



**BOARD OF DIRECTORS**

<b>Laxmi Pershad Jaiswal</b>	-	Chairman
<b>Dhiraj Kumar Jaiswal</b>	-	Managing Director
<b>C K M Prasad</b>	-	Whole Time Director
<b>D Venkat Ram</b>	-	Director
<b>Dinesh Kumar Jaiswal</b>	-	Director
<b>Deepak Singh</b>	-	Director
<b>Vinod Kumar Sriram</b>	-	Director
<b>Syed Mohiuddin Ahmed</b>	-	Director

**AUDITORS**

-	<b>B.SRINIVAS RAO</b> Chartered Accountant 5-4-10, J.N.Road, Abids Hyderabad-500 001
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**BANKERS**

-	State Bank of India Bank of India HDFC Bank Development Credit Bank Ltd.
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**REGISTERED OFFICE :**

-	1st Floor, Champa Mansion, Nampally Station Road Hyderabad-500 001 Telephone : 040-23202769 / 23203943 Fax : 040-23204092 e-mail : info@cattechnologies.com
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**SHARE AND DEPOSITORY  
TRANSFER AGENTS :**

-	<b>AARTHI CONSULTANT PRIVATE LIMITED</b> H.No.1-2-285, Domalguda, Hyderabad-500029
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**NOTICE**

Notice is hereby given that the Fifteenth Annual General Meeting of the Members of the Company will be held on **THURSDAY, 30TH SEPTEMBER, 2010 at 11.00 A.M** at the Registered Office of the Company at 1st Floor, Champa Mansion, Nampally Station Road, Hyderabad – 500 001 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended on that date along with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Syed Mohiuddin Ahmed, who retires by rotation and being eligible, offer himself for re-appointment.
3. To appoint a Director in place of Mr. Vinod Kumar Sriram, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Deepak Singh, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

BY ORDER OF THE BOARD  
**For CAT TECHNOLOGIES LIMITED**

Place:Hyderabad  
Date: 26.08.2010

Sd/-  
**DHIRAJ KUMAR JAISWAL**  
Managing Director



**NOTES:**

- A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- B. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- C. Members/proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting. Copies of the Annual Reports will not be provided at the meeting.
- D. The Register of Members and Share Transfer Books of the Company will remain closed from **TUESDAY 28TH SEPTEMBER, 2010 TO THURSDAY, 30TH SEPTEMBER, 2010 (BOTH DAYS INCLUSIVE)**.
- E. Members are requested to notify any change in their addresses to the Company's Share and Depository Transfer Agents.
- F. Members are requested to convert their holdings into De-mat. The Company's ID with CDSL and NSDL is INE170B01037. The Company's Share and Depository Transfer Agents are M/s. Aarthi Consultants Private Limited.



## **DIRECTORS' REPORT**

To  
The Members

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2010.

### **REVIEW OF PERFORMANCE:**

#### **Global Operations**

Your Company has recorded a consolidated income of Rs.1594.18 millions for the Financial Year under review and profit of Rs. 621.96 millions Your Company has achieved robust growth for the year 2009-10 from the global IT Software and IT Enabled Services.

#### **Indian Operations**

During the financial year 2009-010 your Company recorded turnover of Rs. 82.88 millions and earned a net profit after tax of Rs. 3.01 millions compared to Turnover of Rs. 99.01 millions and net profit after tax of Rs. 22.99 millions during the previous financial year.

Your Board of Directors are hopeful that the performance of the Company will further improve in the coming financial years.

#### **DIVIDEND:**

Due to expansion plans of the Company, your Directors do not recommend any dividend for the financial year 2009-10.

#### **PUBLIC DEPOSITS:**

Your Company has not accepted any deposits falling under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules 1975 during the year.

#### **DIRECTORS:**

Mr. Syed Mohiuddin Ahmed, Deepak Singh and Mr. Vinod Kumar Sriram, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

#### **PARTICULARS OF EMPLOYEES:**

There are no employees whose particulars are to be furnished U/s 217 (2A) of the Companies Act, 1956 read with Companies Act (Particulars of employees) Rules 1988, as the remuneration of none of the employees has crossed the limits specified therein.



## DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors of your Company hereby confirm that:

- i. In the preparation of Annual Accounts for the year ended 31st March, 2010, the applicable accounting standards have been followed except for retirement benefits which is being accounted for on cash basis along with the proper explanation relating to material departures, if any, there from;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2010 and of the profit and loss of the Company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis.

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

Information in accordance with clause (e) of Sub-section (1) of Section 217 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and form part of the Directors Report for the period ended 31st March, 2010 is follows:

A.Conservation of Energy – Your Company is engaged in Software Development and IT Enabled Services and hence the details in respect of the above are not applicable. However, measures are taken to reduce energy consumption wherever possible.

B.Research & Development – Research and development of new services, designs, frameworks, processes and methodologies continue to be of importance at your Company. This allows Company to enhance quality and productivity and customer satisfaction through continuous innovation.

**C. Technology Absorption - Not Applicable**

**D. Foreign Exchange Earnings & Outgo: (Rs. in Lakhs)**

	2009-10	2008-09
Foreign Exchange earnings	851.19	916.66
Foreign Exchange outgo	4.71	1.68



**SUBSIDIARY COMPANIES:**

Pursuant to provisions of Section 212 of the Companies Act, 1956, the audited Balance Sheet and Profit and Loss account, auditor's report of subsidiary companies namely Cat Technology Inc and Cat Technology FZE are attached to the Audited Balance Sheet of the Company.

The Consolidated Financial Statements represented by the Company includes the Audited Financial Information of its subsidiaries.

**AUDITORS:**

B Srinivas Rao, Chartered Accountant, Hyderabad as Statutory Auditors of the Company retire at conclusion ensuing Annual General Meeting and has expressed his unwillingness for re-appointment as auditors of the company on statutory grounds. Further Company is in receipt of confirmation from Ramu & Ravi , Chartered Accountants, 814, Raghavaratna Towers, Chirag Ali Lane, Abids, Hyderabad. expressing their willingness for appointment as statutory auditor of the Company and confirmed that in the event of their re-appointment as statutory auditor at the ensuing Annual General Meeting, such appointment will be in accordance with the limits specified in Section 224 (1B) of the Companies Act, 1956.

Audit committee of company recommended for appointment of Ramu & Ravi,Chartered Accountants, 814, Raghavaratna Towers, Chirag Ali Lane, Abids, Hyderabad. and Board recommend their appointment.

**CORPORATE GOVERNANCE:**

a)Report on Corporate Governance: A separate report on Corporate Governance along with Auditor's Certificate on its compliance is enclosed as Annexure – II to this report.

b)Management Discussion & Analysis Report: Aspects of Management Discussion and Analysis is enclosed as Annexure – I to this report.

**ACKNOWLEDGEMENTS:**

Your Directors have pleasure in recording their appreciation for the assistance extended to the Company by various officials of the Central and State Governments and Commercial Banks.

Your Directors would also like to place on record their sincere appreciation and gratitude to the Shareholders for their support and co-operation. Your Directors express their heartfelt gratitude to the employees for their exceptional commitment and loyalty to the Company.

