D and E segments and vernacular medium. It has been a big challenge to make them employable. Our students come from families of small roadside vendors, traders, government employees and the police force.

Many a times, the students have dropped out of school or college and, moreover, they come from a non-technical background. They do not know English as they come from a vernacular background.

I feel that it is not very difficult to teach at IIT, REC, IIMs and engineering colleges because the students come from a good academic background. But teaching students who come to Jetking is a challenge that we have wholeheartedly accepted.

What encourages and motivates us to teach these students is their desire to grow and make it big in life. I normally give an example of a small boy called Prince who fell into a pit and could not be pulled out from it. So a parallel tunnel was dug and connected to this pit, and Prince was rescued. Similarly, we have to have innovative 'strategies' that will help our students overcome all odds and become successful professionals.





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### Balanced Scorecard

After interacting with leading corporate gurus and managers at Harvard, we are proud to initiate the Balanced Scorecard (BSC) project. Popular with most Fortune 500 companies, BSC is a strategic management system created by Dr. Robert Kaplan (Harvard Business School) and Dr. David Norton.

BSC enables to measure past performance and facilitate corrective action for the future. The BSC implementation at Jetking will be done at the corporate level and across all its centers. It is my firm belief that with BSC, we will move on to the next level in business

alignment and streamlining. The BSC looks at 45 to 50 critical parameters, including financial measure, customer satisfaction, internal processes and learning & growth of employees and management to meet short- and long-term objectives.

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### Assured Quality

After so many years in the business and getting exposure to global practices, I believe that quality makes all the difference. And that's why a quality audit of Jetking centers is carried out every quarter. If there is any non-compliance, the center is given time to rectify the same. Failure in rectification results in

disciplinary action on the center. This ensures that the centers deliver on the promises made to the student at the time of admission. It also ensures that quality of service across centers is standardised.

### Mystery Shopping

This is another measure to check quality. Trained auditors anonymously evaluate various aspects of the center. They measure conformance/performance against the predefined standards, checking for malpractices. It improves operations and services, thereby having a higher network of satisfied students.

### Student Satisfaction Survey

In order to validate our quality audit and gauge student satisfaction, we have engaged the services of a specialized firm. The survey has been conducted on the basis of student satisfaction with the center's infrastructure, course content, faculty, security, hygiene, ambience and basic facilities. The study identifies the gaps between what is promised and what is delivered. Steps are then taken to close the gaps, if any.

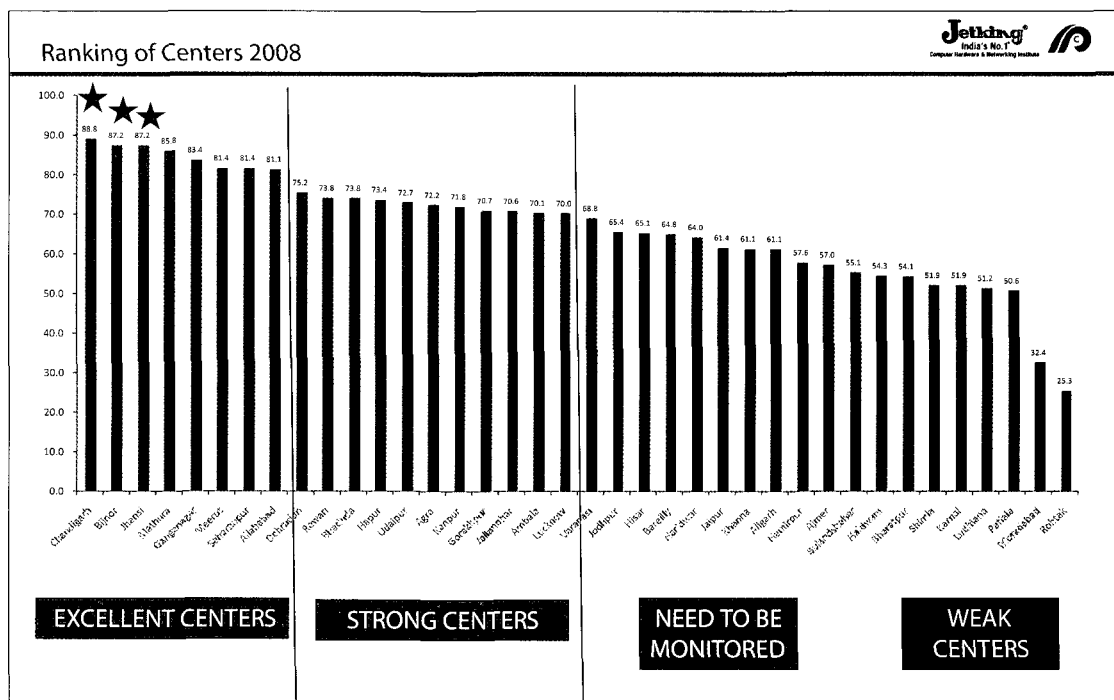
### Pre-assessing For Best Results

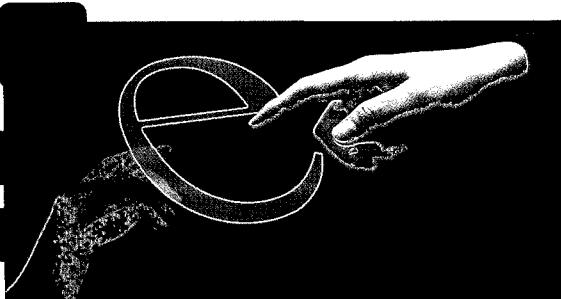
We have recently started the Objective assessment of students – a preliminary test for students, assessing their mental and numerical abilities as well as communication skills. This gives the faculty an insight into the mental make-up of each of his students in order to design and deliver the best course content. We have already undertaken this programme at three centers. More centers will be covered under this scheme in phases. This activity helps us find out weak students and help us coach them better.

### E-Learning Initiatives

Revitalised English and PD Training: Over a period of time, we have been observing that centers were facing problems with delivery of English and PD Training. To address this, we have initiated a project, using which the faculties will be able to deliver English and PD Training.

I have got positive feedback from the faculties and students, and feel this will definitely give us better results in the long run.





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### **E-Smartech**

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The brain has two parts, the left and the right. The left is the logical part that decodes maths, numbers, lists, etc. While the right decodes colours, imagination, creativity, etc. If both these parts are integrated, one can really accelerate the learning process.

In order to make learning fun, faster and easier, we have developed a unique training method known as 'Smartech'. With a 1500-strong faculty, it is difficult to train them individually. To tackle this, we have devised an innovative solution: E-Smartech.

Now faculties can learn at their own pace and recap their knowledge often. They can get acquainted with Jetking's unique delivery technique from day one. They need not wait for a training programme to learn and refresh the methodology.

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### **Simulations**

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While interacting with the recruiters and corporate heads, we have understood that one of the key skills they look for in the candidates is their troubleshooting abilities. For this purpose, we have introduced the Eklavya simulation software and Heathkit computer fault simulation kit. Together, these train the student in solving real-life problems and makes them confident.

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### **Master Training Programme**

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To maintain uniformity in students training, we wanted the trainers to be trained in the content to be taught to our students. Thus the Master Training Programme was born. After training, the Master Trainer will conduct the training for the faculties and

ensure that they are certified. The net result will be that the training provided by the corporate office will be delivered down the line to the center staff. This would result in improved word of mouth as competent faculties will be conducting the classes. This expertise is now built at every center so 'Just in time' training can be conducted at the center.



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### **Going Places – Bali Meet**

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For the first time in Jetking history, the mid-year meet of the Company was held at a foreign location: Bali, Indonesia, in November of 2008. The meet was titled "Managing Growth: Excellence in Placements". Apart from senior managers and directors, this meet was attended by over 35 of the top franchisees of Jetking representing 60% of our business. We conducted two power-packed training programmes for the group.

Art of the Coach – A wonderful training session by Franklin Covey. This training taught us how to bring out the best in our people through coaching.

Leadership communication for Results and Relationships – I feel leadership is all about investing in relationships and motivating others to stay on top. Mr Swaran Sehgal facilitated a training programme to establish how effective communication is critical to achieving the lasting results.

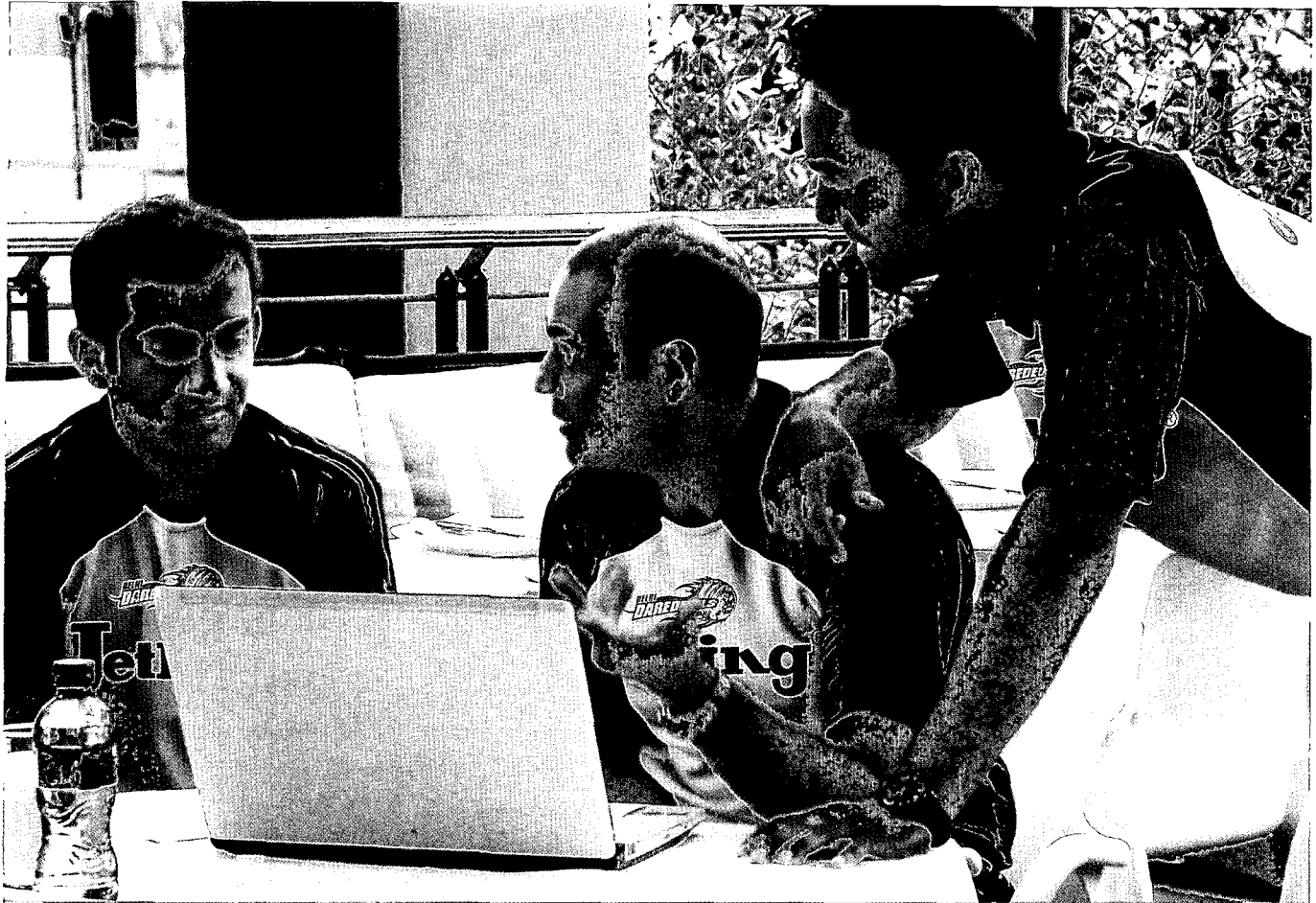
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### **The Road Ahead**

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In the coming days, my focus would be to improvise further on the existing infrastructure. Give our students better training by involving innovative processes like Heathkit. Increase visibility of brand Jetking. Also expand our network of franchisees and have a seamless framework holding the corporate office and the franchisees together. But most of all, to march ahead and empower our country by bringing economic independence to the lower strata of society.





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## FROM THE DESK OF THE JOINT MANAGING DIRECTOR



### ***Jetking – Going from strength to strength***

*At Jetking, our commitment is to provide high-quality education to empower the youths of India and give them economic independence. With this mission, every year we have grown from strength to strength. This year too, we have grown despite a lull in the market. We have penetrated newer markets and have maintained our growth graph.*

### **Market Penetration**

I am pleased to announce that we have further consolidated the Jetking network by adding 18 new franchise centers. Jetking now has 125 centers across the country. The new centers have contributed to nearly 10% growth of the consolidated revenue in FY 2009. For FY 2010, we plan to open 45 new centers.

Also, in the coming year we are looking to expand internationally into China & Africa. Both the markets have a large base of potential students, robust demand by recruiters and proven government intent to invest in the education sector. Hence, we plan to open about 10 centers in China and four centers in South & West Africa in the FY 2010.

### **Providing With The Latest Infrastructure**

We believe that quality training comes with quality infrastructure. And therefore, we insist that latest infrastructure support is made available to further improve the training process. Jetking has state-of-the-art equipments at all their centers with the latest software. Not more than two students are assigned to one computer.

For the CCNA Program, each student is provided with the

latest routers. For the MNA Program, we provide training on wireless networks using Linksys series access points, bridges and wireless network adapters and also Linksys access points and wireless adapters.

### **Awards**

It brings me immense pride to inform you that the Tax Law Educare Society has felicitated Jetking with the Excellence Award – 2009 for its contribution to education of the youth.

The award is the highest independently instituted civilian honour and further develops trust in our existing business partners, vendors and shareholders.



One of the first strategic alliances of its kind, Watchguard – the global network security solutions leader – has teamed up with us for Unified Threat Management (UTM) appliances. This has been a big step forward in offering students a hands-on experience with the best breed of latest UTM solutions available world over. So that, later in worklife they can prevent their companies from becoming vulnerable to the cyber criminal community.

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### **Introducing SAP**

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In yet another effort to strengthen Jetking internally, we have now implemented SAP at all our locations. With this we are able to generate up-to-date Balance Sheet and Profit & Loss Accounts at Jetking. We have once again proved our belief in innovative methods by customising this package to our needs.

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### **Implementing ERP**

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To further streamline our operations, we have now implemented ERP. With this, we would be able to access the updated information of enquiries, enrolments, collections, batch conduct, courseware, exams and placements besides real-time



collection reports with service tax, student dues, online receipts & live reporting to the Head Office.

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### **Reducing Expenses, Contributing To Profit**

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Year 2008 has been slow for most due to meltdown in global economy. At Jetking, it has been another successful year. During the year, we have paid special attention towards expenses such as Advertisements, Business and Sales Promotion, and Training. As a result of the above measures, we were able to reduce the expenses by almost 6% of the revenue. We simultaneously achieved maximum returns for the amount spent during the year.

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### **Delhi Daredevils & Jetking – A Winning Combination**

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We are proud to inform you that Jetking is one of the official sponsors of the Delhi Daredevils.

You must have noticed that all the 14 players of Delhi Daredevils sported the 'Jetking' logo on the back of their T-shirts throughout the second season of IPL. We have also shot an Ad film with the Delhi Daredevil stars – Virender Sehwag, Gautam Gambhir and Dinesh Karthik – which is currently being aired on various TV channels. This association will surely translate into better visibility for brand Jetking.

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### **Awaiting Tomorrow**

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The year ahead looks exciting with our expansion and improvisation plans. The steps we are taking towards augmenting brand visibility should translate into more footfalls into our centers. Consolidated training means more demand from recruiters for our students.

Let us all look forward to tomorrow for all the challenges and victories it will bring us. Let us all join hands to take brand Jetking to touch newer horizons.



