

16th Annual Report 2005 - 2006

BOARD OF DIRECTORS

Mr B C Rastogi	<i>Non-Executive & Independent Chairman</i>
Mr Ashok Bhatnagar	<i>Non-Executive & Independent</i>
Mr B B Medhi	<i>Non-Executive & Independent</i>
Mr. K.C.Gupta	<i>Managing Director & CEO</i>
Mr. Y.K.Agrawal	<i>Executive Director & CFO</i>

COMPANY SECRETARY

Mr. Paresh Kumar Singh

COMMITTEES OF BOARD

AUDIT COMMITTEE

Mr. Ashok Bhatnagar	<i>Chairman</i>
Mr. B B Medhi	<i>Member</i>
Mr. B C Rastogi	<i>Member</i>
Mr. Y K Agrawal	<i>Member</i>
Mr. Paresh Kumar Singh	<i>Member Secretary</i>

SHAREHOLDERS' GRIEVANCES & SHARE TRANSFER COMMITTEE

Mr B C Rastogi	<i>Chairman</i>
Mr. K C Gupta	<i>Member</i>
Mr. Y. K. Agrawal	<i>Member</i>
Mr. Paresh Kumar Singh	<i>Member Secretary</i>

REMUNERATION COMMITTEE

Mr. Ashok Bhatnagar	<i>Chairman</i>
Mr. B B Medhi	<i>Member</i>
Mr. B C Rastogi	<i>Member</i>
Mr. Paresh Kumar Singh	<i>Member Secretary</i>

REGISTERED OFFICE

7, Jagriti Enclave, Vikas Marg, Delhi - 110 092

CORPORATE OFFICE

113, Udyog Vihar, Phase I, Gurgaon-122016

BANKERS

American Express Bank Ltd
Hamilton House, Cannought Place, New Delhi
ICICI Bank Ltd
Sector 14, Gurgaon

AUDITORS

Mudit Gupta & Co.
Chartered Accountants,
203 A, Triveni Plaza,
17 A / 57, W.E.A, Karol Bagh, New Delhi – 110 005

REGISTRAR & SHARE TRANSFER AGENTS

PHYSICAL & ELECTRONIC REGISTRAR

M/s MAS Services Private Limited
AB-4, Safdurjung Enclave, New Delhi- 110029

TRITON CORP LIMITED

NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of Triton Corp Limited will be held on Saturday, the 30th September, 2006 at 11.30 A.M at 64A, Adhyapak Nagar, Suraj Complex, Najafgarh Road, Nangloi, New Delhi 110041 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2006 and Profit & Loss Account for the period ended on that date and report of Auditor's and Director's thereon.
2. To appoint a Director in place of Mr. K C Gupta, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Y K Agrawal, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors of the Company to hold office until the conclusion of the next Annual General Meeting on remuneration plus out of pocket expenses in connection with the Company's audit to be fixed by the Board of Directors.

M/s Mudit Gupta & Co., Auditors of the Company, the retiring auditors, although being eligible, have not offered themselves for reappointment.

M/s K G Somani & Co., Chartered Accountants, New Delhi who are otherwise eligible have offered themselves to be appointed as auditors of the Company.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an **Ordinary Resolution**:
"RESOLVED that pursuant to the provisions of Sec 257 of the Companies Act, 1956 Mr. B C Rastogi, be and is hereby appointed as a Director of the Company, liable to retire by rotation"
6. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sec 257 of the Companies Act, 1956 Mr. Ashok Bhatnagar, be and is hereby appointed as a Director of the Company, liable to retire by rotation"
7. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sec 257 of the Companies Act, 1956 Mr. B B Medhi, be and is hereby appointed as a Director of the Company, liable to retire by rotation"
8. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:
"RESOLVED that in accordance with the provisions of Sections 198, 269, 309 and 310 read with Section II of Part II of Schedule XIII of the Companies At, 1956, the consent of the Company be and is hereby accorded to the payment of revised remuneration to Mr. K C Gupta, Managing Director of the Company with effect from 01/06/2006 in the manner as set out in the Resolution dated 29/06/2006 passed by the Board of Directors."
9. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:
"RESOLVED that in accordance with the provisions of Sections 198, 269, 309 and 310 read with Section II of Part II of Schedule XIII of the Companies At, 1956, the consent of the Company be and is hereby accorded to the payment of revised remuneration to Mr. Y K Agrawal, Executive Director of the Company with effect from 01/06/2006 in the manner as set out in the Resolution dated 29/06/2006 passed by the Board of Directors."