BY ORDER OF THE BOARD  
For **CAT TECHNOLOGIES LIMITED**

Sd/-  
**LAKSHMI PARSAD JAISWAL**  
CHAIRMAN

Place: Hyderabad  
Date: 26.08.2010



**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

**Name of the subsidiary** : **M/s. CAT TECHNOLOGY INC**

1. Financial year of the subsidiary ended on : 31st March, 2010
2. Shares of the subsidiary held by the Company on the above date
  - (a) Number and face value : 100 Common Shares US\$ 10/-  
Each fully paid-up
  - (b) Extent of holding : 100%
3. Net aggregate amount of profit or losses of the subsidiary for the above financial year of the subsidiary not dealt with in the Company's account so far as it concerns the members of the Holding Company
  - (a) For the financial year of the subsidiary : Rs. 3.37 Millions
  - (b) For the previous financial : Rs. 4.01 Millions
4. Net aggregate amount of profit or losses of the subsidiary for the above financial year of the subsidiary dealt with in the Company's account
  - (a) For the financial year of the subsidiary : NIL
  - (b) For the previous financial year : NIL

**Name of the subsidiary** : **M/s. CAT TECHNOLOGY FZE**

1. Financial year of the subsidiary ended on: 31st March, 2010
2. Shares of the subsidiary held by the Company on the above date
  - (a) Number and face value : Shares of Rs.10/-  
Each fully paid-up
  - (b) Extent of holding : 100%
3. Net aggregate amount of profit or losses of the subsidiary for the above financial year of the subsidiary not dealt with in the Company's account so far as it concerns the members of the Holding Company
  - (a) For the financial year of the subsidiary : Rs. 615.58 Millions
  - (b) For the previous financial : Rs. 50.27 Millions
4. Net aggregate amount of profit or losses of the subsidiary for the above financial year of the subsidiary dealt with in the Company's account
  - (a) For the financial year of the subsidiary : NIL
  - (b) For the previous financial year : NIL

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENTS**

Rapidly changing global economic and business conditions and rapid technological innovation are creating an increasingly competitive environment that is driving corporations to transform their operations globally. To address the changing needs, your Company is focusing on its core competencies and using strategic partners to manage their applications and products, improve productivity and manage operations more efficiently.

While the expectations of the customers have increased manifold there continues to be an increased motivation to satisfy the clients with improved quality of service and accelerated delivery schedules. The role of technology has evolved from supporting to transformation. The ability to design, develop, implement and maintain business and technology solutions, addressing the business and customer needs has become a competitive advantage and a priority. On the other hand, the prevalence of multiple technology platforms and a greater emphasis on network, data and information security and redundancy have increased the complexity and cost of IT systems, resulting in greater technological risks. There is a growing need for global companies to look for specialists with experience in their areas of business, technology and operations. The role of technology has evolved from supporting corporations to transforming them. There is an increasing need for highly skilled technology professionals in the markets in which we operate. At the same time, corporations are reluctant to expand their internal IT departments and increase costs. These factors have increased corporations reliance on their outsourced technology service providers and are expecting to continue to drive future growth for outsourced technology services.

**OPPORTUNITIES AND THREATS**

The advent of 2010 has signaled the revival of outsourcing within core markets, along with the emerging markets increasingly adopting outsourcing for enhanced competitiveness. Though full recovery is expected in two quarters, improved efficiency and changing demand outlook signifies early signs of recovery. The growth of IT and IT-enabled services in India by India companies is attributed to factors such as high-quality delivery, abundant skilled resources, low cost of delivery and Infrastructure development.

- According to the NASSCOM Strategic Review 2010, IT services is expected to grow by 2.4 percent in 2010 and 4.2 percent in 2011 as companies coming out of recession harness the need for information technology to create the competitive edge.
- Organisations expect IT to play a major role in reducing enterprise costs by changing business processes, workforce practices and information use.
- Government IT spending continues to rise across the world, focusing on infrastructure and security.

Even though India has a 51% market share of the off-shoring market, there is tremendous headroom for growth as current off-shoring market is a miniscule of the outsourcing industry. However, realization of the potential involves several challenges India faces currently, namely, rise in costs with wage inflation and increased attrition, heavy dependency on Tier-1 locations





which generate over 90% of the revenues, and concerns around security-both physical and data related, in service delivery. We believe in our competitive strengths and with our Global Delivery Model consider addressing the recession as an opportunity to provide greater value to existing clients and add new clients.

## **OUTLOOK OF THE COMPANY**

We began the year with a lot of apprehension and uncertainty, not knowing how long we would face the effects of the recession. Over the course of the year, we took a few firm steps towards being a disciplined and efficient organization. Though we saw revenue decline in beginning FY 2010, we still managed to show higher profits largely due to certain measures taken during the year. Going by the current demand, we expect that the trend of revenue will decline very soon and return to growth levels that we saw earlier.

Your Company is at the forefront of a new generation of offshore IT service providers that offer differentiated services and is adept in delivering specific business technology solutions. Its strength lies in its innate ability to understand the requirements of its clients and to continuously build the competencies and capabilities to provide integrated IT and BPO solutions unique to client specific needs and industry demands.

Your Company's unique capabilities are augmented by a clear understanding of industry trends and deep knowledge of global business models allows it to leverage strong partnerships, intrinsic technology innovations and talent to deliver excellence through global delivery.

Your Company's strength to invest in domains and technology capabilities ahead of the demand curve; to de-risk client engagements; and to differentiate through flexible business models and value added services. The Company focuses on bringing about business impact to its clients by maximizing returns on their investments in IT and Business Process Outsourcing.

Outsourcing the development, management and ongoing maintenance of technology platforms and solutions has become increasingly important. Your Company's strength lies in its innate ability to understand the requirements of its clients and to continuously build the competencies and capabilities to provide integrated IT and BPO solutions unique to client specific needs and industry demands.

The nature of technology outsourcing is changing. The Company is expanding its footprint and establishing operations in many countries. In order to enhance its ability to serve its customers better, the Company has been continuously expanding on its service and capabilities. The Company is building deep customer relationships and has a well diversified geographic spread. The Company's process capabilities and range of services provide a compelling value proposition for both existing and new customers.

Your Company has achieved good market reputation in the domain area of HR BPO, which is a high growth business area in the outsourcing space. BPO seeks to leverage the benefits of service delivery globalization, process design and technology to drive efficiency and cost effectiveness in customer business process. Your Company leverages strategic partnerships with global leaders in technology and business solutions, with the goal of providing clients with end-to-end business solutions.



Recognizing the need for scale and capacity in competing for large contracts against larger players, your Company is making substantial investments in expanding its base of people and world class infrastructure facilities.

We are continuously exploring opportunities to extend our competencies to tap adjacent markets and expand our customer base and offerings. In line with this strategy, we have identified market adjacencies like consumer/automotive electronics, where we see good fit and opportunity for Cat Technologies Limited. We plan to acquire new customers in these adjacencies so that revenue from these accounts should increase for the future.

## **DISCUSSION ON FINANCIAL/OPERATIONAL PERFORMANCE**

### **Global Operations**

Your Company has recorded a consolidated income of Rs.1594.18 Millions for the Financial Year under review and profit of Rs. 621.96 Millions Your Company has achieved robust growth for the year 2009-10 from the global IT Software and IT Enabled Services.

### **Indian Operations**

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Your Board of Directors are hopeful that the performance of the Company will further improve in the coming financial years.

## **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The Company has adequate internal control systems, procedures, checks designed to provide reasonable assurance on achievement of the objectives relating to efficiency and effectiveness of operations, reliability of financial reporting and compliance with applicable laws and regulations.

An Audit Calendar to cover major operational areas as suggested by the Board of Directors was evolved and the same has being adopted by the Management. The observations of the Auditors are reviewed at periodical intervals by the top management and the Audit Committee.

## **HUMAN RESOURCES**

The Company has its own system to control all its branches and divisions to ensure proper and adequate control, facility, transparency and accuracy. The employer – employee relationship has been cordial. The Company considers the quality of its human resources as its important asset and it endeavors to attract and recruit best possible talent and to retain and groom it to meet its needs. We believe that the quality and level of service that our professionals deliver are amongst the good in the industry.