Poster

**HDFC**  
Education Loans  
now available  
at Jetking

EASY LOAN CALCULATOR

EMI per lakh per month	EMI for 12 months Rs 8,979	EMI for 24 months Rs 4,801	EMI for 36 months Rs 3,448
For example - Loan Amount - Rs 68,000	EMI for 12 months Rs 8,979 x 0.68 = Rs 6,105	EMI for 24 months Rs 4,801 x 0.68 = Rs 3,265	EMI for 36 months Rs 3,448 x 0.68 = Rs 2,324


**EDUCATION LOAN**  
**HDFC BANK**  
We understand your world

To know more, contact: Suraj Mahambrey on 92203 02464 or email: suraj.mahambrey@hdfcbank.com

Dangler

**Jetking®**  
India's No.1  
Computer Hardware & Networking Institute  
Official Associate Partners of:

**DELHI DAREDEVILS**




Outdoor

**Jetking SmartLab Plus**  
de kamyabi ki guarantee.  
Enrol now!

**100% JOB GUARANTEE**

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www.jetkinginforan.com



Branch address: \_\_\_\_\_

For admissions, call:  
**Toll-free 1800-209-4010**

**Enrol now.**  
Win Delhi Daredevils merchandise.  
(T-shirts, Mugs, Keychains, Pens and Caps)




Delhi Daredevils IPL, 2009 - Match Schedule	
Delhi Daredevils vs Mumbai Indians 18/05/2009, 8 pm IST, Eden Gardens	Delhi Daredevils vs Kolkata Knight Riders 19/05/2009, 8 pm IST, Eden Gardens
Delhi Daredevils vs Chennai Chargers 1/06/2009, 8 pm IST, Durban	Delhi Daredevils vs Kings XI Punjab 14/06/2009, 8 pm IST, Dharamtaran
Delhi Daredevils vs Rajasthan Royals 17/06/2009, 8 pm IST, Dharamtaran	Delhi Daredevils vs Bangalore Royal Challengers 1/07/2009, 8 pm IST, Dharamtaran
Delhi Daredevils vs Chennai Indians 3/07/2009, 4 pm IST, Chennai	

**DELHI DAREDEVILS**  
Official Associate Partners of Delhi Daredevils

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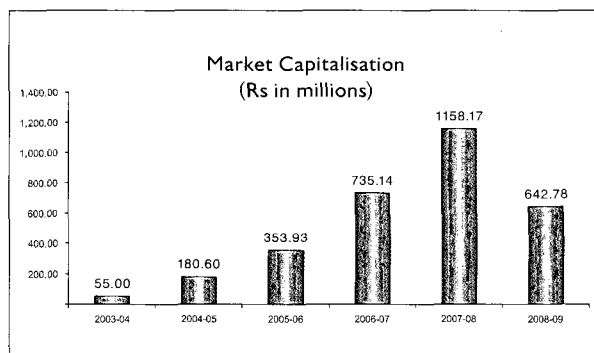
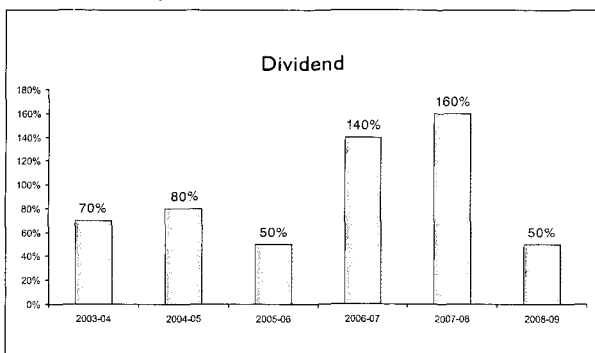
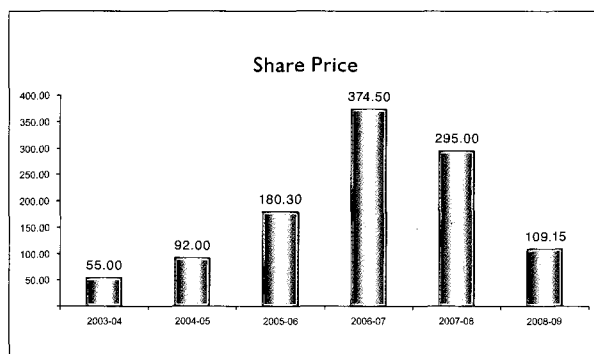
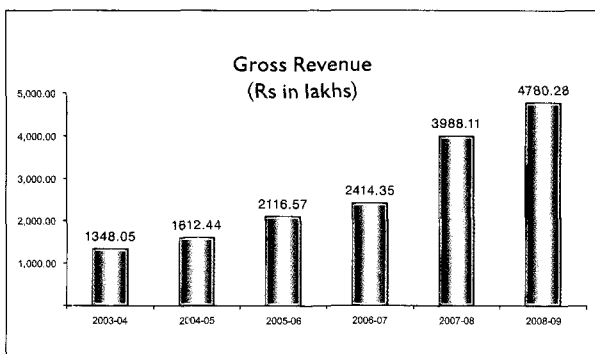
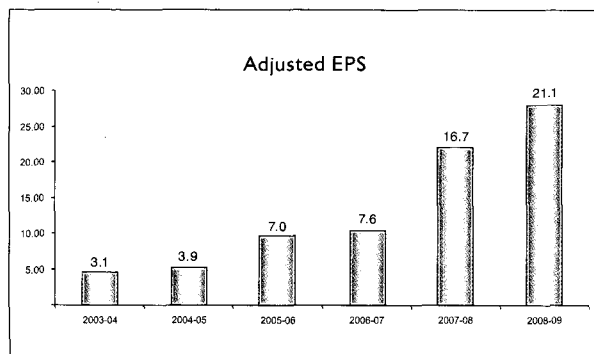
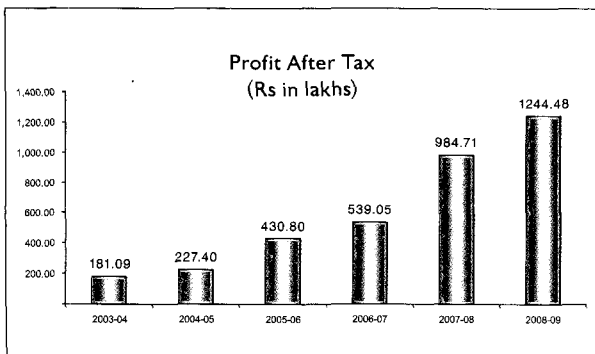
**Congratulations Delhi Daredevils!**  
Jetking is proud to be associated with you.



**DELHI DAREDEVILS**  
Official Associate Partners of Delhi Daredevils

**Jetking®**  
India's No.1  
Computer Hardware & Networking Institute

## Results At A Glance



## **BOARD OF DIRECTORS**

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### **SURESH G. BHARWANI**

Chairman & Managing Director

### **NANDU G. BHARWANI**

Joint Managing Director

### **JITU G. BHARWANI**

Director

### **C.V. RAMANA**

Director

### **MEHUL K. KUWADIA**

Director

### **ROHIT PURI**

Director

### **HARISH C. MODY**

Alternate Director of Mr. Jitu G. Bharwani

## **BANKERS**

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Abhyudaya Co-op Bank Ltd.

Sewri, Mumbai - 400 015.

H.D.F.C. Bank Ltd.,

Vikas Marg, Delhi - 110 092.

H.D.F.C. Bank Ltd.,

Pali Hill, Mumbai - 400 050.

## **REGISTERED OFFICE**

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401, Bussa Udyog Bhavan,

Tokersi Jivraj Road,

Sewri(W), Mumbai-400 015.

Tel: 24156486 / 24156528

## **AUDITOR**

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**Suresh Surana & Associates,**

Chartered Accountant, Mumbai.

## **REGISTRAR AND SHARE TRANSFER AGENTS**

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### **Sharex Dynamic (India) Pvt Ltd.**

Unit-I, Luthra Industrial Premises, Safed Pool,

Andheri Kurla Road, Andheri (East)

Mumbai-400072.

Tel: 28515606, 28515644 Fax-28512885

## **TRAINING CENTRES**

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- 401, Bussa Udyog Bhavan  
Tokersi Jivraj Road,  
Sewri(W), Mumbai-400 015.  
Tel: 24156486 / 24156528
- Neelam Manzil,  
350, Lamington Road,  
Mumbai-400 017.  
Tel: 23864710 / 23879271
- Pragati Deep Building, 2nd Floor,  
Plot No.8, Laxmi Nagar Dist.Centre,  
Delhi - 110 092.  
Tel: 22044073 / 22241723
- 309' Archana Arcade, IT Complex,  
10/3/189 & 190, St.John's Road,  
Behind Hotel Ramakrishna,  
Secunderabad-500 025  
Tel: 6316912, 6316913
- Neil Rao Towers,  
Plot No. 118, Road No.3,  
EPIP First Phase, Off TCS,  
Whitefield,  
Bangalore-560 066.
- Elgin Apt., 1st Floor,  
1A, Ashutosh Mukherjee Road,  
Kolkata-700 020.  
Tel: 40034601, 40034602

## NOTICE

NOTICE is hereby given that Twenty Fifth Annual General Meeting of the Members of JETKING INFOTRAIN LIMITED will be held at Hotel Ramee Guest Line, 757, S.V. Road, Khar (West), Mumbai 400 052, on Tuesday, the 21st day of July, 2009 at 11.30 a.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, 2009 and the Profit & Loss Account for the financial year ended on that date, together with the Reports of the Auditors and Directors thereon.
2. To confirm the payment of Interim Dividend.
3. To appoint a Director in place of Mr. Suresh G. Bharwani, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Jitu G. Bharwani, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To re-appoint M/s Suresh Surana & Associates, Chartered Accountants, Mumbai, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:  
"RESOLVED THAT subject to approval of the Central Government and pursuant to the provisions of Section 198, 269, 309, 310 read with Schedule XIII, and other applicable provisions, if any, of the Companies Act, 1956, ("the Act"), including any statutory modifications or re-enactments thereof, for the time being in force, approval of the Company be and is hereby accorded to the re-appointment of Mr. Suresh G. Bharwani as the Managing Director of the Company for a period of three years with effect from 25th February, 2009, on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Meeting and in the draft Service Agreement to be executed between the Company and Mr. Suresh G. Bharwani, a copy of which is submitted to this Meeting and initialed by a Director for the purpose of identification.  
RESOLVED FURTHER THAT the Board of Directors of the Company including any Committee thereof be and is hereby authorised to alter, amend, vary and modify the terms and conditions of the said appointment and remuneration payable from time to time as they may deem fit in such manner as may be agreed upon by Board of Directors and Mr. Suresh G. Bharwani within the limits prescribed under Schedule XIII to the Act or any statutory amendment(s) and/or modification(s) thereto.  
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters or things as may be considered necessary, proper, desirable and expedient to give effect to this resolution."
7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:  
"RESOLVED THAT subject to approval of the Central Government and pursuant to the provisions of Section 198, 269, 309, 310 read with Schedule XIII, and other applicable provisions, if any, of the Companies Act, 1956, ("the Act"), including any statutory modifications or re-enactments thereof, for the time being in force, approval of the Company be and is hereby accorded to the re-appointment of Mr. Nandu G. Bharwani as the Joint Managing Director of the Company for a period of three years with effect from 25th February, 2009, on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Meeting and in the draft Service Agreement to be executed between the Company and Mr. Nandu G. Bharwani, a copy of which is submitted to this Meeting and initialed by a Director for the purpose of identification.  
RESOLVED FURTHER THAT the Board of Directors of the Company including any Committee thereof be and is hereby authorised to alter, amend, vary and modify the terms and conditions of the said appointment and remuneration payable from time to time as they may deem fit in such manner as may be agreed upon by Board of Directors and Mr. Nandu G. Bharwani within the limits prescribed under Schedule XIII to the Act or any statutory amendment(s) and/or modification(s) thereto.  
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters or things as may be considered necessary, proper, desirable and expedient to give effect to this resolution."
8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:  
"RESOLVED THAT, pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956, ("the Act"), including any statutory modifications or re-enactments thereof, for the time being in force, and subject to



such approvals, as may be required, the consent of the Company be and is hereby accorded for the appointment of Mr. Siddarth Bharwani, who is the relative of Mr. Suresh G. Bharwani, Chairman and Managing Director of the Company, to hold the office or place of profit as Media Executive with effect from 1st April, 2009, on the terms and conditions set out in the Explanatory Statement annexed to this Notice.”

By Order of the Board

Sd/-

**Suresh G. Bharwani**  
Chairman and Managing Director

Place: Mumbai

Date: 9th June, 2009

**Registered Office:**

401, Bussa Udyog Bhavan,  
Tokersi Jivraj Road, Sewri (W),  
Mumbai 400 015

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. Corporate members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote at the Annual General Meeting.
4. Members/proxies are requested to bring their duly signed attendance slip to the Meeting.
5. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed.
6. Members holding shares in the physical form are requested to advise any change in their address to the Company's Registrar and Share Transfer Agent, Sharex Dynamic (India) Pvt. Ltd., Unit - 1, Luthra Ind. Premises, Safed Pool, Andheri - Kurla Road, Andheri (East), Mumbai - 400 072, quoting their folio number. Members holding shares in the electronic form must send the advice about change in their registered address or bank particulars to their respective Depository Participant.
7. Members desiring any information on the Accounts and Operations of the Company are requested to address their queries to the Senior Manager Accounts at the Registered Office of the Company at least 10 days in advance so as to enable the Company to keep the information readily available at the Meeting.
8. In all the correspondence with the Company or with the Share Transfer Agent, members are requested to quote their folio number and, in case the shares are held in the dematerialized form, they must quote their Client ID Number and their DPID Number.
9. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the dividends for the financial year ended 31st March, 2002 and thereafter, which remain unpaid / unclaimed for a period of 7 years will be transferred by the Company to IEPF. Members who have not so far encashed dividend warrant(s) for the aforesaid years are requested to seek issue of duplicate warrant(s) by writing to the Company's Registrars and Transfer Agents, Sharex Dynamic (India) Pvt. Ltd, immediately. Members are requested to note that no claims shall lie against the Company or IEPF in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

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

### ITEM NO. 6

The term of the appointment of Mr. Suresh G. Bharwani as the Managing Director of the Company expired on 25th February, 2009. Mr. Suresh G. Bharwani, aged about 55 years, is a Commerce Graduate. He has rich experience of about 35 years in the fields of Electronics, Computer Hardware and Corporate Training involving the latest training concepts, from all over the world, with practical techniques and a five dimensional management skills program - which includes Productivity Enhancement, Self Enhancement, 7-Multiple Intelligences, Interpersonal Skills and Learning & Training skills. He has conducted numerous sessions for corporate from every field on the positive approach to business and life.

The Board of Directors at its Meeting held on 28th January 2009, had re-appointed Mr. Suresh G. Bharwani as the Managing Director of the Company with effect from 25th February, 2009. This re-appointment was subject to the approval of the shareholders.

The remuneration payable to Mr. Suresh G. Bharwani as the Managing Director of the Company is as under:

- (a) **Basic Salary:** Rs 6,50,000 ( Rupees Six lacs Fifty Thousand Only) per month with such increment(s) in salary and perquisites as the Board or its Committee may decide from time to time, subject however to a ceiling of Rs 8,00,000 (Rupees Eight Lacs Only) per month.
- (b) **Perquisites:**
  - i. **Leave Travel Allowance:** Rs 2,40,000/- per annum
  - ii. **Reimbursement of Medical Expenses:** Subject to a maximum of Rs 1,80,000/- per annum
  - iii. **Encashment of Leave:** As per rules of the Company encashment of 21 days leave per annum on basic salary.
  - iv. **Contribution to Provident Fund:** As per Company's rules applicable to senior Executives of the Company @12% on basic salary.
  - v. **Gratuity:** As per rules of the Company subject to a maximum 15 days salary for every completed year of service.
  - vi. **Commission and Performance Linked Variable:** In addition to salary, perquisites and other allowances, commission based on the net profits of the Company computed in the manner laid down in Section 309(5) of the Act subject to the provisions of Section 198 and Section 309 and other applicable provisions, if any, of the Act. Such commission shall be of such percentage and of such amount as the Board of Directors of the Company may determine keeping in view the performance of the Company in respect of each financial year and the same may be made on pro rata basis every month or on an annual basis or partly monthly and partly on annual basis at the discretion of the Board subject to a maximum of 3 % of the Net Profits of the year computed in accordance with section 198 of the Companies Act, 1956 ("the Act").

The above remuneration has been approved by the Remuneration Committee of the Company.

Where in any financial year during the currency of his tenure as Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay the aforesaid remuneration by way of salary, commission, perquisites and other allowances as minimum remuneration subject to approval of the Central Government, if and when necessary and the difference between the aforesaid minimum remuneration and minimum remuneration as specified in Schedule XIII to the Act shall be paid after receipt of the Central Government approval based on such recommendations as may be statutorily required.

Mr. Suresh G. Bharwani shall be liable to retire by rotation.

The terms of appointment of Mr. Suresh G. Bharwani, as stated in this notice and the Explanatory Statement thereto, may be treated as the abstract under Section 302 of the Companies Act, 1956.

The draft of the Service Agreement to be entered into between the Company and Mr. Suresh G. Bharwani as Managing Director of the Company is available for inspection by members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days excluding Saturdays upto the date of the Annual General Meeting.

The Board of Directors recommends the passing of the resolution envisaged at item no. 6 in the Notice convening the Meeting.

None of the Directors, except Mr. Suresh G. Bharwani, Mr. Nandu G. Bharwani and Mr. Jitu G. Bharwani is concerned or interested in the aforesaid resolution.

### ITEM NO. 7

The term of the appointment of Mr. Nandu G. Bharwani as the Joint Managing Director of the Company expired on 25th February, 2009. Mr. Nandu G. Bharwani, aged about 53 years, is a Commerce Graduate. He has rich experience of about 33 years in Business Management. Mr. Nandu G. Bharwani has keen inter-personal skills and business acumen and has been instrumental in the expansion

and growth of the Company.