By order of the Board
For **Triton Corp Limited**

Sd/-
(Paresh Kumar Singh)
Company Secretary

Place : Gurgaon
Date : 1st September, 2006

NOTES:

1. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of resolutions set out under items no. 5-9 above is annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend & vote instead of himself. Such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company at its registered office not less than

TRITON CORP LIMITED

48 hours before the meeting.

3. Member/ Proxy holder must bring the Attendance Slip to the meeting and hand it over at the entrance after duly signing the same.
4. Members are requested to bring copies of Annual Report at the meeting as a measure of economy.
5. The Register of members and Share Transfer Books of the Company will be closed on Tuesday, the 5th day of September 2006 and Wednesday, the 6th day of September, 2006.
6. Members desiring any information on the accounts of the Company and its operation may write to the Company at its Registered Office at least 15 days before the meeting so that the desired information may be conveniently provided at the meeting.
7. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold the shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.

By order of the Board
For **Triton Corp Limited**

Sd/-
(Paresh Kumar Singh)
Company Secretary

Place : Gurgaon
Date : 1st September, 2006

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

ITEM NO. 5

According to provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company Mr. B C Rastogi was appointed as Additional Director on the Board of the Company on 28.01.2006.

He will hold office as Director up-to the date of ensuing Annual General Meeting. The Company has received notice from a member along with the requisite fee proposing the candidature of Mr. B C Rastogi as the Director as required under Section 257 of the Companies Act, 1956.

None of the Directors except Mr. B C Rastogi is interested or concerned in the respective resolution in which his appointment is proposed.

The Board considers it desirable that the Company should continue to avail the guidance and advice of Mr. B C Rastogi and recommend the resolution for approval of the shareholders.

ITEM NO. 6

According to provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company Mr. Ashok Bhatnagar was appointed as Additional Director on the Board of the Company on 30.12.2005.

He will hold office as Director up-to the date of ensuing Annual General Meeting. The Company has received notice from a member along with the requisite fee proposing the candidature of Mr Ashok Bhatnagar as Director as required under Section 257 of the Companies Act, 1956.

None of the Directors except Mr. Ashok Bhatnagar is interested or concerned in the respective resolution in which his appointment is proposed.

The Board considers it desirable that the Company should continue to avail the guidance and advice of Mr. Ashok Bhatnagar and recommend the resolution for approval of the shareholders.

ITEM NO. 7

According to provisions of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company Mr. B B Medhi was appointed as Additional Director on the Board of the Company on 30.12.2005.

He will hold office as Director up-to the date of ensuing Annual General Meeting. The Company has received notice from a member along with the requisite fee proposing the candidature of Mr B B Medhi as Director as required under Section 257 of the Companies Act, 1956.

None of the Directors except Mr. B B Medhi is interested or concerned in the respective resolution in which his appointment is proposed.

The Board considers it desirable that the Company should continue to avail the guidance and advice of Mr. B B Medhi and recommend the resolution for approval of the shareholders.