The Company has a large pool of resources of domain experts, technology experts and a work force comprising of competent teams in various functional areas, with qualified managers having overseas projects experience.



## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is aimed at assisting the top management of the Company in the efficient conduct of the business and in meeting its obligation to stakeholders, and is guided by a strong emphasis on transparency, accountability and integrity. This improves public understanding of the structure, activities and policies of the organization. Consequently, the organization is able to enhance the trust and confidence of the stakeholders.

Given below is a brief report on the practice followed at CAT Technologies Limited towards achievement of good Corporate Governance.

### BOARD OF DIRECTORS

The present strength of the Board consists of 8 Directors, four of them are independent non-executive, and two are promoter Non-executive Directors, one is promoter Executive Directors and one Executive Director. Your Company has taken all necessary steps to strengthen the Board with Optimum combination of independent and promoter Directors. Board of Directors guides, direct and oversees overall management of the Company and protect interest of shareholders, employees and the society at large

During the financial year 2009-10, Seven (7) Board Meetings were held on the following dates:

30.04.2009	30.07.2009	28.08.2009	30.10.2009
06.11.2009	29.12.2009	30.01.2010	

Attendance of each Director at the Board meeting and last Annual General Meeting (AGM) and the number of Companies and committees where he is Director / Member (as on the date of Directors Report):

#### Composition of Board as on 31<sup>st</sup> March, 2010:

Sl.	Name of the Director	Category	Attendance at AGM	Attendance in		Other Boards	
				Board Meetings Held	Board Meetings attended	Director Ship	Committees
1.	Laxmi Pershad Jaiswal	Promoter and Non-Executive	YES	7	7	-	-
2.	Dhiraj Kumar Jaiswal	Promoter and Executive	YES	7	6	-	-
3.	Dinesh Kumar Jaiswal	Promoter and Non-Executive	YES	7	2	1	-
4.	C K M Prasad	Executive	YES	7	7	-	-
5.	D Venkatram	Non Executive Independent	YES	7	4	-	-
6.	Deepak Singh	Non-Executive Independent	YES	7	6	1	-
7.	Vinod Kumar Sriram	Non-Executive Independent	NO	7	7	-	-
8.	Syed Mohinuddin Ahmed	Non-Executive Independent	YES	7	6	1	-



## DETAILS OF DIRECTORS PROPOSED FOR APPOINTMENT

**Mr. Syed Mohiuddin Ahmed, Mr. Deepak Singh and Mr. Vinod Kumar Sriram** retires by rotation and being eligible, seek re-appointment.

Name of Director	Syed Mohiuddin Ahmed	Deepak Singh	Vinod Kumar Sriram
Date of Birth	15.08.1951	06-02-1972	01.07.1963
Age	59	38	47
Date of First Appointment	24.12.2007	24.12.2007	24.12.2007
Experience in Specific Functional Area	He Worked in Banking Sector over Two Decade in UAE and has vast knowledge of customers and conditions of gulf countries	He is having vast experience in Real estate and Financial Services.	He is having decade experience in Information Technology Services with specialization in IT Training and Development
No of Shares held in the Company	NIL	NIL	NIL
Qualification	Graduate	Graduate	Graduate

## AUDIT COMMITTEE

The primary objective of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency in financial reporting

### Role of Audit Committee

1. To oversee the Company's financial reporting process and disclosure of its financial information.
2. To recommend the appointment, re-appointment & removal of Statutory & Internal Auditors and fixation of the Audit Fee.
3. To review the Internal Control Systems, the scope of audit including observations of the Auditors, adequacy of the Internal Audit Function, Major accounting policies and practices, compliance with accounting standards and with the stock exchange and legal requirements concerning financial statements and related party transactions, if any.
4. To review the Company's financial and risk management policies and discuss with the internal auditors any significant findings for follow-up thereon.



5. To review the financial statements before submission to the Board of Directors.
6. To ensure that adequate mechanism for prevention & detection of frauds is in place.

◆ **Composition**

Audit Committee comprises of One Non-Executive Promoter Director and 2 Non-Executive Independent Directors and thus majority of them being Independent Directors. The head of Finance & Accounts, representatives of the Statutory Auditors are the permanent invitees to the Audit Committee.

Mr. Deepak Singh	-	Chairman
Mr. Laxmi Pershad Jaiswal	-	Member
Mr. Sairam Vinod Kumar	-	Member

Mr. Deepak Singh is Chairman of the Audit Committee is Independent Director with a strong financial accounting knowledge and experience.

◆ **Meetings and Attendance during the year**

The Audit Committee met five times during the financial year 2009-2010 on

30.04.2009	30.07.2009	28.08.2009	30.10.2009	30.01.2010
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The attendance record of the Audit Committee members is given below: /

Members	No. of Meetings held	Attended
Mr. Deepak Singh	5	5
Mr. Laxmi Pershad Jaiswal	5	5
Mr. Sairam Vinod Kumar	5	5

**REMUNERATION COMMITTEE**

**Terms of Reference:**

The terms of reference as per Clause 49 of the Listing Agreement is to determine and review the remuneration, performance, and related bonuses of Directors.

**Composition**

Remuneration Committee of the Company consists of following non-executive independent Directors, which is as follows:



Mr. Sairam Vinod Kumar	-	Chairman
Mr. Deepak Singh	-	Member
Mr. Syed Mohiuddin Ahmed	-	Member

### Details of remuneration paid to the Directors

Presently, the non-executive Directors do not receive any remuneration from the Company.

The aggregate value of salary and perquisites for the year ended 31.03.2010 to Executive Directors are as under:

Name of Director	Salary & Perks
Dhiraj Kumar Jaiswal	9,50,000
C K M Prasad	6,00,000

### SHARE HOLDERS AND INVESTOR GRIEVANCE COMMITTEE

#### ◆ Brief description of terms of reference:

To specifically look into and redress the investors' grievances received by the Company. The committee looks after the services of the Registrars and share transfer agents and recommends measures for providing efficient services to investors.

#### ◆ Composition

The following directors consists the above committee:

Mr. Laxmi Pershad Jaiswal	-	Chairman
Mr. D. Venkatram	-	Member
Mr. Deepak Singh	-	Member

The committee specifically looks after the services of the Registrars and share transfer agents and recommends measures for providing efficient services to investors. It resolves within reasonable time, various complaints received from the investors.

### OTHERS

(a) **Name and designation of Compliance officer:** Mr Dhiraj Kumar Jaiswal  
Managing Director



**(b) Details of Investor complaints received and redressed during the year:**

	Financial Year 2009 - 10		
	Received	Resolved	Pending
Complaints Received	12	12	Nil

**General Body Meetings**

◆ Location and time where the last three AGMs held:

Year	Location	Date	Time (A.M)	No of Speciale Resolutions
2008-09	1st Floor, Champa Mansion, Nampally Station Road Hyderabad – 500 001	30.09.2009	11.00	1
2007-08	1st Floor, Champa Mansion, Nampally Station Road Hyderabad – 500 001	27.09.2008	11.00	Nil
2006-07	1st Floor, Champa Mansion, Nampally Station Road Hyderabad – 500 001	28.09.2007	11.00	Nil

No Special Resolutions were passed through postal ballot at the Last Annual General Meeting (AGM) and no Special Resolutions are proposed through postal ballot at the ensuing Annual General Meeting.

**DISCLOSURES**

**CEO and CFO Certification:**

The Managing Director and Chief Financial Officer has given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement.