The Board of Directors at its Meeting held on 28th January, 2009, had re-appointed Mr. Nandu G. Bharwani as the Joint Managing Director of the Company with effect from 25th February, 2009. This re-appointment was subject to the approval of the shareholders.

The remuneration payable to Mr. Nandu G. Bharwani as the Managing Director of the Company is as under:

- (a) Basic Salary: Rs 6,50,000 ( Rupees Six Lacs Fifty Thousand Only) per month with such increment(s) in salary and perquisites as the Board or its Committee may decide from time to time, subject however to a ceiling of Rs 8,00,000 (Rupees Eight Lacs Only) per month.
- (b) Perquisites:
  - (i) Leave Travel Allowance: Rs. 2,40,000/- per annum.
  - (ii) Reimbursement of Medical Expenses: Subject to a maximum of Rs. 1,80,000/- per annum.
  - (iii) Encashment of Leave: As per rules of the Company encashment of 21 days leave per annum on basic salary.
  - (iv) Contribution to Provident Fund: As per Company's rules applicable to senior Executives of the Company @12% on basic salary.
  - (v) Gratuity: As per rules of the Company subject to a maximum 15 days salary for every completed year of service.
  - (vi) Commission and Performance Linked Variable: In addition to salary, perquisites and other allowances, commission based on the net profits of the Company computed in the manner laid down in Section 309(5) of the Act subject to the provisions of Section 198 and Section 309 and other applicable provisions, if any, of the Act. Such commission shall be of such percentage and of such amount as the Board of Directors of the Company may determine keeping in view the performance of the Company in respect of each financial year and the same may be made on pro rata basis every month or on an annual basis or partly monthly and partly on annual basis at the discretion of the Board subject to a maximum of 3 % of the Net Profits of the year computed in accordance with section 198 of the Companies Act.

The above remuneration has been approved by the Remuneration Committee of the Company.

Where in any financial year during the currency of his tenure as Joint Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay the aforesaid remuneration by way of salary, commission, perquisites and other allowances as minimum remuneration subject to approval of the Central Government, if and when necessary and the difference between the aforesaid minimum remuneration and minimum remuneration as specified in Schedule XIII to the Act shall be paid after receipt of the Central Government approval based on such recommendations as may be statutorily required.

Mr. Nandu G. Bharwani shall be liable to retire by rotation.

The terms of appointment of Mr. Nandu G. Bharwani, as stated in this notice and the Explanatory Statement thereto, may be treated as the abstract under Section 302 of the Companies Act, 1956.

The draft of the Service Agreement to be entered into between the Company and Mr. Nandu G. Bharwani as Managing Director of the Company are available for inspection by members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days excluding Saturdays upto the date of the Annual General Meeting.

The Board of Directors recommends the passing of the resolution envisaged at item no. 7 in the Notice convening the Meeting.

None of the Directors, except Mr. Suresh G. Bharwani, Mr. Nandu G. Bharwani and Mr. Jitu G. Bharwani is concerned or interested in the aforesaid resolution.

#### **ITEM NO. 8**

The Board of Directors of the Company at its meeting held on 9th June, 2009 has appointed Mr. Siddarth Bharwani as Media Executive of the Company with effect from 1st April, 2009, on the following remuneration:

Basic Salary	Rs. 17,500/- per month
HRA	Rs. 5,250/- per month
Medical Allowance	Rs. 3,000/- per month
Conveyance Allowance	Rs. 1,500/- per month
Special Allowance	Rs. 2,000/- per month
Mobile Reimbursement	Rs. 1,000/- per month
Traveling Allowance	Rs. 2,000/- per month



Books and Periodicals Rs. 1,500/- per month

Sodexo Coupons Rs. 1,250/- per month

The details of the other terms and conditions of the appointment of Mr. Siddarth Bharwani are mentioned in the Letter of Appointment issued him. The copy of the said Letter of Appointment is available at the Registered Office of the Company for inspection by any member between 11.00 a.m. to 1.00 p.m. on any working day, excluding Saturdays, upto the date of the Annual General Meeting.

Mr. Siddarth Bharwani is Graduate in Business Communication with specialization in Marketing and Advertising from Bond University, Australia.

The appointment is in the interest of the Company and the members may pass the Special Resolution set out in the Notice at Item No.8.

None of the Directors, except Mr. Suresh G. Bharwani who is the father of Mr. Siddarth Bharwani, is concerned or interested in the aforesaid resolution.

By Order of the Board

Sd/-

**Suresh G. Bharwani**  
Chairman and Managing Director

Place: Mumbai

Date: 9th June, 2009

**Registered Office:**

401, Bussa Udyog Bhavan,  
Tokersi Jivraj Road, Sewri (W),  
Mumbai – 400 015

**Details of the Directors seeking appointment / re-appointment at the Annual General Meeting**

Name of the Director	Mr. Suresh G. Bharwani	Mr. Jitu G. Bharwani
Date of Birth	26th August, 1953	26th April, 1958
Date of appointment	26th December, 1983	26th December, 1983
Qualification	B. Com.	B. Com
Experience in specific functional area	35 years	35 years
Directorships held in other companies	Nil	Nil
Chairman / Member of the Committee of the Board of the Company	Nil	Nil
Chairman / Member of Committee of the Board of other companies	Nil	Nil
Number of shares held by Non-executive Director	N.A.	N.A.

## DIRECTOR'S REPORT

### TO THE MEMBERS,

The Directors have pleasure in presenting their Twenty Fifth Annual Report on the business and operations along with the Audited Financial Statements of the Company for the financial year ended on 31st March, 2009:

### FINANCIAL RESULTS:

Particulars	Current Year	(Amount in Rs.) Previous Year
Total Income	<b>483,850,529</b>	400,121,225
Profit before Interest, Depreciation and Tax	<b>213,246,506</b>	172,332,043
Less: Interest	<b>(2,057,449)</b>	(1,485,631)
Profit before Depreciation and Tax	<b>211,189,057</b>	170,846,412
Less: Depreciation	<b>(17,500,706)</b>	(23,827,715)
Profit before Tax	<b>193,688,351</b>	147,018,697
Less: Provision for Tax	<b>(65,000,000)</b>	(50,000,000)
Fringe Benefit Tax	<b>(1,600,000)</b>	(1,400,000)
Deferred Tax	<b>(2,545,573)</b>	2,892,210
Wealth Tax	<b>(95,000)</b>	(40,000)
Net Profit After Tax	<b>124,447,778</b>	98,470,907
Prior Year (expense) / income (net)	<b>0.00</b>	(4,736)
Deferred tax asset relating to earlier year	<b>0.00</b>	8,232,100
Short provision for income tax for earlier years	<b>0.00</b>	(107,848)
	<b>12,44,47,778</b>	106,590,423
Balance brought forward from previous year	<b>35,252,677</b>	18,374,162
Balance available for appropriation	<b>159,700,455</b>	124,964,585
Appropriations		
Interim Dividend	<b>19,630,000</b>	51,038,000
Tax on Dividend	<b>3,336,119</b>	8,673,908
Transfer to General Reserve	<b>30,000,000</b>	30,000,000
Balance carried to the Balance Sheet	<b>10,67,34,336</b>	35,252,677
Earnings Per Share: Basic (Rs. per share)	<b>21.13</b>	16.72
Diluted (Rs. per share)	<b>21.13</b>	16.72

**OPERATIONS:**

During the financial year under review, the Company earned the Total Income of Rs. 4691.20 lacs as against Rs. 3,726.45 lacs in the previous year and the Net Profit Before Tax of 1936.88 lacs as against Rs. 1,470.14 lacs in the previous year, representing an increase of 25.89 % and 31.75 %, respectively.

The Management Discussion and Analysis, which forms part of this Annual Report, provide the strategic direction and detailed analysis on the performance of the Company and future outlook.

**DIVIDEND:**

Your Directors had declared the interim dividend @ 50% i.e. of Rs 5 per equity share of Rs 10 each for the financial year 2008-09 on 31st July, 2008 on the pre bonus equity capital comprising of 3,92,600 equity shares of Rs 10 each. The Board recommends that the said interim dividend be confirmed as the final dividend for the financial year ended 31st March, 2009.

**BONUS SHARES:**

Pursuant to the Special Resolution passed at the previous Annual General Meeting of the Company held on 18th August, 2008, the Board had allotted on 31st October, 2008, bonus shares in proportion of 1 (one) equity share of Rs 10 each for every 2 (Two) equity shares held by the shareholders on the Record date i.e. 26th September, 2008.

**FIXED DEPOSITS:**

Your Company does not accept deposits from the public within the meaning of Section 58-A of the Companies Act, 1956, read with the Companies (Acceptance of Deposit) Rules, 1975.

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

As the Company is a service Company, the activities of the Company are not energy intensive. However, the Company recognizes the necessity of conservation of energy and technology absorption, though it is not practicable to quantify the same in monetary terms.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The statement showing the Foreign Exchange Earnings and Outgo during the financial year under review is annexed as Annexure 'A' and forms part of this Report.

**PARTICULARS OF EMPLOYEES:**

The information as prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is annexed as Annexure 'B' and forms part of this Report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate accounting policies have been selected and applied consistently, and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended 31st March, 2009.
3. Proper and sufficient care has been taken 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.
4. The annual accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE:**

In compliance with Clause 49 of the Listing Agreements entered into with the Stock Exchanges, a Report on the Corporate Governance, along with the certificate from the Statutory Auditors of the Company on compliance with the provisions of the said Clause is annexed and forms part of the Annual Report. A separate report on Management Discussion and Analysis is enclosed as a part of the Annual Report.

**STOCK EXCHANGE LISTING:**

The shares of your Company are listed at the Bombay Stock Exchange and Delhi Stock Exchange. The Company has paid the Annual Listing for the financial year 2009-2010 to both of these stock exchanges.

**DIRECTORS:**

Mr. Suresh G. Bharwani and Mr. Jitu G. Bharwani, Directors of the Company, will retire by rotation at ensuing Annual General Meeting and, being eligible, have offered themselves for re-appointment. Your Directors recommend their re-appointment.

**AUDIT REPORT:**

The Audit Report on the Audited Annual Accounts of the Company for the financial year 2008-09 forms part of this Annual Report, which is self-explanatory.

**AUDITOR:**

M/s Suresh Surana & Associates, Chartered Accountants, Mumbai, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. The Company has received confirmation from them that their appointment, if made, would be within the limit prescribed under Section 224(1B) of the Companies Act, 1956. Your Directors recommend the re-appointment of M/s Suresh Surana & Associates, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company, to hold the office as such till the conclusion of the next Annual General Meeting.

**EMPLOYEE RELATIONS:**

Your Company has an excellent track record of successful human capital management, which is one of the most important contributory factors for the sustainable competitive advantage.

**ACKNOWLEDGEMENT:**

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the executives, staff and workers of the Company.

By Order of the Board

Sd/-

**Suresh G. Bharwani**  
Chairman and Managing Director

Place: Mumbai

Date: 9th June, 2009

**Registered Office:**

401, Bussa Udyog Bhavan,  
Tokersi Jivraj Road, Sewri (W),  
Mumbai – 400 015

## ANNEXURE 'A' TO DIRECTORS' REPORT

### INFORMATION REQUIRED UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

- (i) Foreign Exchange Earnings : NIL  
(ii) Foreign Exchange Outgo : Rs. 4,171,073/-

## ANNEXURE 'B' TO DIRECTORS' REPORT

### PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975

Sr. No.	Name	Age (Years)	Designation	Gross Remuneration	Qualification & Experience	Date of Commencement of Employment	Last Employment held / Designation
1	2	3	4	5	6	7	8
<b>Employed throughout the year</b>							
1.	Suresh G. Bharwani	55	Chairman & Managing Director	94,21,724/-	B. Com. 35	25.02.1986	-
2.	Nandu G. Bharwani	53	Jt. Managing Director	90,11,888/-	B. Com. 33	01.07.1986	-

#### Notes:

- Remuneration includes Salary, LTA, other allowances, Company's contribution to Provident Fund, provision for Gratuity and Medical Reimbursement.
- All appointments are contractual and terminable by notice on either side.
- Mr. Suresh G. Bharwani, Chairman & Managing Director, Mr. Nandu G. Bharwani, Jt. Managing Director and Mr. Jitu G. Bharwani, Director are related to each other, being brothers.

By Order of the Board

Sd/-  
**Suresh G. Bharwani**  
Chairman and Managing Director

Place: Mumbai  
Date: 9th June, 2009

#### Registered Office:

401, Bussa Udyog Bhavan,  
Tokersi Jivraj Road, Sewri (W),  
Mumbai - 400 015



## CORPORATE GOVERNANCE REPORT

### I. PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors of your Company is committed to the adoption of the best Corporate Governance practices. The Corporate Governance philosophy of your Company is based on certain key principles, including transparency, fairness, integrity provision of equal opportunity in employment, promotion of health, safety and welfare, compliance with all relevant laws, rules and regulations and meeting social responsibility.

The Board of Directors of your Company strongly believes that adherence to the above principles in true spirit would protect and enhance the trust of its shareholders and other stakeholders.

Your Company's practices relating to the Corporate Governance for the financial year ended 31st March, 2009 are discussed in the following sections.

### II. BOARD OF DIRECTORS

Your Company's Board of Directors comprises of individuals with rich experience, proven leadership skills, strategic bent of mind and exemplary business acumen. Each member of the Board is required to observe integrity, independence, objectivity and diligence in all the matters pertaining to the affairs of the Company.

Composition and category of directors, attendance at the Board Meetings and the last Annual General Meeting ("AGM"), number of directorships in other companies and number of membership / chairmanship of the Committee of Board of the other public companies, are as under:

Name of the Director	Category	Number of Board Meetings attended during the year 2008-09		Whether attended last AGM held on 18th August, 2008	Number of Directorships in other companies		Number of Committee positions held in other public companies	
		Held	Attended		Public	Private	Member	Chairman
Mr. Suresh G. Bharwani	Promoter, Executive	5	5	YES	-	-	-	-
Mr. Nandu G. Bharwani	Promoter, Executive	5	4	YES	-	-	-	-
Mr. Jitu G. Bharwani	Promoter, Non-Executive	5	0	NO	-	-	-	-
Mr. C. V. Ramana	Independent	5	5	NO	-	-	-	-
Mr. Mehul K. Kuwadia	Independent	5	4	YES	-	-	-	-
Mr. Rohit R. Puri	Independent	5	3	YES	1	-	-	-
Mr. Harish C. Mody	Alternate to Mr. Jitu G. Bharwani	5	5	YES	-	-	-	-

Note:

- Independent Director means a Director defined as such under Clause 49 of the Listing Agreement.
  - Only two committees viz., Audit Committee and the Shareholders' / Investors' Grievance Committee are considered.
- 5 Board Meetings were held during the financial year 2008-09 on the following dates: 05/05/2008, 30/06/2008, 31/07/2008, 31/10/2008 and 28/01/2009.

### III. AUDIT COMMITTEE

Your Company has an independent and qualified Audit Committee, which acts as a link between the management, the statutory auditors, the internal auditors and the Board of Directors. The Audit Committee oversees the financial reporting process of the Company.

#### (a) Composition

The Audit Committee of the Company comprises of three Non-Executive Independent Directors viz., Mr. C. V. Ramana, Mr. Mehul K. Kuwadia and Mr. Rohit Puri. Mr. C. V. Ramana is the Chairman of the Audit Committee.

#### (b) Meetings and attendance

The Audit Committee of the Company met 4 times during the financial year 2008-09 on: 30/06/2008, 31/07/2008, 31/10/2008 and 28/01/2009.

The details of the attendance at the Audit Committee Meetings held during the financial year 2008-09 are as follows:

Name of the Member	Number of Meetings	
	Held	Attended
Mr. C. V. Ramana	4	4
Mr. Mehul K. Kuwadia	4	3
Mr. Rohit Puri	4	3

#### (c) Terms of reference

The terms of reference of the Audit Committee are as follows:

1. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, fixation of audit fees and also, approval of payment to statutory auditors for any other services rendered by the statutory auditors.
3. Reviewing, with the management, the annual financial statements before submission to the board for approval, focusing primarily on:
  - (a) Any changes in accounting policies and practices and reasons for the same.
  - (b) Major accounting entries based on the exercise of judgment by management.
  - (c) Qualifications in the draft audit report.
  - (d) Significant adjustments made in the financial statements arising out of audit findings.
  - (e) 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.
  - (f) Compliance with listing and other legal requirements relating to financial statements.
  - (g) Any related party transaction i.e., transaction of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
4. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
5. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
6. Reviewing the adequacy of internal audit function, 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.
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
8. Discussion with Internal Auditors on any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. Reviewing the Company's financial and risk management policies.
12. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

#### IV. REMUNERATION COMMITTEE

Your Company has the qualified Remuneration Committee to determine, the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.

##### (a) Composition

The Remuneration Committee of the Company comprises of three Non-Executive Independent Directors viz., Mr. C. V. Ramana, Mr. Mehul K. Kuwadia and Mr. Rohit Puri. Mr. C.V. Ramana is the Chairman of the Remuneration Committee.