TRITON CORP LIMITED

ITEM NO. 8

In view of the wide experience and new responsibilities of CEO of saffron Global, an IT and BPO division of the Company, taken up by him and on recommendation of the remuneration committee vide its resolution dated 31.05.2006 the Board of Directors vide its resolution dated 29/06/2006 had revised the remuneration and other perquisites payable to Mr.K.C.Gupta as Managing Director of the Company on the terms and conditions including as to remuneration, perquisite, benefits and facilities which is comparable and in tune with the remuneration payable to chief executives in the IT and BPO industry. The abstract of variation in terms and condition of the appointment of Mr. K.C.Gupta and the Memorandum of interest pursuant to Section 302 of the Companies Act, 1956 have already been sent to the members and other statutory agencies. The extracts of modification of remuneration and other perquisites payable to Mr K C Gupta w.e.f. 01.06.2006 are as follows:

Basic Salary	:	Rs. 1,60,000/- per month
House Rent Allowance	:	Rs. 33,500/- per month
TOTAL		Rs. 193,500/- per month

Further, Mr K C Gupta will also be entitled for reimbursement of actual expenses of petrol & maintenance of car and he will also continue to be eligible for EPF, gratuity and other facilities/benefits as per the policy of the Company.

None of the Directors except Mr. K.C.Gupta is concerned or interested in the proposed resolution.

ITEM NO. 9

In view of the wide experience and new responsibilities of CFO of saffron Global, an IT and BPO division of the Company, taken up by him and on recommendation of the remuneration committee vide its resolution dated 31.05.2006 the Board of Directors vide its resolution dated 29/06/2006 had revised the remuneration and other perquisites payable to Mr. Y K Agrawal as Executive Director of the Company on the terms and conditions including as to remuneration, perquisite, benefits and facilities which is comparable and in tune with the remuneration payable to chief finance officers in the IT and BPO industry. The abstract of variation in terms and condition of the appointment of Mr. Y K Agrawal and the Memorandum of interest pursuant to Section 302 of the Companies Act, 1956 have already been sent to the members and other statutory agencies. The extracts of modification of remuneration and other perquisites payable to Mr Y K Agrawal w.e.f. 01.06.2006 are as follows:

Basic Salary	:	Rs. 1,01,000/- per month
Employer's Contribution to PF	:	Rs. 12,120/- per month
TOTAL		Rs. 1,13,120/- per month

In addition to the above Mr Y K Agrawal is also entitled to a Company maintained car (including fuel expenses) with driver and would be reimbursed a sum not exceeding Rs. 48,000/- in a year on account of Medical Expenses, Books and Periodicals, Entertainment/ Staff Welfare and Telephone Expenses etc.

By order of the Board
For **Triton Corp Limited**

Sd/-
(Paresh Kumar Singh)
Company Secretary

Place : Gurgaon
Date : 1st September, 2006

DETAILS OF THE DIRECTORS SEEKING REAPPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING **(IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)**

Mr. B C Rastogi

Mr. B C Rastogi aged about 68 years, is an eminent foreign trade expert and has more than 40 years of professional experience in the areas of policy /planning relating to International Trade Facilitation and Export Promotion etc. He has served as Chairman of Central Board of Excise and Customs and then as Special Secretary to the Government of India in the Ministry of Finance. During this period, he dealt with the entire gamut of policy issues, planning and monitoring of fiscal and non-fiscal aspects of the country's international trade, industrial growth, trade relations with various economic groups and tax administration.

Other details of Mr B C Rastogi are:

Date of Birth	:	24.12.1938
Date of Appointment	:	28.01.2006

TRITON CORP LIMITED

Expertise in Functional Areas : Foreign Trade & Taxation
List of Companies in which outside Directorship held : Nova Petrochemicals Ltd

Mr. Ashok Bhatnagar

Mr. Ashok Bhatnagar aged about 69 years is a qualified engineer from Roorkee University. He has served various Government organizations including Airlines and Indian Railways at a very senior position. His area of expertise is in Engineering, transportation etc. He retired as Chairman of the Railway Board.

Other Details of Mr Ashok Bhatnagar are:

Date of Birth : 15.05.1937
Date of Appointment : 30.12.2005
Expertise in Functional Areas : Engineering & transportation
List of Companies in which outside Directorship held : ASVI Technical Consultants Ltd.

Mr. B B Medhi

Mr. B B Medhi aged about 61 years is a Bachelor of Engineering (BE) in Electrical Engineering. He is a member of the Institute of Engineers and a Fellow of Institution of Valuers. He has worked for Hindustan Levers for 35 years in different managerial positions. At present he is a professional consultant.