**Related Party Transactions:**

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large:

Transactions with related parties were disclosed in the Notes to Accounts in the Annual Report.



### Details of Non Compliance and Penalties:

There was no non-compliance by the Company during the last 3 years on any matter relating to capital markets and there were no penalties, strictures imposed on the Company by stock Exchange or SEBI or any statutory authority.

### Means of Communication:

Quarterly results and Annual Results of the Company are normally published in Telugu & English Newspaper. Further all material information which will have some bearing on the operation of the Company is sent to stock exchanges concerned.

### Management Discussion and Analysis Report:

As required by Clause 49 of the Listing Agreement, Management Discussion and Analysis report is a part of the Annual Report.

### GENERAL SHAREHOLDER INFORMATION

AGM: The 15th Annual General Meeting of the Company will be held on THURSDAY, 30TH SEPTEMBER, 2010 at 11.00 A.M at Registered Office of the Company at 1st Floor, Champa Mansion, Nampally Station Road, Hyderabad - 500 001.

#### • Financial Calendar:

First quarter Result	Last week of July, 2010
Second quarter results	Last week of October, 2010
Third quarter results	Last week of January, 2011
Fourth quarter results	Last week of April, 2011

- Book Closure Date: Tuesday, 28th September, 2010 to Thursday 30th September, 2010 (inclusive of both days)
- Dividend Payment Date : N.A.
- Listing on Stock Exchanges: The shares of the company are listed on the following Stock Exchanges:
  - i) Bombay Stock Exchange Limited
  - ii) Ahmedabad Stock Exchange Limited
  - iii) Madras Stock Exchange Limited
  - iv) Bangalore Stock Exchange Limited





Company's application for delisting with Ahmedabad Stock Exchange Limited and Bangalore Stock Exchange Limited is pending with the respective stock exchanges.

Your Company has paid the Annual Listing Fee to Bombay Stock Exchange Limited and Madras Stock Exchange Limited.

Global Depository Receipts of the Company are listed on Luxembourg Stock Exchange

- **Stock Code:** Bombay Stock Exchange Limited : 531682
- **Market Price Data:** High/Low during each month in last financial year on the Stock Exchange is as follows:

Month	Bombay Stock Exchange Limited	
	High	Low
April 2009	4.81	2.75
May 2009	6.15	4.25
June 2009	8.12	5.66
July 2009	8.30	5.89
Aug 2009	8.75	5.89
Sep 2009	11.50	7.10
Oct 2009	18.00	11.55
Nov 2009	18.05	10.33
Dec 2009	12.95	9.56
Jan 2010	11.60	8.82
Feb 2010	10.25	8.17
Mar 2010	12.40	9.40

- Registrar and Transfer Agents : M/s. Aarathi Consultants Private Limited  
1-2-285, Domalguda, Hyderabad-500029  
  
Phone: 040-27638111  
Fax: 040-27632184  
E-mail: info@aarthiconsultants.com

**• Share Transfer System:**

All the physical share transfers received are processed by the Share Transfer agents, M/s. Aarthi Consultants Private Limited. The Company's shares are being traded in compulsory De-mat form. The Company has already entered into agreement with both the depositories i.e. NSDL and CDSL, for dematerialisation of shares, which enables the shareholders to hold and transfer shares in electronic form

**SHAREHOLDING PATTERN AS ON 31ST MARCH, 2010:**

Sl No	Category	No. of Shares	% of Shareholding
1	Indian Promoters	4566209	5.75
3	Mutual Funds & UTI	-	-
4	Banks, Financial Institutions, Insurance Companies(Central/State Govt. Institutions/ Non-Govt. Institution)	15,200	0.02
5	FII's	1635550	2.06
6	Private Corporate Bodies	5651464	7.11
7	Indian Public	9719215	12.23
8	NRI's/OCB's / GDR	57848840	72.83
	<b>TOTAL</b>	<b>79436478</b>	<b>100.00</b>

**Distribution of Shareholding:****DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2010**

Sl.No	Category		No. of Holders	% of Holder	No. of Shares	% of Shares
	From Rs	To Rs				
1	Upto -	5,000	6081	68	1369658	1.72
2	5,001 -	10,000	1364	15	1224536	1.54
3	10,001 -	20,000	693	8	1160789	1.46
4	20,001 -	30,000	252	3	670795	0.84
5	30,001 -	40,000	104	1	375747	0.47
6	40,001 -	50,000	127	1	614823	0.77
7	50,001 -	1,00,000	169	2	1293064	1.63
8	Above -	1,00,000	165	2	72727066	91.55
	<b>Total</b>		<b>8955</b>	<b>100</b>	<b>79436478</b>	<b>100</b>



- **Dematerialization of shares and liquidity:**

The Company's shares are traded compulsorily in dematerialised form. In this connection, the Company has already entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the Company's ID is **INE170B01037**. The members are requested to dematerialize their physical holding in view of various advantages of holding the shares in dematerialized form. ]

**Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:**

**Global Depository Receipts (GDR):**

During financial year Company has successfully completed allotment of 15,95,333 GDR's Represented by 4,78,59,990 Equity shares of Rs. 10/- each on 6.11.2009.

The Outstanding GDR as on 31st March, 2010 is 3305996 represented by 57795528 equity Shares of Rs. 10/- each and it does not have impact on equity

**Address for correspondence:**

M/s. Aarhi Consultants Private Limited  
1-2-285, Domalguda,  
Hyderabad-500029  
Phone: 040-27638111  
Fax: 040-27632184  
E-mail: info@aarhiconsultants.com

**DECLARATION OF THE MANAGING DIRECTOR ON COMPLIANCE WITH CODE OF CONDUCT AND ETHICS:**

Cat Technologies Limited has adopted a Code of Business Conduct and Ethics ("the Code") which applied to all employees and Director of the Company. Under code, it is responsibility of all employees and Directors to familiarize themselves with the Code and Comply with its standards.

I hereby certify that the Board Members and senior management personnel of Cat Technologies Limited have affirmed compliance with the Code for the Financial Year 2009-10.

Sd/-  
**DHIRAJ KUMAR JAISWAL**  
MANAGING DIRECTOR



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

To  
The Members  
CAT Technologies Limited

I have examined the compliance of conditions of Corporate Governance by CAT Technologies Limited for the period ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges.

Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company, for ensuring the 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 my opinion and to the best of our information and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that no investor grievance complaint is pending for a period of exceeding one month against the Company as per the records maintained by the Shareholders' / investors' Grievance Committee.

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

Place: HYDERABAD.  
Date: 26.04.2010

Sd/-  
**(B.SRINIVAS RAO)**  
CHARTERED ACCOUNTANT  
Membership No. 201378



## **AUDITORS' REPORT**

The Share Holders,  
M/s. CAT TECHNOLOGIES LIMITED,  
Hyderabad.

I have audited the Balance Sheet of M/S. CAT TECHNOLOGIES LIMITED as at 31st March, 2010 and also the Profit and Loss Account 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 my audit.

I have conducted the audit in accordance with auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes, examination, on test basis, evidence supporting the amounts and the 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. I believe that my audit provides a responsible basis for my opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the central Government in terms of section 227 (4A) of the Companies Act, 1956, I give in Annexure a statement on the matters specified in Paragraphs 4 and 5 said order.

In my opinion, the Balance Sheet and Profit & Loss Account dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Company, 1956 in so far as they apply to Company.

Further to my comments given in the Annexure referred to in paragraph 3 above, I report that:

I have obtained all the information and explanations, which to the best of my / our knowledge and belief were necessary for the purpose of my audit.

In my opinion, proper books of accounts as required by Law have been kept by the Company so far as it appears from my examination of those books.