##### (b) Meetings and attendance

The Remuneration Committee of the Company met twice during the financial year 2008-09 on: 30/06/2008 and 28/01/2009.

The details of the attendance at the Remuneration Committee Meetings held during the financial year 2008-09 are as follows:

Name of the Member	Number of Meetings	
	Held	Attended
Mr. C. V. Ramana	2	2
Mr. Mehul K. Kuwadia	2	1
Mr. Rohit Puri	2	2

##### (c) Terms of reference

The terms of reference of the Remuneration Committee are as follows:

- (i) To approve the Annual Remuneration plan of the Company
- (ii) To approve the remuneration payable to the Executive Directors.
- (iii) Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend.

##### (d) Remuneration Policy

The remuneration of the Managing Director and Joint Managing Director are decided by the Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, etc. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive. Annual increments are decided by the Remuneration Committee within the salary scale approved by the Members. The Remuneration Committee decides on the commission and/or incentive remuneration payable to the Managing Director and Joint Managing Director on determination of profits for the financial year, within the ceilings on net profits prescribed under Sections 198 and 309 of the Companies Act, 1956 (the Act).

##### (e) Details of remuneration for the financial year 2008-09

###### (i) Executive Directors

Particulars of remuneration	Mr. Suresh G. Bharwani	Mr. Nandu G. Bharwani
Basic Salary	72,22,500	68,76,000
Perquisites	8,32,524	8,10,768
Commission	5,00,000	5,00,000
Contribution to Provident Fund	8,66,700	8,25,120
Notice Period	3 months	3 months

(ii) **Non-executive Directors**

Name	Sitting Fees Paid	Basis of payment	No. of shares held
Mr. C. V. Ramana	49500	As per industry standard	Nil
Mr. Mehul Kuwadia	38000		500
Mr. Harish Mody	37500		Nil
Mr. Rohit Puri	32500		Nil

(f) **Particulars of pecuniary relationship or transaction of the Non-executive Directors vis-à-vis the Company**

Apart from the sitting fees for attending the Meeting of the Board of Directors and Committee of the Board of Directors, no other fee or remuneration was paid to the non-executive directors during the financial year 2008-09. None of the Directors had any transaction with the Company during the said financial year.

**V. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE**

The Company has constituted the Shareholders' / Investors' Grievance Committee ("SIGC") of Directors to look into the complaints, requests and grievances of the shareholders / investors and ensures their redressal. SIGC approves and monitors share transfers, transmissions, dematerialization, rematerialisation, issue of duplicate share certificates, etc.

SIGC comprises of three Non-Executive Independent Directors viz., Mr. C. V. Ramana, Mr. Mehul K. Kuwadia and Mr. Rohit Puri. Mr. C.V. Ramana is the Chairman of SIGC.

The status of the complaints received from the shareholders during the financial year 2008-09 is as follows:

Number of complaints received during the financial year 2008-09:	28
Number of complaints resolved to the satisfaction of the shareholders:	28
Number of pending complaints as on 31st March, 2009:	0

Name, designation and address of the Compliance Officer:

Mr. Suresh G. Bharwani  
Chairman and Managing Director  
501, Amore Building,  
Junction of 2nd & 4th Road,  
Khar (West)  
MUMBAI – 400 052  
Tel : 6741 4000/01

**VI. GENERAL BODY MEETINGS:**

(a) **Annual General Meeting**

Details of the Meeting	Date of Meeting	Time of the Meeting	Venue of the Meeting
Annual General Meeting 2005-06	8th September, 2006	11.30 a.m.	Parle International, Vile Parle (East), Near Station, Mumbai – 400 057
Annual General Meeting 2006-07	3rd August, 2007	11.30 a.m.	Hotel Ramee Guest Line, 757, S. V. Road, Khar (West), Mumbai – 400 052
Annual General Meeting 2007-08	18th August, 2008	11.30 a.m.	Hotel Ramee Guest Line, 757, S. V. Road, Khar (West), Mumbai – 400 052

(b) **Special Resolutions**

At the Annual General Meeting held on 8th September, 2006, no special resolution was passed.

At the Annual General Meeting held on 3rd August, 2007, Special Resolutions relating to (i) revising the remuneration payable to Mr. Suresh G. Bharwani; (ii) revising the remuneration payable to Mr. Nandu G. Bharwani; and (iii) for issue of Bonus Shares in the ratio of 1:1 were passed.

At the Annual General Meeting held on 18th August, 2008, Special Resolutions for (i) alteration of Article 5 for increasing the Authorised Share Capital of the Company upto Rs. 10,00,00,000 (Rupees Ten Crores only); (ii) issue of Bonus Shares in the ratio of 1:2; (iii) appointment of Mr. Harsh Bharwani, relative of Mr. Suresh G. Bharwani, as Asst. Vice President (Human Resource Development) w.e.f. 1st April, 2008; (iii) appointment of Mr. Avinash Bharwani, relative of Mr. Suresh G. Bharwani, as Asst. Vice President (Franchise Development) w.e.f. 1st April, 2008; and (iv) appointment of Ms. Urvashi Bharwani, relative of Mr. Nandu G. Bharwani, as Asst. Vice President (Finance) w.e.f. 1st April, 2008, were passed.

**(c) Postal Ballot**

During the financial year 2008-09 no resolution was passed through postal ballot.

## **VII. CODE OF CONDUCT**

The Board of Directors of your Company has prescribed a Code of Conduct for all members of the Board and the Senior Management of your Company. The Code of Conduct is available on your Company's website: <http://www.jetkinginfotrain.com>.

All the members of the Board and the Senior Management personnel of the Company have confirmed their compliance with the Code of Conduct for the financial year ended 31st March, 2009. A declaration to this effect signed by the Chairman and Managing Director is annexed.

## **VIII. DISCLOSURES**

**(i) Related Party Transactions**

Other than the transactions entered into in the normal course of business for which the necessary approvals are taken and disclosures made, the Company has not entered into any materially significant transactions with the related parties, i.e., transactions of the Company of material nature, with its promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large. However, a list of related parties as per the Accounting Standard 18 and the transactions entered into with them is given in the Notes to Accounts annexed to the Balance Sheet as at 31st March, 2009 and Profit & Loss Account of the Company for the financial year ended on that date.

**(ii) Non-compliance**

There were no non-compliance by the Company during the last three years and hence no penalties and strictures were imposed on the Company by the Stock Exchange or SEBI or any authority on any matter related to capital market during the last three years.

**(iii) Whistle Blower Policy**

Your Company does not have a Whistle Blower Policy. However, no personnel have been denied access to the Audit Committee.

**(iv) Compliance with the mandatory requirements of Clause 49**

Your Company has complied with the mandatory requirements of the Clause 49 of the Listing Agreement as applicable to it.

**(v) Disclosure of Accounting treatment**

The Accounting Standards, laid down by the Institute of Chartered Accountants of India and applicable to the Company, were followed by the Company while preparing the Financial Statements.

**(vi) Risk Management**

Your Company has a comprehensive risk management policy, which is periodically reviewed by the Board. The Risk Management Policy provides, inter alia, for review of the risk identification, assessment and minimization procedures and informing the Board about the same.

The Risk Management issues are discussed in the Management Discussion and Analysis.

**(vii) Management**

The Management Discussion and Analysis forms part of the Annual Report, and includes various matters specified in Clause 49 of the Listing Agreement. Further, no material transaction has been entered into by the Company with the Senior Management Personnel that may have a potential conflict with the interest of the company at large. The declarations to this effect have been submitted by all the Senior Management Employees.

## **IX. CERTIFICATE ON CORPORATE GOVERNANCE**

The Practising Company Secretary's certificate in respect of compliance with Clause 49 of the Listing Agreement relating to the Corporate Governance is annexed and will be sent to the stock exchanges along with the Annual Report.

## **X. CEO / CFO CERTIFICATION**

A certificate from the Chairman and Managing Director and Chief Financial Officer of the Company gave certification on the Financial Statements and other specified matters for the financial year 31st March, 2009, and the same was placed before the Board.

## **XI. SECRETARIAL AUDIT FOR CAPITAL RECONCILIATION**

As stipulated by SEBI, a Secretarial Audit is carried out by an independent Practising Company Secretary on quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialized and physical mode and status of Register of Members.

## **XII. MEANS OF COMMUNICATION**

- (a) The Company's website <http://www.jetkinginfotrain.com> consists of "Investor Relation" section which provides comprehensive information to the shareholders.
- (b) Quarterly, Half-yearly and Annual Financial results are published in leading English and Hindi daily newspapers, viz., The Economic Times and The Maharashtra Times. The said results are also made available on the above mentioned website of the Company.
- (c) The Annual Report of the Company is dispatched to all the shareholders of the Company and is also made available on the above mentioned website of the Company.
- (d) The Official press release is also available on the website of the Company.

## **XIII. GENERAL SHAREHOLDER INFORMATION**

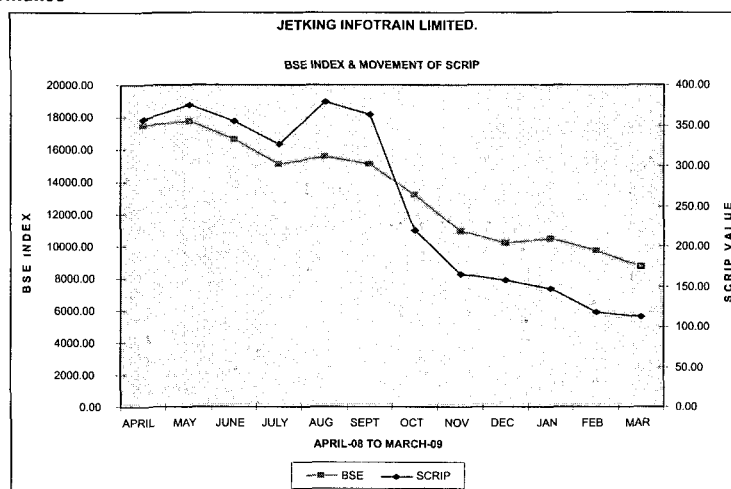
1. Annual General Meeting
  - Date and Time : 21st July, 2009, 11.30 a.m.
  - Venue : Hotel Ramee Guest Line, 757, S. V. Road, Khar (West), Mumbai – 400 052
2. **Financial Calendar (Tentative)**
  - Financial Reporting for the quarter ending : End July, 2009  
30th June, 2009
  - Financial Reporting for the quarter ending : End October, 2009  
30th September, 2009
  - Financial Reporting for the quarter ending : End January, 2010  
31st December, 2009
  - Financial Reporting for the quarter ending : End June, 2010  
31st March, 2010
3. Proposed dividend and Dividend Payment Date : The Board of Directors had declared the interim dividend @ 50% i.e. of Rs 5 per equity share of Rs 10 each for the financial year 2008-09 at its meeting held on 31st July, 2008. The Board has decided to treat the said interim dividend as the final dividend for the year ended 31st March, 2009.
4. Listing on Stock Exchanges : The Equity Shares of your Company are listed on –
  - (i) Bombay Stock Exchange ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 023
  - (ii) The Delhi Stock Exchange Association Ltd. ("DSE"), DSE House, 3/1, Asaf Ali Road, New Delhi – 110 002

5. Stock Code : BSE Stock Code: 517063  
DSE: 5435  
ISIN: INE919C01019
6. Registrar and Share Transfer Agent : Sharex Dynamic (India) Pvt. Ltd., Unit – 1, Luthra Ind. Premises, Safed Pool, Andheri – Kurla Road, Andheri (East),  
Mumbai – 400 072  
Tel: 2851 5606 / 2851 5644, Fax: 2851 2885  
Contact Person – Mr. Shashi Kumar  
Email: sharexindia@vsnl.com
7. Share Transfer System : Trading in the Company's shares on the Stock Exchanges takes place in electronic form. However, physical shares are normally transferred and returned within 15 days from the date of lodgment provided the requisite documents are in order.
8. Dematerialization of Shares and Liquidity : 81.60% of the outstanding equity shares have been dematerialized as on 31st March, 2009. Trading in equity shares of the Company is permitted only in dematerialized form.
9. Details of use of public funds obtained in last three years : N.A.
10. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion Date and likely impact on equity : Nil
11. Location of Training Centres : (1) 401, Bussa Udyog Bhavan, Tokersi Jivraj Road, Sewri (W),  
Mumbai – 400 015  
Tel: 2415 6586 / 2415 6528  
(2) 350, Atlantic House, 2nd Floor, Near Lamington Rd.,  
Police Stn., Grant Road, Mumbai-400007.  
Tel.: 022-23864710, 23879271, 66341765  
(3) Pragati Deep Bldg., 2nd Floor, Plot No. 8,  
Laxmi Nagar Dist Centre,  
Delhi-110092  
Tel.: 011-22059475, 22044073, 22541723, 32954693  
(4) 209, Archana Arcade, Behind Hotel Ramakrishna,  
Opp. Rly Reservation Complex,  
Secunderabad-500025  
Tel.: 040-66316912, 66316913  
(5) Neil Rao Towers, Plot No. 118, Road No. 3, EPIP First Phase, Off  
TCS, Whitefield Road,  
Bangalore-560066  
Tel.: 080-41150233, 41150234  
(6) Elgin Apartments,  
1 A, Ashutosh Mukherjee Road, Above ICICI Bank,  
Bhawani-pore, Kolkata-700020  
Tel.: 033-40034601, 40034602, 40034603
12. Address for correspondence : 401, Bussa Udyog Bhavan,  
Tokersi Jivraj Road, Sewri (W),  
Mumbai – 400 015  
Tel: 2415 6586 / 2415 6528

### 13. Stock Price Data

Month	Share Price at BSE	
	High	Low
April, 2008	356.50	270.00
May, 2008	375.00	300.00
June, 2008	354.85	251.00
July, 2008	326.00	271.50
August, 2008	379.00	275.10
September, 2008	363.00	180.00
October, 2008	219.70	116.25
November, 2008	165.00	137.00
December, 2008	158.00	110.00
January, 2009	147.00	113.50
February, 2009	118.35	96.00
March, 2009	113.00	92.40

### 14. Share Price Performance



### 15. Distribution of shareholding as on 31st March, 2009

No. of Equity Shares	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1 – 500	1,802	61.71	231,893	3.93
501 – 1000	607	20.79	389,057	6.61
1001 – 5000	426	14.59	806,767	13.70
5001 – 10000	39	1.34	278,267	4.73
10001 – 100000	38	1.30	1,217,089	20.67
100001 and above	8	0.27	2,965,927	50.36
<b>TOTAL</b>	<b>2,920</b>	<b>100.00</b>	<b>5,889,000</b>	<b>100.00</b>

### 16. Shareholding Pattern as on 31st March, 2009

Category	No. of shareholders	Voting Strength (%)	No. of Shares held
Promoter & Promoter Group	21	42.96	2,530,164
Mutual Funds / Banks / Financial Institutions	3	1.41	83,100
FIs	1	3.21	189,096
Bodies Corporate	104	6.71	395,426
Individuals	2,732	44.03	2,592,685
OCBs & NRIs	50	1.66	97,556
Clearing Members	9	0.02	973
<b>TOTAL</b>	<b>2,920</b>	<b>100.00</b>	<b>5,889,000</b>



## Investor Correspondence

### Share Department related matters

Per Share Data	2008-09	2007-08	2006-07	2005-06	2004-05
Net Earnings	1244.5	1065.9	448.36	430.08	227.39
Cash Earnings	1419.5	1304.2	521.48	490.33	283.11
EPS	21.13	25.08	22.84	21.91	11.58
CEPS	24.10	30.69	26.56	24.98	14.42
Dividend Per Share (Rs.)	5.00	16.00	14.00	5.00	8.00
Dividend Pay out (%)	50	160	140	50	80
Equity Capital (No. of Shares in lacs)	58.89	39.26	19.63	19.63	19.63

#### 17. Share Transfer / Dematerialisation

Share Transfer requests are generally acted upon within 15 days from the date of receipt. In case, no response is received within 35 days of the lodgment of transfer request, the lodger should immediately write to the Company with full details so that the necessary action could be taken to safeguard the interest of the concerned against any possible loss / interception during postal transit.

Dematerialization requests duly completed in all respects are normally processed within 10 days of their receipts.

By Order of the Board

Sd/-

Suresh G. Bharwani

Chairman and Managing Director

Place: Mumbai  
Date: 9th June, 2009

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

This is to certify that in accordance with the requirement of Clause 49(l)(D) of the Listing Agreement, all the members of the Board and Senior Management Personnel have affirmed that to the best of their knowledge and belief, they have complied with the Code of Conduct in respect of the financial year ended on 31st March, 2009.

Sd/-

Suresh G. Bharwani

Chairman & Managing Director

Date: 09/06/2009

#### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To The Members of  
Jetking Infotrain Limited

We have examined the compliance of conditions of corporate governance by Jetking Infotrain Limited, for the year ended on 31 March 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of 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 Agreement, except filing of quarterly Compliance Report on Corporate Governance with the stock exchanges.