Other Details of Mr B B Medhi are:

Date of Birth : 01.03.1945
Date of Appointment : 30.12.2005
Expertise in Functional Areas : Electrical Engineering
List of Companies in which outside Directorship held : Nil

Mr. K C Gupta

Mr. K C Gupta aged about 61 years is a law graduate from Delhi University and is a Fellow Member of the Institute of Chartered Accountants of India and Fellow Member of the Institute of Company Secretaries of India with over 39 years of vast and rich experience in corporate sector holding very senior positions in Modi Group, UB Group and Shaw Wallace & Co. Ltd.

Other Details of Mr K C Gupta are:

Date of Birth : 15.12.1944
Date of Appointment : 26.03.2001
Expertise in Functional Areas : Administration, Finance & Operations
List of Companies in which outside Directorship held : 1. Rajendra Seclease Ltd.
2. Kasi Ram Softech (India) Ltd.
3. TDT Coppers Ltd.

Mr. Y K Agrawal

Mr. Y K Agrawal aged about 49 years, is a post graduate in Economics and a Law graduate. He is also a fellow member of the Institute of Chartered Accountants of India. He has a rich experience of 27 years in the field of finance, accounts and general administration in construction, Manufacturing and BPO industry.

Other Details of Mr Y K Agrawal are:

Date of Birth : 01.08.1956
Date of Appointment : 03.10.2000
Expertise in Functional Areas : Finance, Accounts and General Administration
List of Companies in which outside Directorship held : Kasi Ram Softech (India) Ltd.

TRITON CORP LIMITED

DIRECTORS' REPORT

To
The Members
Triton Corp Limited

The Directors are pleased to present the annual report and audited accounts for the financial year ended March 31, 2006.

FINANCIAL RESULTS

(In Lakhs)

PARTICULARS	For the Year Ended 31.03.2006	Previous Year Ended 31.03.2005 (Post Merger)
Income (Sales & other Income)	3200.75	2899.43
Profit before Interest, Depreciation & Tax	876.23	473.00
Financial Costs	4.87	3.17
Depreciation	344.74	327.52
Depreciation Written Back	-	(6.50)
Prior Period Adjustment	0.21	0.31
Profit before Tax	526.41	148.51
Provision for bad and doubtful debt	63.00	-
Provision for Taxation	3.78	-
Profit after tax	459.63	148.51

OPERATIONS:

Total income of the Company for the period under review was Rs 3200.75 lakhs as against Rs 2899.43 lakhs in the last year and the net profit after tax for the period under review was Rs 459.63 lakhs as against Rs 148.51 lakhs in the last year. Your Company is now primarily into IT and IT enabled services and is focusing on BPO business as international contact centre operations of your company are in the UK and USA.

REHABILITATION OF THE COMPANY

On account of the net-worth of the Company becoming positive in the Financial Year 2001-02, an application was made to the BIFR for discharging the Company from the provisions of Sick Industrial Companies Act (SICA) on 15.01.2002, which was approved by the BIFR vide its order dated 22.11.2005 and thereby discharged the Company from the provisions of SICA.

AMALGAMATION AND REDUCTION OF CAPITAL

The Hon'ble High Court of Delhi has vide its order dated 20th September, 2005 (as received on 03/01/2006) sanctioned the scheme of amalgamation of Saffron Global Limited, Webrizon (India) Ltd and Sai Info Limited with the Company w.e.f 1st April, 2004 subject to the condition that the Company should initiate efforts within 4 weeks to increase the post merger public holding to 25% and approach SEBI within 2 weeks to get the offence condoned/compounded, committed by Sai Info Ltd. under Regulation 6 & 8 of SEBI (SAST) Regulations. The said order has been filed by the Transferee and Transferor Companies with the ROC, New Delhi and the ROC has duly registered the same and issued necessary certificates confirming dissolution the Transferor Companies. The Company has also taken up the matter with the Bombay Stock Exchange (BSE) for fixation of the record date for allotment of 8,62,04,825 equity shares of the Transferee Company to the shareholders of the Transferor Companies and the same is under their consideration. Immediately after the said allotment, the promoters would divest their holding to the extent required for increasing the non-promoters'/public shareholding to the required minimum of 25%.