The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account.

In my opinion and based on information and explanations given to me, none of the directors are disqualified as on 31st March 2010 from being appointed as directors in terms of clause (g) of subsection (1) of section 274 of Companies Act, 1956.

In my opinion and to the best of my information and according to the explanations given to me, the said Balance Sheet together with the notes thereon, give the information required under the Companies Act, 1956 in the manner so required and give a true and fair view.



In the case of Balance Sheet, state of affairs of the Company as at 31st March 2010, and In case of Profit and Loss Account Profit/Loss for the year ended on 31.03.2010

In case of Cash Flow Statement, Cash flows for the year ended on 31.03.2010.

Place: HYDERABAD.  
Date: 26.04.2010

Sd/-  
**(B.SRINIVAS RAO)**  
CHARTERED ACCOUNTANT  
Membership No. 201378



**Annexure to the Auditors' Report**

(referred to in paragraph (3) of our Report of even date to the members of CAT Technologies Limited for the year ended 31/03/2010.)

**1. In respect of its fixed assets :**

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) I am informed that most of the fixed assets of the company have been physically verified by the management during the year which, in my opinion is reasonable having regard to the size of the company and the nature of assets and that no material discrepancies have been noticed on such verification.
  - c) None of the Fixed assets are disposed off during the year.
2. The Clause relating to physical verification and maintenance of proper records in respect of finished goods, stores, spare parts and raw material is not applicable since the Company is engaged in service industry.
- 3.
- a) The company has granted loans during the year to its subsidiary companies, firms and listed in the register maintained under section 301 of the Companies Act, 1956. The year end balances of such loans granted is Rs.43,52,67,226/- and the outstanding as on 31st March 2010 is Rs.67,35,38,563/- (including opening balance of Rs.23,82,71,337/-).
  - b) The Company has not taken any unsecured loans during the year and the outstanding balance as on 31st March 2010 is Rs.21,31,420/- which was taken from four parties listed in the Register maintained under section 301 of the Companies Act, 1956.
  - c) There is no stipulation regarding the payment/recovery of interest on unsecured loans taken/advances given. Other terms and conditions in this respect are prima-facie not prejudicial to the interest of the Company.
  - d) There are no specific stipulations regarding the repayment of the Loan and Interest amount in respect of the unsecured loan taken. However as per the information and explanations provided to us, the repayment of the loan has been made promptly as and when demanded. During the year, the Company has not paid any amount as interest to the parties covered in the register maintained under section 301 of the Act.
  - e) As per the information and explanations provided to us, there are no amounts overdue as on 31st March, 2010 in respect of unsecured loans taken.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and for the rendering of services. During the course of our audit no major weakness has been noticed in the internal controls.



5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts of arrangements entered in the register maintained under section 301 have been made at prices which are reasonable having regard to prevailing mark prices at the relevant time.
6. The Company has not accepted any deposits from the public with in the meaning of section 58A and 58M of the Companies Act, 1956 and the rules framed there under.
7. The Company has no internal audit system.
8. The Company is engaged in service industry and hence the clause regarding the maintenance of Cost Records is not applicable.
9. According to the records, the Company is regular in depositing the dues except with few delays with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and there are no statutory dues which have remained outstanding as at 31 March, 2010 for a period of more than six months.
10. The company was registered for a period of more than five years. The company has not incurred cash losses during the year and at the end of the immediately preceding financial year.
11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. There were no dues to financial institutions or debenture holders during the year.
12. Based on the examination of our records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Clause (xiii) of the MAOCAROorder is not applicable to the Company as the Company is not a chit fund company of nidhi /mutual benefit fund/society.
14. In our opinion, the Company is not dealing in / or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. According to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.





17. Based on the examination of documents and records made available and on the basis of information and explanations given to us, the Company has not raised any funds for short term and long term investments.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956.
19. No debentures have been issued by the Company during the year.
20. The Company has raised money from public through GDR issue. During the financial year the Company has successfully completed allotment of 15,95,333 GDR's Represented by 4,78,59,990 Equity shares of Rs.10/- each on 6.11.2009.
21. Based on the audit procedures performed and information and explanations given by management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place: HYDERABAD.  
Date: 26.04.2010

Sd/-  
**(B.SRINIVAS RAO)**  
CHARTERED ACCOUNTANT  
Membership No. 201378



## BALANCE SHEET AS AT 31-03-2010

PARTICULARS	SCH NO.	AS AT	
		31.03.2010 (Rs)	31.03.2009 (Rs)
<b>A. SOURCES OF FUNDS :-</b>			
<b>1. Share Holders Funds</b>			
Share Capital	1	794,364,780	315,764,880
Reserves & Surpluses	2	27,823,842	24,816,369
		822,188,622	340,581,249
<b>2. Loan Funds</b>			
Secured Loans	3	6,834,923	6,587,664
Unsecured Loans		2,131,420	2,077,328
		8,966,343	8,664,992
<b>3. Deferred Tax Liability</b>		3,036,593	2,314,832
		<b>834,191,558</b>	<b>351,561,072</b>
<b>B. APPLICATION OF FUNDS :-</b>			
<b>1. Fixed Assets</b>	4		
Gross Block		104,274,923	82,571,080
Less : Depreciation		50,055,372	40,821,983
Net Block		54,219,551	41,749,097
<b>2. Investments</b>	5		41,500,000
<b>3. Current Assets, Loans &amp; Advances</b>	6		
Current Assets		14,016,645	15,644,442
Sundry Debtors		65,616,543	52,471,877
Cash & Bank Balance		3,460,814	3,016,471
Loans & Advances		673,539,038	238,271,337
		756,633,040	309,404,127
<b>Less : Current Liabilities &amp; Provisions</b>	7	50,915,897	47,991,956
<b>Net Current Assets</b>		705,717,142	261,412,170
<b>4. Miscellaneous Expenditure</b> (To the extent not written off or adjusted)	8		6,899,802
		32,754,863	
		<b>834,191,558</b>	<b>351,561,072</b>
<b>5. Notes on Accounts &amp; Accounting Policies</b>	14		

As per my report of even date  
Sd/-

**(B.SRINIVAS RAO)**  
Chartered Accountant  
Membership No. 201378

for AND ON BEHALF OF THE BOARD  
Sd/-

**(Dhiraj Kumar Jaiswal)**  
Managing Director

Sd/-  
**(C.K.M. Prasad)**  
Wholt Time Director

PLACE : HYDERABAD  
DATE : 26-04-2010



## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

PARTICULARS	SCH NO.	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b><u>INCOME :</u></b>			
Operational Income	9	79,277,550	93,557,676
Other Income	10	3,598,834	5,449,865
<b>TOTAL: A</b>		<b>82,876,384</b>	<b>99,007,541</b>
<b><u>EXPENDITURE :</u></b>			
Financial Expenses	12	815,065	549,334
Personal Cost	11	46,886,055	41,488,297
Administrative Expenses	13	16,542,173	17,642,659
Depreciation	4	9,233,389	8,466,612
Preliminary Expenses Written Off	8	1,106,464	1,106,464
GDR Expenses Written Off	8	1,102,744	1,003,162
Advertisement Expenses Written Off - (Brand Building)	8	2,554,794	-
Club Corporate Membership Exp. Written Off	8	142,731	142,731
<b>TOTAL: B</b>		<b>78,383,415</b>	<b>70,399,259</b>
<b>Profit/(Loss) for the year (A-B)</b>		4,492,969	28,608,282
Less : Income Tax A.Y. 2008-09		28,908	3,234,990
Less : Fringe Benefit Tax A.Y. 2008-09		18,170	71,872
Less : Provision for Income Tax		716,656	-
Less : Provision for Deferred Tax		721,761	2,314,832
<b>Profit / (Loss) After Tax</b>		<b>3,007,474</b>	<b>22,986,587</b>
No. of weighted average of - Equity Shares outstanding		79,436,478	31,576,488
Earning per Share of Rs.10/- each (Both Basic and Diluted)		0.04	0.73