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

**FOR SURESH SURANA & ASSOCIATES**

Chartered Accountants

Ramesh Gupta

PARTNER

Membership No. : 102306

Mumbai, 9 June 2009

## MANAGEMENT DISCUSSION AND ANALYSIS

### I. Industry Structure and Developments

Changing economic and business conditions, rapid technological innovations and globalization are continuously increasing the competition. This in turn is replicating into the ever-growing need for the highly skilled Information Technology professionals. This not only calls for establishment of more and more IT Training Institutes across the Country but also necessitates the continual review of the Training Programmes, Course Contents and Training Methods used by the IT Training Institutes.

Your Company has entered into alliances with the various educational institutes in the Tier II and Tier III cities. The Company has served to a great extent the growing need of the Corporates in those cities for the well equipped IT professionals and has developed excellent brand recognition for itself and its students. This is evidenced by increasing number of students joining our programmes and the appreciation received from the Corporates hiring our students.

### II. Opportunities And Threats

#### OPPORTUNITY

##### IT Leaders Should Now Prepare For Business Recovery: Gartner

While the recession is still under way, now is the time for IT leaders to prepare for business growth, and organisations should aim to complete these plans by July 1 of this year, according to Gartner.

Gartner acknowledged that many countries are experiencing ever-increasing levels of unemployment, rising home mortgage payment delinquencies and business bankruptcies while also seeing reductions in consumer confidence, business earnings and overall economic performance. However, in recent months, analysts have observed that many organisations are reporting that their staff are working at near- or full-capacity levels. This demand level will almost certainly increase when businesses start detecting resurgence in demand from customers, a more stabilized economic climate and a far-healthier lending environment from which to access credit.

"As these improvements translate into new IT project demands to help businesses identify new revenue and profit opportunities, companies will need a way to manage the already high project load with a new wave of projects," said Ken McGee, vice president and Gartner fellow. "However, waiting until that new demand arrives will be far too late to appropriately meet it, and we are recommending that companies start preparing for business growth now with a view to having these plans completed by July 1, 2009."

Gartner believes that the July 1 'deadline' will well serve those organisations believing that modest business growth could occur during 2010. Such a belief would require placement of new IT project and other related expenses in the 2010 budget, whose preparation period is between August and the end of 2009.

While Gartner's recommendations call for the resolution of key preliminary cost optimization and governance-related issues before the era of business growth returns, Gartner said that it is not necessarily advocating that organisations automatically revert to the same management techniques they were using in the years leading up to the recession. Gartner said that it plans to present an array of new cost-optimization-related actions that its clients should take during future technology selection, vendor selection, procurement, contract negotiation, asset management, and other post-recession efforts as they enter the next chapter of supporting business growth.

"Since no one knows when business growth will resume, organisations may need to file away their completed return-to-business plans for up to a year or more. The plan in waiting should be reviewed on a monthly basis and revised according to changes in the business climate," McGee said. "Having a completed plan will enable the near-immediate allocation of funding and staffing for IT projects, thus avoiding the need to take weeks to devise a plan after senior executives mandate the need to support business growth initiatives."

#### DEMAND FOR HARDWARE AND NETWORKING

Every office, home & industry today makes extensive use of computers. Telephone calls, bank ATMs, television programming, etc, all require network connectivity.

##### Demand for professionals

According to the Ministry of IT, MAIT, during 2008, India's electronics hardware industry will be worth US \$40 billion.

Revenues from the Remote Infrastructure Management sector in India more than tripled to US \$3.6 billion in 2008 from just US \$1 billion in 2005. The segment – which employs a large number of networking professionals – is set to touch US \$13-15 billion by 2013.

According to industry experts, managing computer servers, networks and desktops remotely will be the next big business to emerge in offshore tech services.

Industry body NASSCOM predicts that the sector will create 375,000 new jobs by 2013 – most of them for networking professionals.

Also, the growth in BPO, telecom, retail, banking, manufacturing & other sectors has created a demand for more Hardware & Networking professionals. Due to these factors, India is facing a huge shortage of trained & qualified professionals who can handle such tasks.

## **RECESSION SCENARIO**

With traditional IT jobs becoming few and far between, the youth is now moving towards hardware and networking jobs. The demand for hardware and networking courses witnessed a 40 per cent growth predominantly riding on its recession-proof status, according to people in the industry.

With computerization gathering pace in all sectors of business, trade and entertainment, the need for networking professionals to run these computers and servers has significantly increased.

Despite the meltdown, professionals in this field have wide scope and reach in almost every sector of the industry. They are needed for everything right from infrastructure set-up to the security of the information network. Telecom, media and broadcasting industry, software as a service (SaaS) providers will be the segments where networking professionals can venture.

Hardware and networking professionals are in demand also in consulting firms to audit and impart consulting services to organisations for their own networking requirements.

The economic downturn has not impacted the hardware industry in the country as much as software services. There is still a demand for skilled professionals in the hardware and networking industry.

As per an IDC survey, 3,75,000 networking jobs will be generated by 2009 creating a shortfall of around 1,00,000 skilled professionals in this domain. Not only this, there will also be shortfall of 1 Lakh infrastructure management professionals.

In line with the above, Jetking is confident of achieving good growth in the current financial year. Most of the companies where Jetking places its students have reported improvement in business and acquisition of new projects in the last 2-3 months. The worst of the recession seems to be behind us. We are therefore looking at an ambitious target of 340 crores for the current fiscal. The collection from centres will increase from 161 crores in 2008-09 to 220 crores in 2009-10. The balance will come from a few new initiatives which are already in process.

## **THREAT TO IT INDUSTRY**

Worldwide IT Spending To Decline 3.8 Percent In 2009: Gartner

The unprecedented decline of the global economy is impacting the IT industry with worldwide IT spending forecast to total \$3.2 trillion in 2009, a 3.8 percent decline from 2008 revenue of nearly \$3.4 trillion, according to Gartner.

“IT organisations worldwide are being asked to trim budgets, and consumers are cutting back on discretionary spending,” said Richard Gordon, research vice president, and head of global forecasting at Gartner. “The speed and severity of the response by businesses and consumers alike to these economic circumstances will result in an IT market slowdown in 2009 that will be worse than the 2.1 percent decline in IT spending in 2001 when the Internet investment bubble burst.”

In a broad-based slowdown, the forecasts for all four of the key market sectors of hardware, software, IT services and telecommunications have been revised downward, with only software spending growth remaining positive.

Although government stimulus packages will likely be important in the long term, they will not be able to offset this bleak near-term outlook. Until global financial markets stabilize, global GDP growth, including IT spending, is unlikely to strengthen. As a result:

The slowdown in IT spending will reduce new market penetration and will slow replacement activity. The impact of reduced new sales will be more strongly felt in emerging markets, while the impact of reduced replacement activity will be more strongly felt in mature markets. Consumers and businesses will continue switching to lower-cost products, extending the life of existing devices and extending their current contracts and purchasing agreements. However, IT is essential to running most businesses. Supporting current complex IT installations is both necessary for continued operations and a strategy for slowing down technology refresh cycles.

“IT vendors should plan for business and consumer spending to be curtailed during 2009 and for a slow, prolonged recovery during 2010,” said Gordon. “At the same time, they should be alert to opportunities to help buyers with cutting costs, complying with new government regulations and taking best advantage of government rescue plans.”

### III. Product-wise Performance

Total Enquiries: 142276, Total Enrollments: 45188. Total Collection 16113.79 (in lacs)

#### Outlook

The changes in the work force dynamics, both from the demand and supply side, are changing the skill set requirements. This coupled with the increased globalization resulting in increased and changing demographics has resulted in the inadequate supply of the organized work force. This calls for increased requirement of the short-term and mid-term courses to equip the people to bridge the gap between the demand and supply of the skilled human resource.

The courses like Jetking Certified Hardware and Networking Professional ("JCHNP") equip the students to meet the demand of the IT professionals having expertise on the implementation, maintenance and use of the latest technologies. The Company shall be commencing the new courses to meet the growing demand in the IT industry. The Company has already started receiving the overwhelming response from the industry and the prospective students.

### IV. Risk and Concerns

The global recession has affected the IT industry the worst. This has discouraged many of the small and medium sized companies from expanding their operations. Particularly, the non-IT companies restricted themselves from investing beyond a certain limit in the IT development. Though this has created some concern in the mind of the students, having regard to its brand recognition and the response that the Company is still receiving from the industry as well as the students, we are confident to overcome the recession very soon and successfully.

### V. Internal Control and Adequacy

The Company follows a system of internal controls designed to ensure effectiveness and efficiency of operations, adequacy of safeguards of its assets, reliability of financial reporting and compliance with applicable laws and regulations. The Company has documented its internal control processes. The company has implemented SAP for the head office operations and for company owned centers. The franchisee centers are going to be catered by a separate ERP software. West and south region are already online and rest of the centers will be online before 30 July 2009

### VI. Discussion on Financial Performance

The previous year's figures have been regrouped and re-classified wherever necessary. The summarized financial results of the Company for the financial year 2008-09 reflect the impressive performance as shown below:

(Rs. In Lacs)

Particulars	Current Year	Previous Year	Change
Total Income	4,838.51	4,001.21	20.93%
Profit before Tax	1,936.88	1,470.18	31.74%
Net Profit After Tax	1,244.48	984.71	26.38%
EPS: Basic & Diluted (Rs. per share)	21.13	16.72	26.37%

### VII. Material developments in Human Resources

Your Company recognizes its human resources as the key contributors to its success. The Company undertakes various training and development programmes regularly to ensure the adequate development and optimum utilization of its human resources. With the induction of Ms. Urvashi Bharwani, Mr. Harsh Bharwani and Mr. Avinash Bharwani in the senior management team of the Company during the financial year under review; your company has the exclusive blend of well experienced, young and dynamic professionals with the common goal of taking your Company to new heights.

The total strength of your organization is 251, excluding the staff employed by our business partners and company owned centres. Employee relations have always been very cordial in your Company.

### VIII. Cautionary Statement

Investors are cautioned that this discussion contains forwards looking statements that involve risks and uncertainties. When used in this discussion, words like 'anticipate', 'believe', 'estimate', 'intend', 'will', and 'expect' and other similar expressions as they relate the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such statements. Readers are cautioned as not to place undue reliance on the forward-looking statements as they speak only as of their dates. The MD&A should be read in conjunction with the Company's financial statements included herein and the notes thereto.

## AUDITORS' REPORT

To, The Members of  
**JETKING INFOTRAIN LIMITED**

1. We have audited the attached balance sheet of **Jetking Infotrain Limited** as at 31 March 2009, the profit and loss account and also the cash flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the 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 misstatement. 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 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) (Amendment) Order 2004, (hereinafter referred to as the 'Order') issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 (hereinafter referred to as the "Act"), and on the basis of such checks, as we considered appropriate, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - a) 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;
  - b) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books;
  - c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the balance sheet, profit and 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 Act, to the extent applicable;
  - e) On the basis of written representations received from the directors of the Company, as on 31 March 2009 and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31 March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with other notes thereon in Schedule '14', give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2009;
    - ii. in the case of the profit and loss account, of the profit of the Company for the year ended on that date; and
    - iii. in the case of the cash flow statement, of the cash flows of the Company for the year ended on that date.

### **FOR SURESH SURANA & ASSOCIATES**

Chartered Accountants  
(Ramesh Gupta)  
PARTNER  
Membership No. : 102306

Place: Mumbai  
Dated: 9 June 2009

## ANNEXURE TO THE AUDITORS' REPORT

### REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) Fixed assets have been physically verified by the management according to the regular programme of periodical verification in a phased manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material and the same have been properly dealt with in the books of account.  
(c) During the year, the Company has not disposed off substantial part of the fixed assets.
2. (a) As explained to us, the inventory of courseware and other materials has been physically verified by the management at reasonable intervals during the year.  
(b) In our opinion, 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) On the basis of our examination of the inventory records, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and the same have been properly dealt with in the books of account.
3. According to information and explanations given to us, the Company has not granted / taken any loans, secured or unsecured, to / from companies, firms and other parties covered in the Register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(iii)(a), 4(iii)(b), 4(iii)(c), 4(iii)(d), 4(iii)(f), and 4(iii)(g) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into register maintained under Section 301 of the Act have been so entered.  
(b) In our opinion and according to the information and explanations given to us, the transactions exceeding value of five lakhs rupees in respect of any party have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed hereunder.
7. The Company has adequate internal audit system commensurate with size and nature of its business.
8. As informed to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Act for any of the products of the Company.
9. (a) The Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection funds, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. No undisputed amounts payable in respect of aforesaid statutory outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there are no dues of sales tax, income tax, service tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute except the following dues pertaining to service tax under the Service Tax Act :

In respect of	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Commercial Training	5,627,834	10 September 2004 to 31 March 2005	Commissioner of Central Excise
Commercial Training	2,747,893	1 April 2005 to 15 June 2005	Commissioner of Central Excise
Franchisee fee	128,033	1 July 2003 to 31 January 2004	Assistant Commissioner of Central Excise
Royalty	1,481,277	1 July 2003 to 31 January 2004	Assistant Commissioner of Central Excise
Franchisee fee	40,722	1 February 2004 to 30 April 2004	Joint Commissioner of Central Excise
Royalty	647,852	1 February 2004 to 30 April 2004	Joint Commissioner of Central Excise
Franchisee fee	58,376	1 May 2004 to 9 September 2004	Tribunal
Royalty	1,056,913	1 May 2004 to 9 September 2004	Tribunal
Franchisee fee	299,113	10 September 2004 to 31 March 2005	Tribunal
Royalty	1,162,895	10 September 2004 to 31 March 2005	Tribunal
Franchisee fee	231,488	1 April 2005 to 15 June 2005	Assistant Commissioner of Central Excise
Royalty	526,748	1 April 2005 to 15 June 2005	Assistant Commissioner of Central Excise

10. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current year or in the immediately preceding financial year.
11. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to the banks. The Company does not have any borrowings from financial institutions and by way of debentures.
12. According to the information and explanations given to us, and in our opinion, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us and in our opinion, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. Based on the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company and cash flow statement, we report that the funds raised on short-term basis, to the extent of Rs.7,564,364 have been used for long-term investment (i.e. for acquisition of fixed assets and long term investments in shares and units of mutual funds).
18. The Company has not made any preferential allotment of shares to the parties or companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such cases by the management.

#### **FOR SURESH SURANA & ASSOCIATES**

Chartered Accountants

(Ramesh Gupta)

PARTNER

Membership No. : 102306

Place: Mumbai

Dated: 9 June 2009

**JETKING INFOTRAIN LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2009**

	Schedule	As at 31 March 2009 Rs.	As at 31 March 2008 Rs.
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' funds</b>			
Share capital	1	58,982,500	39,352,500
Reserves and surplus	2	196,195,442	114,343,783
<b>Loan funds</b>			
Secured loans	3	207,219	35,418,284
<b>Deferred tax liability (net)</b>		<b>5,219,049</b>	<b>2,673,476</b>
<b>TOTAL</b>		<b>260,604,210</b>	<b>191,788,043</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed assets</b>			
Gross block	4	203,303,045	197,367,002
Less: Depreciation and amortisation		<b>35,683,478</b>	<b>38,934,150</b>
Net block		<b>167,619,567</b>	<b>158,432,852</b>
<b>Investments</b>	5	<b>95,329,958</b>	<b>54,516,073</b>
<b>Current assets, loans and advances</b>			
Inventories	6	12,211,928	6,389,804
Sundry debtors		<b>60,793,694</b>	<b>39,488,718</b>
Cash and bank balances		<b>32,475,034</b>	<b>16,015,744</b>
Loans and advances		<b>190,441,624</b>	<b>126,757,120</b>
Total 'A'		<b>295,922,280</b>	<b>188,651,386</b>
<b>Less: Current liabilities and provisions</b>			
Current liabilities	7	125,710,548	99,361,839
Provisions		<b>172,557,047</b>	<b>110,450,429</b>
Total 'B'		<b>298,267,595</b>	<b>209,812,268</b>
<b>Net current assets / (liabilities) Total (A-B)</b>		<b>(2,345,315)</b>	<b>(21,160,882)</b>
<b>TOTAL</b>		<b>260,604,210</b>	<b>191,788,043</b>
<b>Accounting policies and notes to accounts</b>	14		

Schedules referred to above form an integral part of the financial statements.