In terms of the scheme of amalgamation as approved by the Hon'ble Delhi High Court the share capital of the Company also stands reduced by 80% and accordingly, the face value of the shares of the company stands reduced to Rs. 2/- per share from Rs. 10/- per share.

SETTING UP OF TIN PLANT AT HALDIA (WEST BENGAL)

In the absence of financing arrangement from banking and financial institutions, no further progress has been made during the year under review on this project.

DIRECTORS

Mr. K.C. Gupta and Mr Y K Agrawal, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment. During the period under review, Mr. Vir Bhushan Rastogi and Mr Rajib Routray resigned from the Board of Directors of the Company. The Board of Directors place on record its appreciation for the valuable services rendered by them during the tenure of their office.

TRITON CORP LIMITED

Mr. B C Rastogi, Mr Ashok Bhatnagar and Mr B B Medhi have been appointed as Additional Directors of the Company during the period under review to hold office up to the date of the ensuing AGM. The Company has received individual notices from a member along with the requisite fee proposing their candidature as Director of the Company as required under Section 257 of the Companies Act, 1956. Your Directors consider it desirable that the Company should continue to avail the guidance and advice of Mr. B C Rastogi, Mr Ashok Bhatnagar and Mr B B Medhi and recommend their appointment as regular Directors.

PUBLIC DEPOSITS

The company has not accepted / invited any public deposits during the period under review and hence provisions of Section 58A & 58AA of the Companies Act, 1956 are not applicable to your Company.

AUDITORS' REPORT

Remarks made by the auditors in their audit report read with Notes on Accounts are self explanatory. Nevertheless regarding recovery status of receivables amounting to Rs. 164.67 Lakhs (Sub para VI of para 3 of the Auditors Report refers) as explained in note no. 9 of the notes to accounts attached as schedule 17 to the Balance Sheet and Profit & Loss Account. The management has taken appropriate steps for recovery of the dues and as per discussion held with lawyers, is confident of recovery of the said amount.

AUDITORS

M/s Mudit Gupta & Co., Auditors of the Company, the retiring auditors, although being eligible, have not offered themselves for reappointment. M/s K G Somani & Co., Chartered Accountants, New Delhi, who are otherwise eligible, have offered themselves for appointment as auditors of the Company. The Company has received the requisite certificate from them to the effect that their appointment, if made, will be within the limits stipulated u/s 224 (1B) of the Companies Act, 1956.

COMPLIANCE WITH THE ACCOUNTING STANDARDS

The company prepares its accounts and other Financial Statements in accordance with the relevant Accounting Principles and also complies with the Accounting Standards issued by the Institute of Chartered Accountants of India.

DEMATERIALIZATION OF SHARES:

Your Company has entered into a tripartite agreement with the National Securities Depository Limited (NSDL), Central Depository Services Limited (CDSL) and MASS Services Pvt. Limited, to bring both physical & Demat transfer of Shares under one roof. The ISIN number of the Company is INE982C01017.

The Company confirms that the annual custodian fee to the Depositories have been paid and is up to date.

STOCK EXCHANGE LISTING:

The Equity Shares of your Company are listed at:

- (i) The Stock Exchange, Mumbai. (BSE)
- (ii) The Calcutta Stock Exchange.

The Company got its shares delisted from the Delhi Stock Exchange w.e.f. 20th January 2005.

The Company confirms that the annual listing fee to the Stock Exchanges have been paid and is up to date.

CORPORATE GOVERNANCE:

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed.

A separate report each on corporate governance and management discussions and analysis is given elsewhere in the annual report are annexed hereto as part of Annual Report along with Auditors' Certificate on its due compliance.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The information required under Section 217(1)(e) of the Companies Act, 1956, read with The Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules , 1988 is annexed hereto and forms part of this report.