As per my report of even date

Sd/-

**(B.SRINIVAS RAO)**  
Chartered Accountant  
Membership No. 201378

for AND ON BEHALF OF THE BOARD

Sd/-

**(Dhiraj Kumar Jaiswal)**  
Managing Director

Sd/-

**(C.K.M. Prasad)**  
Whole Time Director

PLACE : HYDERABAD

DATE : 26.04.2010



## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2010

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
<b><u>Cash Flow From Operating Activities</u></b>		
Net Profit as per Profit & Loss A/c	4,492,969	28,608,282
<b><u>Depreciation &amp; Amortisations</u></b>		
Depreciation	9,233,389	8,466,612
Preliminary Expenses Written Off	1,106,464	1,106,464
GDR Issued Expenses Written Off	1,102,744	1,003,162
Advertisement Expenses (Brand Building) Written Off	2,554,794	
Corporate Membership Written Off	142,731	142,731
<b>Total - I</b>	<b>18,633,091</b>	<b>39,327,251</b>
<b><u>Changes in Current Assets and Current Liabilities</u></b>		
Current Investment	-	-
Deposits	1,627,797	(754,675)
Prepaid Expenses	-	-
Sundry Debtors	(13,145,141)	(11,063,441)
Loans & Advances	(435,267,226)	(3,813,272)
Current Liabilities	4,285,759	(1,542,795)
Bank Balances	(401,106)	1,262,089
Preliminary Expenditure	-	-
GDR Issue Expenditure	(17,987,822)	-
Corporate Membership	-	(713,656)
Brand Building (Advt Expenses)	(12,773,972)	-
Income Tax & FBT Of earlier period	(47,078)	-
Provisions	(1,361,818)	3,009,086
<b>Total - II</b>	<b>(475,070,608)</b>	<b>(13,616,665)</b>
Cash From Operating Activities (I + II)	(456,437,517)	25,710,586
Taxes	716,656	3,306,862
<b><u>Net Cash from Operating Activities</u></b> - A	<b>(457,154,173)</b>	<b>22,403,724</b>
<b><u>Cash Flow From Investing Activities</u></b>		
Purchase of Fixed Assets	(21,703,842)	(22,082,475)
Sale of fixed Assets	-	-
<b><u>Net Cash From Investing Activities</u></b> - B	<b>(21,703,842)</b>	<b>(22,082,475)</b>
<b><u>Cash Flow From Financing Activities</u></b>		
Equity Share Capital	478,599,900	-
Share Application Amount	-	(4,800,000)
Secured Loan	247,259	3,810,535
Unsecured Loan	54,092	874,828
<b><u>Net Cash From Financing Activities</u></b> - C	<b>478,901,251</b>	<b>(114,637)</b>
<b>Net Cash Generation (A+B+C)</b>	<b>43,237</b>	<b>206,612</b>
<b>Opening Cash Balance As On 01-04-2009</b>	<b>2,631,822</b>	<b>2,425,211</b>
<b>Closing Cash Balance As On 31-03-2010</b>	<b>2,675,059</b>	<b>2,631,822</b>

As per my report of even date

for AND ON BEHALF OF THE BOARD

Sd/-

**(B.SRINIVAS RAO)**

Chartered Accountant

MembershipNo. 201378

PLACE : HYDERABAD

DATE : 26.04.2010

Sd/-

**(Dhiraj Kumar Jaiswal)**

Managing Director

Sd/-

**(C.K.M. Prasad)**

Whole Time Director



### SCHEDULE FORM PART OF THE BALANCE SHEET AS ON 31-03-2010

PARTICULARS	AS ON	
	31.03.2010 (Rs)	31.03.2009 (Rs)
<b><u>SCHEDULE - 1</u></b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL</b>		
Authorised Capital 12,00,00,000 Equity Shares of Rs.10/- each	1,200,000,000	1,200,000,000
Issued, Subscribed & Paid up 79436478 Equity Shares of Rs.10/- each fully paid up	794,364,780	315,764,880
	<b>794,364,780</b>	<b>315,764,880</b>
<b><u>SCHEDULE - 2</u></b>		
<b>Reserves &amp; Surplus</b>		
Equity Share Premium	<b>1,400,000</b>	<b>1,400,000</b>
Profit & Loss Account		
Opening Balance (Loss)	23,416,369	429,781
Less : Profit before tax for the Year	4,492,969	28,608,282
	27,909,338	29,038,063
Less : Income Tax, FBT & Deferred Tax Liability for current year	1,485,495	5,621,694
<b>Total</b>	<b>26,423,842</b>	<b>23,416,369</b>
<b>Net Profit (Tr.to Balance Sheet)</b>	<b>26,423,842</b>	<b>23,416,369</b>
Reserves & Surplus (Tr.to Balance Sheet)	27,823,842	24,816,369
<b><u>SCHEDULE - 3</u></b>		
<b>Secured Loans</b>		
Bank OD	5,395,543	5,114,495
HDFC Bank (Innova Car)	367,281	607,445
Magma Leasing & Finance (P) Ltd	587,249	865,724
HDFC Bank (Swift Dzire)	484,850	-
	<b>6,834,923</b>	<b>6,587,664</b>
Un-Secured Loans	2,131,420	2,077,328
	<b>2,131,420</b>	<b>2,077,328</b>



**FIXED ASSETS SCHEDULE - " 4 " AS ON 31.03.2010**

Sl. No.	NAME OF THE ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST AS AT 01-04-2009	ADDITIONS		TOTAL AS AT 31-03-2010	DEP. As On 01-04-2009	DEP the Year 31-03-2010	Written Back	TOTAL Dep. As On	WDV As At 31-03-2010	WDV As At 31-03-2009
			BEFORE 30-9-2009	AFTER 30-09-2009							
1	Air Conditioners	1,284,630	-	-	1,284,630	190,560	61,020	0	251,580	1,033,050	1,094,070
2	Buildings	22,073,494	3,633,305	0	25,706,799	1,072,193	359,798	0	1,431,991	24,274,808	21,001,301
3	Land	-	1,916,250	0	1,916,250	-	-	0	-	1,916,250	-
3	Computer	24,047,086	318,595	0	25,005,936	20,232,466	3,982,558	0	24,215,024	790,912	3,814,620
4	Electrical Fittings	1,090,286	132,292	0	1,288,407	117,296	57,337	0	174,633	1,093,774	972,990
5	EPABX Machine	284,197	-	0	284,197	66,856	13,499	0	80,355	203,841	217,341
6	Furniture & Fixtures	7,978,596	170,000	0	8,148,596	2,907,980	513,993	0	3,421,973	4,726,623	5,070,616
7	Vehicle	2,999,052	-	0	2,999,052	1,670,691	486,146	0	2,156,837	842,215	1,328,361
8	Office Equipment	2,065,291	363,380	0	2,434,969	256,194	152,535	0	408,729	2,026,240	1,809,097
9	Water Cooler	13,500	-	0	13,500	3,168	641	0	3,809	9,691	10,332
10	Xerox Machine	1,612,000	-	0	1,612,000	382,430	76,570	0	459,000	1,153,000	1,229,570
11	Software	17,635,373	13,726,533	0	31,361,906	13,634,008	3,302,966	0	16,936,974	14,424,932	4,001,365
12	Refrigerator	10,100	-	0	10,100	1,608	480	0	2,088	8,012	8,492
13	Generator	212,000	-	0	212,000	85,466	10,070	0	95,536	116,464	126,534
14	Innova Car	1,236,084	-	0	1,236,084	200,369	200,369	0	400,738	835,346	1,035,715
15	Maruti Suzuki Swift	-	751,105	0	751,105	-	14,010	0	14,010	737,095	-
16	Water Motor	29,392	-	0	29,392	698	1,396	0	2,094	27,298	28,694
	<b>TOTAL</b>	<b>82,571,080</b>	<b>984,267</b>	<b>20,719,575</b>	<b>104,274,923</b>	<b>40,821,983</b>	<b>9,233,389</b>	<b>-</b>	<b>50,055,372</b>	<b>54,219,551</b>	<b>41,749,097</b>
	<b>Previous Year</b>	<b>60,488,605</b>	<b>11,075,490</b>	<b>11,006,985</b>	<b>82,571,080</b>	<b>32,355,371</b>	<b>8,466,612</b>	<b>-</b>	<b>40,821,983</b>	<b>41,749,097</b>	<b>28,133,234</b>