As per our report of even date attached  
FOR SURESH SURANA & ASSOCIATES  
Chartered Accountants

(Ramesh Gupta)  
PARTNER  
Membership No. : 102306  
Mumbai; Dated : 9 June 2009

On behalf of the Board of Directors

Suresh G Bharwani                      Chairman and Managing Director  
Nandu G. Bharwani                      Joint Managing Director  
Mehul K Kuwadia                      Director  
C.V.Ramana                              Director  
Rohit Puri                                 Director  
Mumbai; Dated : 9 June 2009



**JETKING INFOTRAIN LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2009**

	Schedule	Current Year Rs.	Previous Year Rs.
<b>INCOME</b>			
Revenue from operations	8	461,800,618	367,966,633
Other income	9	16,227,787	30,844,679
Increase / (decrease) in inventories	10	5,822,124	1,309,913
<b>TOTAL</b>		<b>483,850,529</b>	<b>400,121,225</b>
<b>EXPENDITURE</b>			
Purchase of courseware and other materials		58,366,399	37,497,969
Employees' remuneration and benefits	11	77,153,227	63,123,464
Administrative, training, selling and other expenses	12	135,084,397	127,167,749
Interest and finance expenses	13	2,057,449	1,485,631
Depreciation and amortisation (Refer note 5 of Schedule '14')		17,500,706	23,827,715
<b>TOTAL</b>		<b>290,162,178</b>	<b>253,102,528</b>
<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>193,688,351</b>	<b>147,018,697</b>
Provision for taxation			
- Current tax		(65,000,000)	(50,000,000)
- Fringe benefit tax		(1,600,000)	(1,400,000)
- Deferred tax benefit / (expense)		(2,545,573)	2,892,210
- Wealth tax		(95,000)	(40,000)
<b>PROFIT / (LOSS) AFTER TAX</b>		<b>124,447,778</b>	<b>98,470,907</b>
Prior year (expense) / income (net) (Refer note 6 of Schedule '14')		-	(4,736)
Deferred tax asset relating to earlier year		-	8,232,100
Short provision for income tax for earlier years		-	(107,848)
		<b>124,447,778</b>	<b>106,590,423</b>
Balance brought forward from previous year		<b>35,252,677</b>	<b>18,374,162</b>
Balance available for appropriation		<b>159,700,455</b>	<b>124,964,585</b>
<b>APPROPRIATIONS:</b>			
- Interim dividend		19,630,000	51,038,000
- Tax on dividend		3,336,119	8,673,908
- Transfer to general reserve		30,000,000	30,000,000
Balance carried to balance sheet		106,734,336	35,252,677
		<b>159,700,455</b>	<b>124,964,585</b>
<b>Basic and diluted earnings per share (Rs.)</b>		<b>21.13</b>	<b>16.72</b>
<b>Nominal value of equity shares (Rs.)</b>		<b>10</b>	<b>10</b>

**Accounting policies and notes to accounts**

14

Schedules referred to above form an integral part of the financial statements

As per our report of even date attached  
FOR SURESH SURANA & ASSOCIATES  
Chartered Accountants

On behalf of the Board of Directors

(Ramesh Gupta)  
PARTNER  
Membership No. : 102306  
Mumbai; Dated : 9 June 2009

Suresh G Bharwani	Chairman and Managing Director
Nandu G. Bharwani	Joint Managing Director
Mehul K Kuwadia	Director
C.V.Ramana	Director
Rohit Puri	Director

Mumbai; Dated : 9 June 2009

**JETKING INFOTRAIN LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009**

PARTICULARS	Rs.	Current Year Rs.	Rs.	Previous Year Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before taxation		<b>193,688,351</b>		<b>147,018,697</b>
Adjustments for:				
Depreciation	17,500,706		23,827,715	
Interest expenses	1,979,365		1,362,062	
Prior period expenses	-		(4,736)	
Fixed assets written off	5,296,777		3,621,412	
Bad debts written off	499,024		1,771,665	
Provision for doubtful debts	2,285,315		-	
Excess provision written back	(809,192)		(4,949,918)	
Provision for doubtful debts written back	(73,040)		(478,891)	
Interest income	(573,472)		(102,447)	
Dividend income	(2,714,746)		(4,209,432)	
Loss on disposal of fixed assets	634,919		409,327	
Profit on sale of long term Investments	(347,740)		(13,121,491)	
		<u>23,677,916</u>		<u>8,125,266</u>
<b>Operating profit/(loss) before working capital changes</b>		<b>217,366,267</b>		<b>155,143,963</b>
Adjustment for:				
Trade and other receivables	(31,622,137)		(18,883,698)	
Inventories	(5,822,124)		(1,309,913)	
Trade and other payables	19,952,278		28,807,241	
		<u>(17,491,983)</u>		<u>8,613,630</u>
<b>Cash generated from operations</b>		<b>199,874,284</b>		<b>163,757,593</b>
Direct taxes paid		(57,218,642)		(58,379,320)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>142,655,642</b>		<b>105,378,273</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets		(29,600,277)		(85,617,548)
Sale of fixed assets		431,000		450,000
Purchase of Investments		(75,913,737)		(37,118,586)
Sale proceeds		35,447,592		37,665,356
Interest income		573,472		102,447
Proceeds/(Investments) from/to fixed deposits		(10,317,010)		2,043,628
Dividend received		2,714,746		4,209,432
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(76,664,214)</b>		<b>(78,265,271)</b>

**C. CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from term loan	-	34,422,000
Repayment of Term Loan	(34,422,000)	-
Repayment of vehicle loan	(79,877)	(71,378)
Dividend payout	(19,322,599)	(49,734,296)
Tax on dividend	(3,336,119)	(8,673,908)
Interest paid	(2,688,553)	(652,874)
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>(59,849,148)</b>	<b>(24,710,456)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>6,142,280</b>	<b>2,402,546</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>15,396,262</b>	<b>12,993,716</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>21,538,542</b>	<b>15,396,262</b>
<b>Components of cash and cash equivalents as at year end comprise of :</b>		
Cash on hand	203,271	218,366
Balances with scheduled banks in current account	<b>21,335,271</b>	<b>15,177,896</b>
	<b>21,538,542</b>	<b>15,396,262</b>

**Note :-**

1. All figures in bracket are outflow.
2. Cash and cash equivalent is as per balance sheet except for fixed deposits not considered as cash and cash equivalent as the maturity date is beyond three months.
3. The above cash flow statement has been prepared under 'Indirect Method' as set out in the Accounting Standard-3 on 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.

As per our report of even date attached

FOR SURESH SURANA & ASSOCIATES  
Chartered Accountants

(Ramesh Gupta)  
PARTNER  
Membership No. : 102306  
Mumbai; Dated : 9 June 2009

On behalf of the Board of Directors

Suresh G Bharwani                      Chairman and Managing Director  
Nandu G. Bharwani                      Joint Managing Director  
Mehul K Kuwadia                      Director  
C.V.Ramana                              Director  
Rohit Puri                                Director  
Mumbai; Dated : 9 June 2009

## SCHEDULES FORMING PART OF BALANCE SHEET

	As at 31 March 2009 Rs.	As at 31 March 2008 Rs.
<b>SCHEDULE - '1'</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised:</b>		
10,000,000 (Previous year 5,000,000) Equity shares of Rs. 10 each	100,000,000	50,000,000
	100,000,000	50,000,000
<b>Issued , subscribed and paid up:</b>		
5,889,000 (Previous year 3,926,000) equity shares of Rs. 10 each, fully paid up	58,890,000	39,260,000
Add: Forfeited shares		
18,500 Equity shares of Rs.10 each partly paid up, to the extent of Rs 5 per share	92,500	92,500
Note : Of the above, 4,907,500 (Previous year 2,944,500) Equity shares of Rs 10 each are allotted as fully paid-up bonus shares by way of capitalisation of general reserves		
	58,982,500	39,352,500
<b>SCHEDULE - '2'</b>		
<b>RESERVES AND SURPLUS</b>		
<b>General reserve</b>		
Balance as per last balance sheet	79,091,106	67,620,893
Add: Transfer from profit and loss account	30,000,000	30,000,000
	109,091,106	97,620,893
Add/(less) : Adjustments in accordance with transitional provision in Accounting Standard 15 "Employee Benefits" (Revised 2005) for earlier years upto 31 March 2007. (Refer note 11 of Schedule '14')	-	1,100,213
Less: Capitalisation for issue of bonus shares	(19,630,000)	(19,630,000)
	89,461,106	79,091,106
<b>Surplus as per profit and loss account</b>	<b>106,734,336</b>	<b>35,252,677</b>
	<b>196,195,442</b>	<b>114,343,783</b>
<b>SCHEDULE - '3'</b>		
<b>SECURED LOANS</b>		
<b>From banks :</b>		
<b>Term loans</b>		
(Secured by equitable mortgage (first charge) of immovable property and hypothecation of computer systems and accessories, furniture and fixtures and air conditioners and personal guarantee of the two directors of the Company)	-	34,422,000
(Repayable within one year Rs Nil (previous year Rs..8,067,271))		
Interest accrued and due on above	-	709,188
<b>Vehicle loan</b>	207,219	287,096
(Secured against hypothecation of a vehicle )		
(Repayable within one year Rs.89,389 previous year Rs.79,877)		
	207,219	35,418,284
	<b>207,219</b>	<b>35,418,284</b>

## SCHEDULES FORMING PART OF BALANCE SHEET

## SCHEDULE '4'

## FIXED ASSETS

(Amount. in Rs.)

Description of assets	GROSS BLOCK (At cost)			DEPRECIATION AND AMORTISATION				NET BLOCK		
	As on 01.04.2008	Additions during the year	Sales/ adjustments during the year	As on 31.03.2009	Upto 31.03.2008	During the year	Adjustments during the year	As on 31.03.2009	As on 31.03.2009	As on 31.03.2008
<b>Tangible fixed assets</b>										
Leasehold improvements	4,591,496	3,520,724	-	8,112,220	421,232	2,038,885	-	2,460,117	5,652,103	4,170,264
Building	110,377,584	2,855,409	(568,883)	112,664,110	3,356,072	1,836,260	(95,549)	5,096,783	107,567,327	107,021,512
Plant and machinery	2,291,238	138,320	(583,026)	1,846,532	347,603	112,450	(161,239)	298,814	1,547,718	1,943,635
Furniture and fixtures	25,483,543	1,501,229	(9,759,987)	17,224,785	13,266,307	3,341,321	(8,152,664)	8,454,964	8,769,821	12,217,236
Equipments and instruments	8,821,040	3,578,028	(2,779,581)	9,619,487	2,265,335	649,684	(930,307)	1,984,712	7,634,775	6,555,705
Electrical installations	1,066,950	1,562,544	(515,663)	2,113,831	258,876	109,365	(244,203)	124,038	1,989,793	808,074
Computers	24,730,984	2,569,120	(10,790,331)	16,509,773	15,722,057	4,581,481	(10,094,945)	10,208,593	6,301,180	9,008,927
Vehicles	8,650,995	6,190,605	(2,116,603)	12,724,997	2,221,202	1,074,524	(1,072,471)	2,223,255	10,501,742	6,429,793
<b>Total A</b>	<b>186,013,830</b>	<b>21,915,979</b>	<b>(27,114,074)</b>	<b>180,815,735</b>	<b>37,858,684</b>	<b>13,743,970</b>	<b>(20,751,378)</b>	<b>30,851,276</b>	<b>149,964,459</b>	<b>148,155,146</b>
<b>Intangible assets</b>										
Software	11,353,172	11,134,138	-	22,487,310	1,075,466	3,756,736	-	4,832,202	17,655,108	10,277,706
<b>Total B</b>	<b>11,353,172</b>	<b>11,134,138</b>	<b>-</b>	<b>22,487,310</b>	<b>1,075,466</b>	<b>3,756,736</b>	<b>-</b>	<b>4,832,202</b>	<b>17,655,108</b>	<b>10,277,706</b>
<b>T O T A L (A+B)</b>	<b>197,367,002</b>	<b>33,050,117</b>	<b>(27,114,074)</b>	<b>203,303,045</b>	<b>38,934,150</b>	<b>17,500,706</b>	<b>(20,751,378)</b>	<b>35,683,478</b>	<b>167,619,567</b>	<b>158,432,852</b>
Previous year	132,708,664	84,943,251	(20,284,913)	197,367,002	28,370,581	23,827,715	(13,264,146)	38,934,150	158,432,852	

Note : Building includes Rs. 1,250 (previous year Rs. 1,250) representing unquoted fully paid shares at cost in a co-operative housing society.

## SCHEDULES FORMING PART OF BALANCE SHEET

	As at 31 March 2009 Rs.	As at 31 March 2008 Rs.
<b>SCHEDULE - '5'</b>		
<b>INVESTMENTS :</b>		
<b>LONG TERM (AT COST) (NON-TRADE) :</b>		
<b>UNQUOTED:</b>		
<u>In mutual fund units</u>		
(Units of the face value of Rs.10 each)		
500,000 (previous year 500,000) Units in HDFC Long Term Equity Fund - Growth	5,000,000	5,000,000
202,713.146 (previous year 202,713.146) Units in DSP Blackrock India T.I.G.E.R. Fund - Regular Plan - Dividend	5,040,711	5,040,711
59,669.144 (previous year 59,669.144) Units in HDFC Equity Fund - Dividend	2,436,071	2,436,071
500,000 (previous year 500,000) Units in Birla Sun Life Long Term Advantage Fund - Dividend Payout	5,000,000	5,000,000
500,000 (previous year 500,000) Units in Reliance Long Term Equity Fund -Dividend	5,000,000	5,000,000
56,230.854 (previous year 56,230.854) Units in DSP Blackrock Equity Fund - Regular Plan - Dividend	2,500,000	2,500,000
98,208.674 (previous year 98,208.674) Units in DSP Blackrock Top 100 Fund - Dividend	2,500,000	2,500,000
152,462.266 (previous year 152,462.266) Units in Fidelity Equity Fund -Dividend	3,000,000	3,000,000
287,369.976. (previous year 258,536.868) Units in ICICI Prudential Services Industries Fund - Dividend	4,575,964	4,188,158
75,078.784 (previous year 75,078.784) Units in Reliance Banking Fund - Dividend	1,617,197	1,617,197
149,011.392 (previous year 138,128.611) Units in Reliance Diversified Power Sector Fund -Retail - Dividend	5,476,334	5,200,077
66,323.143 (previous year 66,323.143) Units in Reliance Media & Entertainment Fund-Dividend Plan	1,617,197	1,617,197
203,818.204 (previous year 203,818.204) Units in ICICI Prudential Fusion Fund Series - II Retail Dividend	2,038,182	2,038,182
407,767.946 (previous year Nil) Units in Tata Gilt Securities High Investment Plan-Dividend	5,121,759	-
1,000,000 (previous year Nil) Units in ICICI Prudential FMP Series 47 - One Year Plan D Retail Growth	10,000,000	-
195,557.045 (previous year Nil) Units in ICICI Prudential Gilt Fund - Investment Plan - Dividend	2,528,140	-
946,378.920 (previous year Nil) Units in DWS Gilt Fund - Regular Dividend	10,000,000	-
229,183.282 (previous year Nil) Units in HDFC Income Fund - Dividend	2,500,000	-

## SCHEDULES FORMING PART OF BALANCE SHEET

	As at 31 March 2009 Rs.	As at 31 March 2008 Rs.
143,145.069 (previous year Nil) Units in ICICI Prudential Gilt Fund Investment Plan PF Opt.	2,500,000	-
207,931.333 (previous year Nil) Units in ICICI Prudential Income Plan - Dividend	2,500,000	-
445,061.597 (previous year Nil) Units in IDFC - SSIF - Investment Plan - Plan A - Quarterly Dividend	5,000,000	-
TOTAL 'A'	85,951,555	45,137,593
<b>QUOTED : (At cost)</b>		
<b><u>Investments in equity shares</u></b>		
862 (previous year 25,000 shares of Centurion Bank of Punjab Ltd.) shares of HDFC Bank Ltd. of Rs. 10 each, fully paid up*	1,115,695	1,115,771
1,000 (previous year 1,000) shares of DLF Ltd. of Rs. 2 each, fully paid up	606,211	606,211
7,500 (previous year 5,000) shares of Gas Authority of India Ltd. of Rs. 10 each, fully paid up	1,939,156	1,939,156
14,755 (previous year 2,951) shares of Gemini Communication Ltd. of Rs. 1 each, fully paid up**	316,390	316,390
300 (previous year 300) shares of Great Offshore Ltd. of Rs. 10 each, fully paid up	81,097	81,097
10,000 (previous year 10,000) shares of IDBI Ltd. of Rs. 10 each, fully paid up	1,363,934	1,363,934
6,900 (previous year 6,900) shares of India Glycol Ltd. of Rs. 10 each, fully paid up	1,931,534	1,931,534
10,000 (previous year 10,000) shares of Torrent Power Ltd. of Rs. 10 each, fully paid up	1,115,599	1,115,599
3,600 (previous year 3,600) shares of Unitech Ltd. of Rs. 2 each, fully paid up	908,787	908,787
TOTAL 'B'	9,378,403	9,378,480
TOTAL (A+B)	95,329,958	54,516,073
- Aggregate repurchase value of Units in mutual funds	66,682,881	44,958,115
- Aggregate market value of quoted investments	4,734,190	9,109,586

\*Conversion of Centurion Bank of Punjab Ltd. shares into HDFC Bank Ltd. In the ratio of 1 share of HDFC Bank Ltd for 29 shares of Centurion Bank of Punjab Ltd.