PERSONNEL:

Provisions of Section 217(2A) of the Companies Act 1956, read with Companies (Particulars of Employees) Rules 1975, are not applicable to your Company as no employee of the Company is drawing remuneration equal to or more than the limit specified under Companies (Particulars of Employees) Rules, 1975.

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

1. Applicable accounting standards have been followed in preparing the annual accounts and material departures, if any, have

TRITON CORP LIMITED

- been properly explained.
2. The Directors have selected and applied accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent in respect to the Industry so as to give a true and fair view of the state of affairs of the Company and Profit and Loss account as at the date of Balance Sheet.
 3. The Directors have taken proper and sufficient care for;
 - a. Maintenance of adequate accounting records in accordance with the Companies Act, 1956,
 - b. Safeguarding the assets of the Company and
 - c. Preventing and detecting fraud and other irregularities.
 4. The Directors have prepared the annual accounts on a going concern basis.

APPRECIATION & ACKNOWLEDGEMENT:

Your Directors appreciate the valuable co-operation extended by the Company's Bankers, monitoring agency and other Central and State Government departments, for their continued support. Your Directors place on record their wholehearted appreciation of your Company's employees at all levels. Your Directors also acknowledge with gratitude the support of all its stakeholders.

For and on behalf of Board of Directors

Place : Gurgaon
Date : 29/07/2006

Sd/-
(K.C.Gupta)
Managing Director

Sd/-
(Y.K.Agrawal)
Executive Director

ANNEXURE TO DIRECTOR'S REPORT

INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 & FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH 2006.

(A) CONSERVATION OF ENERGY

The Company did not undertake any manufacturing activity which requires the redressal of issues relating to conservation of energy in terms of Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988.

(B) TECHNOLOGY ABSORPTION

TECHNOLOGY IMPORTED:

The Company has entered into an agreement with M/s DAN Engineering Co., Denmark for setting up the proposed Tin Project at Haldia, West Bengal . The collaborators are providing the necessary technology for setting of the plant.

TECHNOLOGY ABSORBED:

The Company has absorbed technology in the past and is also in the process of absorbing the same on a continuing basis, as provided by the collaborators.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of Foreign Exchange Earnings and outgo in terms of the above rules are given as under. (Rs. In Lakh)

Particulars	Current Year	Previous Year
(a) Sales & Services		
Call Centre Services	3168.55	2774.63
Support Services Rendered	6.75	NIL
(b) Expenditure in foreign currency (on accrual basis)		
Connectivity Charges	270.75	288.00
Repair and Maintenance	-	8.48
Foreign Traveling	2.12	-
(c) C.I.F Value of Imports		
Capital Goods	21.51	106.64
CWIP	39.51	155.61
(d) Earning in foreign exchange (on accrual basis)		
Export of Services on F.O.B. basis	3168.55	2774.64

For and on behalf of Board of Directors

Place : Gurgaon
Date : 29/07/2006

Sd/-
(K.C.Gupta)
Managing Director

Sd/-
(Y.K.Agrawal)
Executive Director

TRITON CORP LIMITED

MANAGEMENT DISCUSSION & ANALYSIS REPORT

DISCLAIMER

Readers are cautioned that this discussion and analysis contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words “anticipate”, “believe”, “estimate”, “intend”, “will”, and “expected” and other similar expressions as they relate to the Company or its business are intended to identify such forward looking statements. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their date. The following discussion and analysis should be read in conjunction with the Company’s financial statements included and notes thereto.

OPERATIONS

Your Company aims to operate in two separate segments. First, in Business Process Outsourcing (BPO) and other in telecom sector. The Company is carrying out BPO services in the name and style of “Saffron Global” after the Hon’ble High Court of Delhi vide its order dated 20.09.2005 approved the amalgamation of Saffron Global Ltd, Sai Info Limited and Webrizon (India) Ltd with the Company and exploring opportunities to enter into Telecom Sector.

OPPORTUNITIES

We at TRITON are keenly conscious of the emerging opportunities in the BPO sector and we shall endeavor to take benefit of every good opportunity in the very best interest of our shareholders.