## SCHEDULE FORM PART OF THE BALANCE SHEET AS ON 31-03-2010

PARTICULARS	AS ON	
	31.03.2010 (Rs)	31.03.2009 (Rs)
<b><u>SCHEDULE - 5</u></b>		
<b>Investments :</b>		
100% Stake in Cat Technology Inc	40,000,000	40,000,000
100% Holding in Cat Technology Fze	1,500,000	1,500,000
	<b>41,500,000</b>	<b>41,500,000</b>
<b><u>SCHEDULE - 6</u></b>		
<b>Current Assets, Loans &amp; Advances</b>		
<b>a) Current Assets</b>		
Deposits	14,016,645	15,644,442
	14,016,645	15,644,442
<b>Sundry Debtors</b>		
(Unsecured and considered good)		
Debt outstanding for a period of exceeding six months	-	-
Other Debts	65,616,543	52,471,877
	65,616,543	52,471,877
<b>Cash &amp; Bank Balances</b>		
Cash in Hand	2,675,059	2,631,822
Balances with Scheduled Banks	785,755	384,649
	3,460,814	3,016,471
<b>b) Loans &amp; Advances</b>		
(unsecured and considered good)		
Advances, Deposits & Other Debit Balances	12,930,387	238,266,285
Unsecured Loans to Subsidiaries	660,605,576	-
TDS	3,075	5,052
	673,539,038	238,271,337
<b>Total Current Assets, Loans &amp; Advances</b>	<b>756,633,040</b>	<b>309,404,127</b>
<b><u>SCHEDULE - 7</u></b>		
<b>Current Liabilities &amp; Provisions</b>		
<b>a) Current Liabilities</b>		
Sundry Creditors	20,219,036	1,393,019
TDS Payable	358,992	332,759
Cat Technology Fze	-	4,475,403
Dinesh Kumar Jaiswal (USA)	24,180,661	34,271,750
	44,758,689	40,472,931



### SCHEDULE FORM PART OF THE BALANCE SHEET AS ON 31-03-2010

PARTICULARS	AS ON	
	31.03.2010 (Rs)	31.03.2009 (Rs)
<b>b) Provisions</b>		
Provision for Income Tax	716,656	32,34,990
Provision for FBT	-	71,872
Provision for Expenses	5,440,551	4,212,163
	6,157,207	7,519,025
<b>Total Current Liabilities &amp; Provisions</b>	<b>50,915,897</b>	<b>47,991,956</b>
<b>SCHEDULE - 8</b>		
<b>Miscellaneous Expenditure</b>		
(To the extent not written off or adjusted)		
Goodwill	17,489,911	-
Preliminary Expenses	3,319,392	4,425,856
GDR Issue Expenditure	3,009,485	4,012,647
GDR Issue Expenditure 2009-10	497,911	-
Advertisement Expenditure (Brand Building)	12,773,972	-
Nizam Club Corporate Membership	570,925	713,656
	<b>37,661,596</b>	<b>9,152,159</b>
Less : Preliminary Expenses Written Off	1,106,464	1,106,464
Less : GDR Issue Expenditure Written Off	1,102,744	1,003,162
Less: Advertisement Expenses (Brand Building) Written Off	2,554,794	-
Less : Nizam Club Corporate Memb. Written Off	142,731	142,731
	<b>32,754,863</b>	<b>6,899,802</b>





## SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

PARTICULARS	FOR THE YEAR ENDED ON	
	31.03.2010 (Rs)	31.03.2009 (Rs)
<b><u>SCHEDULE - 9</u></b>		
<b>Income from Operations</b>		
Training Income	538,116	244,107
Software Development & Consulting Services	71,971,159	84,939,375
Medical Transcription Receipts	6,768,275	8,374,194
	<b>79,277,550</b>	<b>93,557,676</b>
<b><u>SCHEDULE - 10</u></b>		
<b>Other Income</b>		
Interest Received	28,028	38,698
Other Income	1,430,863	1,054
Gross Receipts from Dubai	-	337,605
Interest Received from Euram Bank	1,310,660	-
Foreign Exchange Realisation Profit	829,383	5,072,509
	<b>3,598,834</b>	<b>5,449,865</b>
<b><u>SCHEDULE - 11</u></b>		
<b>Personal Cost</b>		
Salaries	43,392,266	39,897,060
Provident Fund	685,404	38,316
Staff Welfare	469,225	293,514
Remuneration to Directors	1,550,000	1,110,000
Professional Tax	174,410	-
Staff Training Expenses	47,914	-
ESI	566,836	149,407
	<b>46,886,055</b>	<b>41,488,297</b>
<b><u>SCHEDULE - 12</u></b>		
<b>Financial Charges</b>		
Bank Interest	704,820	502,364
Interest on Hire Purchase	110,245	46,773
Finance Charges Paid	-	196
	<b>815,065</b>	<b>549,334</b>



### SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT

PARTICULARS	FOR THE YEAR ENDED ON	
	31.03.2010 (Rs)	31.03.2009 (Rs)
<b>SCHEDULE - 13</b>		
<b>Administrative &amp; Other Expenses</b>		
Rent, Rate Taxes and License Fees	4,926,000	4,869,600
Advertisement	64,834	65,713
Business Promotion Expenses	338,900	-
Internet & E-Mail Charges	2,136,561	2,807,641
Printing & Stationery	232,925	635,886
Electricity Charges	2,624,533	2,964,085
Postage	29,040	26,015
Repairs & Maintenance	476,321	759,146
Tours, Travelling & Conveyance	540,954	1,321,136
Audit Fees	82,725	66,180
Fees & Filing Charges	607,222	333,726
Bank Charges	209,197	366,138
AGM & EGM Expenses	46,250	49,000
Office Maintenance	184,825	293,665
Telephone Expenses	1,323,842	129,444
Books & Periodicals	11,243	4,095
Insurance Charges	64,108	11,441
Professional Charges	527,304	1,977,601
Conveyance	13,764	16,729
Water Charges	117,100	96,840
Transportation Charges	2,490	8,815
Interest on TDS	57,806	42,886
AMC Charges	115,815	10,000
Miscellaneous Expenses	17,370	23,640
Donations	-	6,500
Generator Maintenance	116,210	9,710
Labour Charges	-	150,480
Painting Charges	45,000	-
Listing Fees (Luxemburg)	471,137	167,725
Loan Processing Fees	-	60,675
Property Tax	381,218	367,934
Security Charges	107,946	-
Consultancy Charges	669,533	-
Stamp Duty	-	213
	<b>16,542,173</b>	<b>17,642,659</b>



## **ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS**

### **SCHEDULE 14**

#### **A. SIGNIFICANT ACCOUNTING POLICIES**

##### **1. GENERAL**

- a) The accounts have been prepared on historical cost basis ignoring changes, if any, in the purchasing power of money and on accounting principles of going concern.
- b) All revenues and expenses are accounted on accrual basis, except to the extent stated other wise.
- c) Accounting policies not specifically referred to otherwise are consistent and in consonanc with generally accepted accounting principles.