\*\*Split of shares of Gemini Communication Ltd. from F.V. of Rs.5/- to Rs.1/-

## SCHEDULES FORMING PART OF BALANCE SHEET

### Movements during the year

Investments purchased and sold / redeemed during the year

#### a) Units of mutual fund

Name of the Mutual Fund	Face value (Rs.)	Units (Nos.)	Cost value (Rs.)	Redemption value (Rs.)
ICICI Prudential Gilt Fund-Dividend	10.00	394,119.73	5,000,000	5,028,140
ABN Amro Flexible Short-Term Plan - Series C	10.00	2,000,000.000	20,000,000	20,319,600
BSL Interval Income-INSTL-Monthly Series 2-Dividend	10.00	1,012,791.529	10,127,915	10,127,915

### Movements during the previous year

Investments purchased and sold / redeemed during the year

#### a) Shares

Name of the Company	Face value (Rs.)	Quantity (Nos.)	Purchase value (Rs.)	Sales value (Rs.)
Ankur Drugs & Pharma Ltd.	10	8,750	1,766,916	2,663,296
Asian Electronics Ltd.	10	95	102,755	83,600
Carborundum Universal Ltd.	2	850	151,740	133,100
Century Textile & Industries Ltd.	10	550	341,547	539,629
Dabur Pharma Ltd.	1	3,200	253,949	219,850
Dr. Reddy's Laboratories Ltd.	5	150	96,195	90,706
EMCO Ltd.	10	100	98,584	121,381
Gemini Communication Ltd. (Includes bonus shares received during the year)	10	2,951	-	579,270
IDBI Bank Ltd.	10	4,500	440,820	474,280
IFCI Ltd.	10	20,000	1,342,491	1,743,984
Idea Cellular Ltd.	10	2,900	343,900	371,004
Logix Microsystems Ltd.	10	1,260	278,693	403,324
JBF Industries Ltd.	10	7,100	969,208	1,055,526
JMT Auto Ltd.	10	10,000	761,799	696,023
Nav Bharat Ventures Ltd.	2	10,000	2,219,083	2,509,548
Reliance Communication Ltd.	5	700	353,035	539,389
Reliance Energy Venture Ltd.	10	3,500	2,569,156	4,722,839
Reliance Natural Resources Ltd.	10	6,110	205,372	799,030
Reliance Industries Ltd.	10	145	248,842	379,495
Reliance Petroleum Ltd.	10	20,000	2,341,985	3,186,783
Sesa Goa Ltd.	10	1,000	1,962,675	3,563,243
Spanco Telesystems & Solution Ltd.	10	5,400	1,385,557	1,196,832
TV Today Network Ltd.	10	1,825	249,969	294,699
Vijay Shanti Builders Ltd.	10	13,133	2,344,891	2,332,796

#### b) Units of mutual fund

Name of the mutual fund	Face value (Rs.)	Units(Nos.)	Cost value (Rs.)	Redemption value (Rs.)
HDFC Equity Fund	10.00	25,302.13	1,060,287	1,400,000
DSPML T.I.G.E.R. Fund	10.00	49,371.56	959,289	1,500,000



## SCHEDULES FORMING PART OF BALANCE SHEET

	As at 31 March 2009 Rs.	As at 31 March 2008 Rs.
<b>SCHEDULE - '6'</b>		
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
<b>CURRENT ASSETS</b>		
<b>Inventories (at lower of cost and net realisable value)</b>		
Courseware and other materials	12,211,928	6,389,804
Total 'A'	12,211,928	6,389,804
<b>Sundry Debtors</b>		
(Unsecured)		
<b>Debts outstanding for a period exceeding six months</b>		
Considered good	12,897,116	6,577,050
Considered doubtful	613,837	73,040
<b>Other debts</b>		
Considered good	47,896,578	32,911,668
Considered doubtful	1,671,478	-
	63,079,009	39,561,758
Less :Provision for doubtful debts	(2,285,315)	(73,040)
Total 'B'	60,793,694	39,488,718
<b>Cash and bank balances</b>		
Cash on hand	203,271	218,366
Bank balance with scheduled banks:		
In current accounts	16,919,266	11,067,147
In unpaid dividend accounts	4,416,005	4,110,749
In fixed deposit accounts	10,936,492	619,482
Total 'C'	32,475,034	16,015,744
<b>Loans and advances</b>		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	9,886,105	6,148,256
Advances for capital expenditure	400,000	1,500,000
Balances with customs and excise authorities	10,792,718	10,792,718
Deposits	11,457,202	7,589,189
<small>(including deposit to director Rs. 1,000,000 (previous year Rs. 1,000,000) maximum balance outstanding during the year Rs 1,000,000 (previous year Rs 1,000,000)</small>		
<small>(including deposit to Private limited company in which relative of directors are directors Rs. 550,000 (previous year Rs. 550,000) maximum balance outstanding during the year Rs 550,000 (previous year Rs 550,000)</small>		
Taxes paid and refund receivable (includes fringe benefit tax of Rs 5,008,670 (previous year Rs.3,182,152)	157,905,599	100,726,957
Total 'D'	190,441,624	126,757,120
<b>Total ( A + B + C + D)</b>	<b>295,922,280</b>	<b>188,651,386</b>

## SCHEDULES FORMING PART OF BALANCE SHEET

	As at 31 March 2009 Rs.	As at 31 March 2008 Rs.
<b>SCHEDULE - '7'</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry creditors		
a) Dues of Micro and small enterprises (Refer Note 9 of Schedule '14')	-	-
b) Others	28,737,179	16,748,487
Advance received from customers	55,866,771	47,722,975
Investor Education and Protection Fund shall be credited by following amount (as and when due)		
- Unpaid dividend*	4,258,842	3,951,441
Security deposits	11,178,771	10,045,312
Other liabilities	25,668,985	20,893,624
* There are no amount due for payment to the Investor Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.		
Total 'A'	125,710,548	99,361,839
<b>PROVISIONS</b>		
Provisions for taxation	160,302,848	95,247,848
Provision for fringe benefit tax	5,800,000	4,200,000
Provision for employee benefits	6,454,199	11,002,581
Total 'B'	172,557,047	110,450,429
Total 'A' + 'B'	298,267,595	209,812,268

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

	Current Year Rs.	Previous Year Rs.
<b>SCHEDULE - '8'</b>		
<b>REVENUE FROM OPERATIONS</b>		
Training fees		
- Course fees	103,631,570	105,173,424
- Examination and other fees	47,528,232	34,558,484
Franchisee registration fees	21,381,924	15,797,142
Income from franchisee operations	215,223,288	157,928,510
Sale of courseware and other materials	74,035,604	54,509,073
	461,800,618	367,966,633
<b>SCHEDULE - '9'</b>		
<b>OTHER INCOME</b>		
Dividend income on long term investments (non-trade):		
- Shares	127,113	73,987
- Mutual funds	2,587,633	4,135,445
Profit on sale of long term investments (non-trade)	347,740	13,121,491
Interest income		
-On fixed deposits ( tax deducted at source Rs. 93,824 previous year Rs.19,102)	573,472	102,447
-Others ( tax deducted at source Rs. 74,220 previous year Rs.56,150)	4,294,287	3,285,225
Miscellaneous income	8,297,542	10,126,084
(Refer note 4 of Schedule '14')	16,227,787	30,844,679
<b>SCHEDULE - '10'</b>		
<b>INCREASE / (DECREASE) IN INVENTORIES</b>		
Closing stock of courseware and other materials	12,211,928	6,389,804
Opening stock of courseware and other materials	6,389,804	5,079,891
	5,822,124	1,309,913
<b>SCHEDULE - '11'</b>		
<b>EMPLOYEES' REMUNERATION AND BENEFITS'</b>		
Salaries and allowances	72,008,463	59,078,293
Contribution to provident and other funds	3,982,857	3,009,675
Staff welfare expenses	1,161,907	1,035,496
	77,153,227	63,123,464

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

	Rs.	Current Year Rs.	Previous Year Rs.
<b>SCHEDULE - '12'</b>			
<b>ADMINISTRATIVE, TRAINING, SELLING AND OTHER EXPENSES</b>			
Training Expenses (net of recovery of Rs. 9,058,300; previous year Rs. 5,506,000)		4,813,996	5,801,726
Advertisement and publicity (net of recovery of Rs.74,302,688 ; Previous year Rs. 69,399,576 )		22,048,852	26,168,008
Business and sales promotion		17,644,653	16,487,551
Share of franchisees fees (sub franchisee)		544,060	819,756
Legal and professional fees		14,563,206	9,944,807
Travelling expenses		10,736,016	8,642,488
Repairs and maintenance			
- Building	2,335,162		5,601,354
- Others	3,392,194		6,134,630
	-	5,727,356	
Rent		11,011,588	4,972,079
Rates and taxes		573,890	1,568,163
Electricity charges		5,310,761	4,035,060
Printing and stationery		1,635,513	1,490,511
Freight and transport expenses		2,984,961	2,315,217
Security and service charges		2,186,957	1,423,836
Telephone expenses		2,241,807	1,738,284
Insurance		18,693,156	18,821,408
Directors' sitting fees		157,500	174,000
Auditors' remuneration			
- Statutory audit	315,000		315,000
- Tax audit	95,000		95,000
- Taxation matters	136,500		-
- Other services	90,750		115,000
	-	637,250	
Bad debts and advances written off		499,024	1,771,665
Fixed assets written off		5,296,777	3,621,412
Loss on disposal of fixed assets		634,919	409,327
Provision for doubtful debts		2,285,315	-
Miscellaneous expenses		4,856,840	4,701,467
		<u>135,084,397</u>	<u>127,167,749</u>
<b>SCHEDULE - '13'</b>			
<b>INTEREST AND FINANCE EXPENSES</b>			
Bank charges		78,084	123,569
Interest			
- On fixed loans		1,143,386	746,086
- Others		835,979	615,976
		<u>2,057,449</u>	<u>1,485,631</u>

## SCHEDULE '14'

### ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

#### 1. Significant accounting policies

##### a) Accounting convention:

The financial statements have been prepared in compliance with all material aspects of the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government, to the extent applicable and in accordance with the relevant provisions of the Companies Act, 1956.

The financial statements are prepared on the basis of historical cost convention, and on the accounting principle of a going concern.

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.

##### b) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### c) Fixed assets:

i. Fixed assets are stated at cost less accumulated depreciation. Cost includes all cost incidental to acquisition, installation, commissioning, pre-operative expenses allocated to such assets.

ii. Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The capitalised cost includes license fees and cost of implementation / system integration services.

##### d) Inventories:

Inventories are valued at lower of cost or net realizable value. Cost of inventories comprises of all cost of purchases and other costs incurred in bringing the inventory to their present location and condition. Cost is assigned on First-In-First-Out (FIFO) basis. Obsolete, defective and unserviceable stocks are provided for, wherever required.

##### e) Investments:

Long term investments are valued at cost less provision, if any for diminution in value, which is other than temporary. Current investments are carried at the lower of the cost and fair value.

##### f) Accounting for taxes on income:

i. Provision for income tax is made on the basis of the estimated taxable income for the accounting year in accordance with the Income-tax Act, 1961.

ii. The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

iii. Fringe benefit tax is provided as per the provisions of Income Tax Act, 1961 on the chargeable expenses incurred during the year.

##### g) Depreciation and amortization:

i. Depreciation on fixed assets is provided on the straight-line method at the rates and in the manner prescribed under Schedule XIV of the Act except in case of furniture and fixtures and computers where higher rate of depreciation i.e. 20% and 33.33%, respectively has been provided for. Depreciation on additions / deletions to fixed assets is calculated pro-rata from/up to the date of such additions/deletion.

ii. Computer software is amortized on the straight-line method over a period of thirty six months.

iii. Leasehold improvements are amortized on the straight-line method over the term of related lease including extensions which are reasonably expected to occur and useful lives of such improvements is taken as thirty six months.

- iv. Assets individually costing Rs 5,000 or less are fully depreciated in the year of purchase.
- h) Transaction in foreign currencies:**  
Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognized in the profit and loss account. Non-monetary foreign currency items are carried at cost.
- i) Retirement benefits:**
- i. Defined contribution plans  
The Company contributes on a defined contribution basis to Employee's Provident Fund, towards post employment benefits, which is administered by the respective Government authorities, and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.
- ii. Defined benefit plans  
The Company has a Defined benefit plan namely Gratuity for all its employees. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method.  
Actuarial gains and losses are recognized immediately in the profit and loss account. The fair value of the plan assets is reduced from the gross obligation under the defined plan, to recognize the obligation on net basis.
- iii. Employee leave entitlement  
The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the year end which is calculated using projected unit credit method and charged to the profit and loss Account.
- j) Revenue recognition:**
- i. Revenue in respect of training services is recognized on rendering of services, only when it is reasonably certain that the ultimate collection will be made. The revenue from fixed time contract is recognized over the period of contracts. For services rendered through franchisees, only the Company's share of revenue is recognized.
- ii. Revenue in respect of sale of courseware and other materials is recognised on delivery of the courseware and other materials to the franchisees.
- iii. Dividends and Interest income are accounted for when the right to receive dividend/interest is established.
- k) Provisions and contingent liabilities:**  
The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- l) Lease:**  
Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight-line basis over the lease term.
- m) Impairment of assets:**  
The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**2. Contingent liabilities not provided for in respect of:**

- a. The Company has been floating 100 % money back guarantee scheme to students over the years. During the year, the Company has given assurance to 79 (previous year 159) number of students for getting jobs on completion of the course.

The Company estimates the possible liability in this regard to the tune of Rs. 3,503,802 (previous year Rs. 6,483,238).

- b. Disputed service tax liabilities Rs. 8,375,727 (previous year Rs. 8,634,656)
  - c. Disputed income tax liabilities Rs. 165,122 (previous year Rs. Nil)
3. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 1,519,520 (previous year Rs. 6,784,660).
  4. Miscellaneous income includes Rs. 882,232 (previous year Rs 5,428,809) being unspent liabilities, excess provision and unclaimed balances in respect of earlier years written back.
  5. During the previous year, depreciation on furniture and fixtures and computers had been provided using the revised estimated useful life of fixed assets as against the rates prescribed under Schedule XIV of the Companies Act, 1956 in order to reflect the correct value of fixed assets. As a result, the depreciation for the previous year was higher by Rs. 11,522,679, net block of fixed assets as on 31 March 2008 and profit before tax was lower by Rs 11,522,679 and profit after tax and reserves and surplus were lower by Rs 7,606,120.
  6. **Prior period (expenses) / income (net) consist of:**

Particulars	Current Year Rs.	Previous Year Rs.
<b>Prior period expenses:</b>		
Legal and professional charges	–	34,529
Training expenses	–	4,500
Advertisement expenses	–	17,573
Traveling expenses	–	9,888
Repairs and maintenance	–	121,839
Security charges	–	100,000
<b>Total</b>	<b>–</b>	<b>288,329</b>
<b>Less: Prior period income:</b>		
Membership and subscription	–	6,030
Interest (other than fixed loans)	–	277,563
<b>Total</b>	<b>–</b>	<b>283,593</b>
<b>Net prior period (expenses) / income</b>	<b>–</b>	<b>(4,736)</b>

7. **Deferred tax assets / liabilities (net):**

Major component of deferred tax balance as at the year end accounted in accordance with the Accounting Standard (AS) – 22 “Accounting for Taxes on Income” issued by The Institute of Chartered Accountants of India are as under:

Particulars	As at 31/03/2009 Rs.	As at 31/03/2008 Rs.
<b>Deferred tax assets on account of:</b>		
Statutory payments under Section 43B of the Income-tax Act, 1961	1,914,799	1,914,799
Provision for doubtful debts	776,779	24,826
Disallowances under Section 40(a)(ia)	60,705	211,760
Provision for retirement benefits	2,193,782	3,551,318
<b>Total (A)</b>	<b>4,946,065</b>	<b>5,702,703</b>
<b>Deferred tax liability on account of:</b>		
Depreciation	10,165,114	8,376,179
<b>Total (B)</b>	<b>10,165,114</b>	<b>8,376,179</b>
<b>Deferred tax assets / (liability) [Net]: [A – B]</b>	<b>(5,219,049)</b>	<b>(2,673,476)</b>

8. a. In the opinion of management, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet. The provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably stated.
- b. Balances of certain debtors, creditors and advances given are subject to confirmation / reconciliation, if any. The management does not expect any material difference affecting the financial statements on such reconciliation / adjustments.
9. The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. As the Company has not received any intimation from its suppliers as on date regarding their status under the above said Act, no disclosure has been made.
10. a) **Directors' remuneration:**

Particulars	Year ended 31 March 2009 (Rs.)	Year ended 31 March 2008 (Rs.)
Salary and allowances (including perquisites)	15,741,792	15,605,292
Commission	1,000,000	-
Contribution to provident fund and other funds	1,691,819	1,675,440
<b>Total</b>	<b>18,433,611</b>	<b>17,280,732</b>

**Note:** As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and, therefore, not included above.

**b) Computation of net profit in accordance with Section 198 of the Companies Act, 1956**

(Amount in Rs.)

<b>Net Profit before tax</b>		<b>193,688,351</b>
Add:		
Directors' fees	157,500	
Directors' remuneration	17,433,611	
Commission	1,000,000	
Loss on sale of fixed assets-net	634,919	
Fixed assets written off	5,296,777	
Depreciation as per Profit and Loss account	17,500,706	
Provision for doubtful debts and advances	2,285,315	<b>44,308,828</b>
		<b>237,997,179</b>
Less:		
Depreciation as per Companies Act, 1956	17,500,706	
Provision for doubtful debts and excess provision written back	882,232	
Profit on sale/redemption of investments	347,740	<b>18,730,678</b>
Net Profit as per Section 198 of the Companies Act, 1956		<b>219,266,501</b>
Maximum Remuneration payable under the Companies Act, 1956 @ 10% of above		<b>21,926,650</b>
Actual directors remuneration		<b>18,433,611</b>

**11. Disclosure under (AS) -15 (Revised 2005):**

In the previous year, the Company had adopted Accounting Standard (AS) - 15 (Revised) "Employee Benefits" which is mandatory from accounting periods commencing on or after 7 December 2006. Accordingly, the Company has provided leave encashment and gratuity based on actuarial valuation done as per Projected Unit Credit Method.

- i) Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.



- ii) Gratuity and leave encashment liability are defined benefit obligation and are provided for on the basis of an actuarial valuation made at the end of each financial year.

The Company has classified the various benefits provided to employees as under:

**I. Defined contribution plans:**

Contributions to defined contribution plans recognized as expense for the year are as under:

Particulars	Year ended 31 March 2009 (Rs.)	Year ended 31 March 2008 (Rs.)
Contribution to provident fund	3,365,463	2,484,326

**II. Defined benefit plan:**

The Company makes annual contributions to the Employees' Group Gratuity of the Life Insurance Corporation (LIC), a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on superannuation, death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy whichever is beneficial to the employees.

The following table sets out the amounts recognized in the Company's financial statements as at 31 March 2009.

Particulars		Gratuity (funded) Rs.	Leave encashment (unfunded) Rs.
<b>a)</b>	<b>Change in present value of obligation</b>		
	Present value of obligation as at 1 April 2008	19,172,865	560,755
	Interest cost	1,533,829	44,860
	Service cost	1,281,593	422,271
	Benefits paid	(103,846)	(558,011)
	Actuarial (gain)/loss on obligation	1,408,821	381,086
	Present value of obligation as at 31 March 2009	23,293,262	850,961
<b>b)</b>	<b>Change in fair value plan assets</b>		
	Fair value of plan assets as at 1 April 2008	8,731,039	-
	Expected return on plan assets (%)	523,862	-
	Contribution paid	7,944,046	-
	Benefits paid	(103,846)	-
	Actuarial gain/(loss) on plan assets	594,923	-
	Fair value of plan assets as at 31 March 2009	17,690,024	-
<b>c)</b>	<b>Amount recognized in the Balance Sheet</b>		
	Present value of obligation, as at 31 March 2009	23,293,262	850,961
	Fair value of plan assets as at 31 March 2009	17,690,024	-
	Assets / (Liabilities) provided in the Balance Sheet and Disclosed under Provisions (Refer Schedule 7 of the financial statements).	5,603,238	850,961
<b>d)</b>	<b>Net gratuity and leave encashment cost for the year ended 31 March 2009</b>		
	Current service cost	1,281,593	422,271
	Interest cost	1,533,829	44,860
	Expected return on plan assets	(523,862)	-
	Net Actuarial (gain)/loss to be recognized	813,898	381,086
	Net gratuity and leave encashment cost	3,105,458	848,217

<b>e)</b>	<b>Assumptions used in accounting for the gratuity plan</b>		
	Discount rate	8%	8%
	Salary escalation rate	5%	5%
	Expected rate of return on plan assets	6%	-

The following table sets out the amounts recognized in the Company's financial statements as at 31 March 2008.

<b>Particulars</b>		<b>Gratuity (funded) Rs.</b>	<b>Leave encashment (unfunded) Rs.</b>
<b>a)</b>	<b>Change in present value of obligation</b>		
	Present value of obligation as at 1 April 2007	7,004,800	265,074
	Interest cost	560,384	21,206
	Service cost	975,014	279,234
	Benefits paid	(170,192)	(226,252)
	Actuarial (gain)/loss on obligation	10,802,859	221,493
	Present value of obligation as at 31 March 2008	19,172,865	560,755
<b>b)</b>	<b>Change in fair value plan assets</b>		
	Fair value of plan assets as at 1 April 2007	8,149,897	
	Expected return on plan assets (%)	488,994	
	Contribution paid	11,315	
	Benefits paid	(170,192)	
	Actuarial gain/(loss) on plan assets	251,025	
	Fair value of plan assets as at 31 March 2008	8,731,039	
<b>c)</b>	<b>Amount recognized in the Balance Sheet</b>		
	Present value of obligation, as at 31 March 2008	19,172,865	560,755
	Fair value of plan assets as at 31 March 2008	8,731,039	-
	Assets / (Liabilities) provided in the Balance Sheet and Disclosed under Provisions (Refer Schedule 7 of the financial statements).	10,441,826	560,755
<b>d)</b>	<b>Net gratuity and leave encashment cost for the year ended 31 March 2008</b>		
	Current service cost	975,014	279,234
	Interest cost	560,384	21,206
	Expected return on plan assets	(488,994)	-
	Net Actuarial (gain)/loss to be recognized	10,551,834	221,493
	Net gratuity and leave encashment cost	11,598,238	521,933
<b>e)</b>	<b>Assumptions used in accounting for the gratuity plan</b>		
	Discount rate	8%	8%
	Salary escalation rate	5%	5%
	Expected rate of return on plan assets	6%	--

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets.

**12. Segment reporting:**

The Company operates in a single primary business segment i.e. "IT Training in Hardware and Networking". Hence, there are no reportable segments as per Accounting Standard (AS) - 17 "Segment Reporting" issued by The Institute of Chartered Accountants of India. The Company does not have any reportable geographical segment.

**13. Related party disclosures:**

**i) Related party relationship:**

a)	Key management personnel	a)	Mr. Suresh G. Bharwani
		b)	Mr. Nandu G. Bharwani
b)	Relatives of key management personnel	a)	Mr. Jitu G. Bharwani – Brother of Suresh Bharwani and Nandu Bharwani
		b)	Anisha Bharwani – Wife of Suresh G. Bharwani
		c)	Harsh Bharwani – Son of Suresh G. Bharwani
		d)	Avinash Bharwani – Son of Suresh G. Bharwani
		e)	Dipti Bharwani – Wife of Nandu G. Bharwani
		f)	Urvashi Bharwani – Daughter of Nandu G. Bharwani
		g)	Ritika Bharwani-Daughter of Nandu G. Bharwani
c)	Enterprises on which key management personnel or their relatives has significant influence		Jetking Smartrain Academy Pvt. Ltd.

Notes:

1. The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS) – 18 "Related Party Disclosures" notified by the Central Government and the same have been relied upon by the Auditors.
  2. The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.
- ii) Transactions with related parties and disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Sr. No.	Particulars	Current Year Rs.	Previous Year Rs.
<b>A</b>	<b>Key management personnel</b>		
<b>1</b>	<b>Director's remuneration</b>		
	Mr. Suresh G. Bharwani	9,421,724	8,862,924
	Mr. Nandu G. Bharwani	9,011,887	8,417,808
<b>2</b>	<b>Rent</b>		
	Suresh Bharwani	720,000	600,000
<b>3</b>	<b>Deposit receivable</b>		
	Suresh Bharwani	1,000,000	1,000,000

Sr. No.	Particulars	Current Year Rs.	Previous Year Rs.
<b>B</b>	<b>Relatives of key management personnel</b>		
<b>1</b>	<b>Rent</b>		
	Jitu G. Bharwani	1,248,000	775,000
	Avinash S. Bharwani	976,800	--
	Harsh S. Bharwani	976,800	--
	Dipti Bharwani	761,208	--
	Ritika Bharwani	761,196	--
	Urvashi Bharwani	761,196	--
<b>2</b>	<b>Salary</b>		
	Anisha Bharwani	525,703	489,915
	Harsh Bharwani	1,877,384	528,375
	Avinash Bharwani	1,876,784	--
	Urvashi Bharwani	1,877,534	--
<b>3</b>	<b>Deposit given</b>		
	Avinash S. Bharwani	895,400	--
	Harsh S. Bharwani	895,400	--
	Dipti Bharwani	697,767	--
	Ritika Bharwani	697,766	--
	Urvashi Bharwani	697,767	--
<b>4</b>	<b>Deposit receivable</b>		
	Avinash S. Bharwani	895,400	--
	Harsh S. Bharwani	895,400	--
	Dipti Bharwani	697,767	--
	Ritika Bharwani	697,766	--
	Urvashi Bharwani	697,767	--
<b>C</b>	<b>Enterprises on which key management personnel or their relatives have significant influence - Jetking Smartrain Academy Pvt. Ltd.</b>		
1	Rent	600,000	50,000
2	Deposit paid	550,000	550,000
3	Balance (payable)/receivable as at year end	(476,400)	550,000

Note : As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel and their relatives is not ascertainable and, therefore, not included above.

**14. Leases:**

- The Company has taken various office premises under operating lease that are renewable on a periodic basis at the option of both the lessor and lessee.
- The future minimum lease payments as per the operating lease under non-cancellable lease terms are as follows:

Particulars	As at 31/03/2009 Rs.	As at 31/03/2008 Rs.
Not later than one year	8,184,576	5,845,716
Later than one year and not later than five years	9,886,664	8,491,630
Later than five years	-	-

The amount of minimum lease payments with respect to the above lease recognized in the profit and loss account for the year is Rs.11,011,588 (previous year Rs. 4,972,079).

Above disclosure is for leases entered after 1 April 2001, as per Accounting Standard (AS) - 19 'Leases' issued by the Institute of Chartered Accountants of India.

**15. Earnings per share:**

Particulars	Current Year	Previous Year
<b>Basic and diluted</b>		
Net profit after tax as per profit and loss account (Rs.)	124,447,778	98,470,907
Weighted average number of equity shares outstanding during the year (Nos.)	5,889,000	*5,889,000
Basic and diluted earnings per share (Rs.)	21.13	16.72
Nominal value of share (Rs.)	10	10

\* including bonus shares issued in the current year.

16. There is no impairment loss on fixed assets on the basis of review carried out by the management in accordance with Accounting Standard (AS) - 28 "Impairment of Assets" issued by The Institute of Chartered Accountants of India.

17. Additional information pursuant to Part II of Schedule VI to the Companies Act, 1956:

a) Quantitative details of education and training materials

Quantitative/ value information: (As certified by the management)

Particulars	Year ended 31 March 2009		Year ended 31 March 2008	
	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
<b>Opening stock</b>				
- Courseware	93,851	6,312,339	68,830	5,029,860
- Heathkit software	--	--	--	--
- Caliber software	--	--	--	--
- Information and other reference material	--	77,465	--	50,031
<b>Total</b>		<b>6,389,804</b>		<b>5,079,891</b>
<b>Purchase / Printed</b>				
- Courseware	536,237	48,819,628	504,773	36,609,380
- Heathkit software	28	3,951,415	--	--
- Caliber software	107	3,894,800	--	--
- Information and other reference material	--	1,700,556	---	888,589
Total		<b>58,366,399</b>		<b>37,497,969</b>

Particulars	Year ended 31 March 2009		Year ended 31 March 2008	
	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
<b>Sales / Own consumption</b>				
- Courseware	557,151	69,221,242	479,752	52,790,387
- Heathkit software	9	1,620,000	--	--
- Caliber software	35	1,750,000	--	--
- Information and other reference material	--	1,444,362	---	1,718,686
Total		<b>74,035,604</b>		<b>54,509,073</b>
<b>Closing stock</b>				
- Courseware	72,937	6,872,542	93,851	6,312,339
- Heathkit software	19	2,681,317	--	--
- Caliber software	72	2,620,800	--	--
- Information and other reference material	--	37,269	--	77,465
Total		<b>12,211,928</b>		<b>6,389,804</b>

b) **Expenditure in foreign currency:** (On remittance basis)

Particulars	Current year Rs.	Previous year Rs.
Traveling expenses	601,056	1,353,200
Training expenses	181,105	1,910,262
Professional fees	--	2,585,881
Membership and subscription	107,650	--
Purchase of courseware and other materials	3,281,262	--
<b>Total</b>	<b>4,171,073</b>	<b>5,849,343</b>

18. Disclosure in respect of provision pursuant to Accounting Standard (AS) - 29 "Provisions, Contingent Liabilities and Contingent Assets" issued by the Institute of Chartered Accountants of India (ICAI) is as under:

Particulars	Provision for doubtful debts	
	Current year Rs.	Previous year Rs.
Opening balance	73,040	551,931
Provided during the year	2,285,315	--
Utilized / written back during the year	73,040	(478,891)
Closing Balance	2,285,315	73,040

19. The Company is in the process of appointment of Company Secretary as required under Section 383A of The Companies Act, 1956.
20. Previous year's figures have been rearranged or regrouped, wherever considered to conform to the current year's presentation.

**"Signature to Schedules 1 to 14"**

As per our report of even date attached

**FOR SURESH SURANA & ASSOCIATES**

Chartered Accountants

**(Ramesh Gupta)**

PARTNER

Membership No. 102306

Mumbai, Dated : 9 June 2009

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

Suresh G. Bharwani

Nandu G. Bharwani

Mehul K Kuwadia

C. V. Ramana

Rohit Puri

Chairman and Managing Director

Joint Managing Director

Director

Director

Director

Mumbai, Dated : 9 June 2009

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**  
**(AS PER GSR NO. 388(E) [F NO. 3/24/94-CLV] DATED 15/05/1995)**

<b>I. Registration Details</b>			
Registration No.	:	L72100MH1983PLC127133	State Code: 11
Balance Sheet Date	:	31 March 2009	
<b>II. Capital Raised During the Year</b>	:	<b>(Amount in Rs. Thousands)</b>	
Public Issue	:	Nil	
Rights Issue	:	Nil	
Bonus Issue	:	19,630	
Private Placement	:	Nil	
<b>III. Position of Mobilisation and Deployment of Funds</b>	:	<b>(Amount in Rs. Thousands)</b>	
Total Liabilities		558,872	
Total Assets		558,872	
<b>Sources of Funds</b>			
Paid-up Capital	:	58,983	
Reserves and Surplus	:	196,196	
Secured Loans	:	207	
Unsecured Loans	:	Nil	
Deferred Tax Liability	:	5,219	
<b>Application of Funds</b>			
Net Fixed Assets	:	167,620	
Investments	:	95,330	
Net Current Assets	:	(2,345)	
Miscellaneous Expenditure	:	Nil	
profit and loss account (debit balance)	:		
<b>IV. Performance of Company</b>	:	<b>(Amount in Rs. Thousands)</b>	
Turnover and other income	:	478,028	
Total Expenditure	:	284,340	
(Net of increase / decrease in stocks)			
Profit /(Loss) before tax	:	193,688	
Profit /(Loss) after tax	:	124,448	
Earnings per share in Rs.			
Basic		21.13	
Diluted		21.13	
Dividend rate	:	Interim dividend 50% (on pre bonus capital)	
<b>V. Generic Names of Three Principal Products / Services of the Company</b>	:	<b>(As per monetary terms)</b>	
Item Code No.	:	Not Applicable	
(ITC Code)			
Product Description	:	IT Training in Hardware and Networking	





# Jetking®

India's No.1

Computer Hardware & Networking Institute

Regd.office: Jetking Infotrain Ltd., Bussa Udyog Bhavan, Tokersi Jivraj Road,  
Sewri(W), Mumbai-400 015.

Tel: 24156486 / 24156528 E-mail: ho@jetkinginfotrain.com

## FORM OF PROXY

I/We \_\_\_\_\_ of \_\_\_\_\_  
being Member/Members of the above Company having folio number \_\_\_\_\_  
appoint \_\_\_\_\_ of \_\_\_\_\_  
or failing him \_\_\_\_\_ of \_\_\_\_\_  
as my/our proxy to attend and vote for me/us on my/our behalf at the 25th Annual General Meeting of the  
Company to be held on Tuesday, 21st July 2009.

Re. 1/-  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of July, 2009.

*Note: The Proxy must be deposited at the Registered Office of the Company not  
less than 48 hours before the time of the meeting*

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Sewri(W), Mumbai-400 015.

Tel: 24156486 / 24156528 E-mail: ho@jetkinginfotrain.com

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

## ATTENDANCE SLIP

Name of the attending Member : \_\_\_\_\_

(In Block Letters)

Member's Folio Number : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_

(In Block Letters)

(To be filled in if the Proxy attends instead of the member)

No. Of shares held:

I hereby record my presence at the 25th Annual General Meeting of the Company at Hotel Ramee International, 757 , S.V.Road, Khar (West),Mumbai-400 052.

*Note: The copy of the the Annual Report may please be brought to the meeting hall.*

\_\_\_\_\_  
Member's/Proxy's Signature