##### **2. FIXED ASSETS**

- a) Fixed Assets are stated at cost of acquisition as reduced by accumulated depreciation.
- b) The Cost of assets includes direct/indirect and incidental cost incurred to bring them into their present location and condition.

##### **3. DEPRECIATION**

- a) Depreciation on fixed assets except intangible asset (Software) has been provided on Straight Line Method on prorata basis at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 except assets not put to use.
- b) Depreciation on intangible asset (Software) is charged at the rate of 33.33% by taking the useful life as three years.

##### **4. GOODWILL**

The Purchased goodwill has to be written off over a period of 5 years.

##### **5. PRELIMINARY AND PUBLIC ISSUE EXPENSES**

Preliminary Expenditure and Public issue expenses are written off over a period of ten years.

#### **B. NOTES ON BALANCE SHEET AND PROFIT & LOSS ACCOUNT**

##### **1. GRATUITY**

Liability in respect of gratuity and leave encashment benefit on retirement is accounted for as and when paid.



## 2. DETAILS ABOUT SMALL SCALE INDUSTRIES

The Company has no amount due to Small Scale Industries exceeding Rs.1,00,000/-

## 3. PAYMENT TO AUDITORS

PARTICULARS	CURRENT YEAR (Rs)	PREVIOUS YEAR (Rs)
a) Audit Fees	55,000	40,000
b) Tax Audit Fees	20,000	20,000
c) Service Tax	7,725	6,180
<b>Total</b>	<b>82,725</b>	<b>66,180</b>

## 4. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3, 4C & 4D OF PART II OF SCHEDULE VI TO THE COMPANIES ACT,1956.

PARTICULARS	Current Year (Rs. in Lacs)
a) Value of imports calculated on F.O.B.basis	NIL
Value of exports Calculated on F.O.B. basis (Software Development & Consulting Services)	786.70
c) Information required under Para 4 (C) of Part II of Schedule VI of the Companies Act. 1956 to the extent applicable	
a) The Licensed Capacity	-
b) The Installed Capacity	-
c) The Actual Production	-
	N.A.
	N.A.
	N.A.

## 5. GENERAL

- Revenue for the period is generated mainly from Information Technology Services.
- Previous Year figures have been regrouped and/or reclassified wherever necessary.
- Balance of Debtors/Creditors are subject to confirmation and reconciliation if any, they are taken as per Books.
- Buildings are not yet registered in the name of the Company.
- The interest income earned outside India has been considered. Hence the financial statements are revised.



## 6. CONTINGENT LIABILITIES - NIL

## 7. SEGMENT REPORTING

The Company's exclusive business is Medical Transcription, Training Software Development and Consulting Services as such this is the only reportable segment as per Accounting Standard - 17 on Segment Reporting issued by the Institute of Chartered Accountants of India. As the Company consider whole of India as a single geographical segment, the disclosures related to secondary segments are not relevant for the Company.

## 8. RELATED PARTY DISCLOSURES

List of related parties with whom transactions have taken place during the year:

- |    |   |  |
|----|---|--|
| a) | Associates :  | CAT Degree College<br>CAT Technology Inc<br>CAT Technology FZE<br>Espirit Technologies Pvt Ltd<br>Veteran Typewriting Institute & Xerox Centre |
| b) | Relatives of Directors :  | Mrs.Nisha Jaiswal<br>Mrs.Namrita Jaiswal<br>Mrs.Muneerosmani   |
| c) | Key Managerial Personnel :  | Mr.Dhiraj Kumar Jaiswal - Managing Director<br>Mr. C.K.M. Prasad - Wholetime Director  |
| d) | Related Party Relationships have been identified by the Management and relied upon by the Auditors. |  |

## 9. DEFERRED TAXATION

Tax Liability (Including Fringe Benefit Tax) of the Company has been estimated considering the provisions of The Income Tax Act, 1961.

The Company has recognized Deferred Tax Liability as per Accounting Standard - 22 issued by the Institute of Chartered Accountants of India. The amount of the deferred tax liability has been reflected in the financial statements of the company.

10. The value of Exports realized during the year in different currencies and converted to Indian Rupees is Rs.851.19 lakhs and Expenditure incurred in Foreign Currencies converted to Indian Rs.4.71 lakhs
11. Some Assets of which the Company is the beneficial owner are pending for transfer in the name of the Company and for which necessary steps are being taken.



12. As stipulated in AS-28, the Company assessed potential generation of economic benefits from its Business units and is of the view that Assets employed in continuing business are capable of generating adequate returns over the useful lives in the usual course of business. There is no indication to the contrary and accordingly the Management is of the view that no impairment provision is called for in these accounts.

**SIGNATURES TO SCHEDULES 1 TO 13**

As per my report of even date

Sd/-

**(B.SRINIVAS RAO)**

Chartered Accountant

Proprietor

M.No. 201378

for AND ON BEHALF OF THE BOARD

Sd/-

**(Dhiraj Kumar Jaiswal)**

Managing Director

Sd/-

**(C.K.M. Prasad)**

Whole Time Director

PLACE : HYDERABAD

DATE : 26.04.2010



**ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF COMPANIES ACT 1956**

**Balance Sheet Abstract and Company's Business Profile**

**(a) Registration Details**

Registration No.	35317	State Code	01
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**(b) Capital issued during the year**

Public Issue Bonus Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

**(c) Position of Mobilisation and Deployment of funds**

<b>TOTAL LIABILITIES</b>		<b>TOTAL ASSETS</b>	
Paid up Capital	: 79,43,64,780/-	Net Fixed Assets	: 5,42,19,551/-
Share Application Money	: NIL	Investments	: 4,15,00,000/-
Reserves and Surplus	: 2,78,23,842/-	Net Current Assets	: 70,57,17,142/-
Secured Loan	: 68,34,923/-	Misc. Expenditures	: 3,27,54,863/-
Unsecured Loan	: 21,31,420/-		

**PERFORMANCE OF THE COMPANY :(Amt In Rs.)**

Gross Turnover & Receipts	: 8,28,76,384/-
Total Expenditure	: 7,83,83,415/-
Profit(Loss) before tax	: 44,92,969/-
Extraordinary Items	: -- NIL --
Less : Provision for Tax	: 7,16,656/-
Profit(Loss) after tax	: 37,76,313/-
Less : Previous Year Taxes Paid & Deferred Tax	: 7,68,839/-
Net Profit after deductions	: 30,07,474/-
Earning Per Share	: 0.04

**(d) Generic name of the principal product/service of the company**

Item No. (ITC Code)	Nil
Product Description	Information Technology Services IT Enabled Services

As per my report of even date for AND ON BEHALF OF THE BOARD

Sd/-

**(B.SRINIVAS RAO)**  
Chartered Accountant  
Membership No. : 201378

Sd/-

**(Dhiraj Kumar Jaiswal)**  
Managing Director

Sd/-

**(C.K.M. Prasad)**  
Whole Time Director

PLACE : HYDERABAD  
DATE : 26.04.2010