We will be embracing all new and appropriate technologies for improving quality, productivity and efficiency and enhancing our ability to deliver a superior value added product.

ADEQUACY OF INTERNAL CONTROL

Proper and adequate internal control system are in place to ensure that all the business dealings are performed on sound business ethics and all assets are protected against loss or unauthorized use or disposition and that the transactions are authorized, recorded and properly reported.

The internal control system is designed to ensure that financial and other records are reliable for all purposes.

HUMAN RESOURCES.

The Company regards its human resource as a valuable asset.

The Company has a team driven work process with flat organization structure. This not only help us nurture leaders but also give us capable and assured colleagues at all levels.

As an integral part of the Company’s initiative on Human Resource Management, the organization has been restructured to provide greater clarity of roles and responsibilities and clear accountability for business results. It is in the process of implementing a performance management system for all its employees and is upgrading the entire gamut of HR Policies, covering recruitment, compensation, capacity building, performance appraisal and career planning.

CORPORATE GOVERNANCE.

The Company follows principle of effective Corporate Governance. The endeavor of the Company is not only to comply with regulatory requirements but also to practice Corporate Governance principles that lay emphasis on integrity, transparency and overall accountability.

The Company adheres to most of the recommendations made by the SEBI and incorporated by the Stock Exchanges in the Standard Listing Agreement.

OUTLOOK

We shall have an increased focus on catering the overseas market and export by expanding our BPO activities.

We hope to achieve our goals of making a niche in the Indian and overseas market.

VALUE CREATION

Your Company is continuously striving to create value in all spheres of its activities. This encompasses not only value for its customers but also for its stakeholders. The Company has adopted Accounting Standards incorporating international best practices and have moved towards transparency in its reporting .We will continuously endeavour to provide insight on the operation of the Company to aid all stakeholders.

TRITON CORP LIMITED

REPORT ON CORPORATE GOVERNANCE.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The philosophy of the company on corporate Governance envisages, inter-alia, attainment of the highest levels of accountability and equity in all its actions and enhancement of shareholders' value keeping in view the needs and interests of the stakeholders.

Your company believes that the Corporate Governance Code will enhance the growth of benefits to all the stakeholders. Your company has complied with the requirements of the Code of Corporate Governance as implemented by the regulatory authorities. The broad disclosures as required by the Stock Exchanges and Regulatory Authorities are given below:

BOARD OF DIRECTORS

The Board of Directors of the Company consist of 5 Directors, two of whom are Executive Directors and three are Non-Executive independent Directors, the detail of which is given below:

Names of Directors	Category
Mr. B C Rastogi	Non-executive & Independent
Mr. Ashok Bhatnagar	Non-executive & Independent
Mr. B B Medhi	Non-executive & Independent
Mr. K.C.Gupta	Managing Director
Mr. Y.K.Agrawal	Executive Director

A. None of the Directors of the Company has any pecuniary relationship or transaction with the Company.

B. Board meetings

The Board met at least once in every quarter, besides the meetings required under the act to comply with the statutory provisions of the Companies Act, 1956 and rules etc.

C. Board Committees

Currently, the Board has three Committees viz. the Audit Committee, Shareholders / Investor's Grievances & Share Transfer Committee and Remuneration Committee.

The Board, from time to time, decides the terms of reference of the Committees. The Committee Meetings are held at regular intervals.

D. Number of Board Meetings, attendance at Board Meetings and previous Annual General Meeting:

The Attendance of Directors in the Board Meeting/AGM is given below:

Name of the Director	Board Meetings held During the year: 6 (Six)	15th AGM held on 30th September, 2006
	Attended	Attended
Mr. K.C.Gupta	6 (Six)	Yes
Mr. Y.K.Agrawal	6 (Six)	Yes
Mr. Rajib Routray (Ceased to be Director)	6 (Six)	Yes
Mr. V B Rastogi (Ceased to be Director)	Nil	No
Mr. B C Rastogi (Appointed as Director only in the last Board Meeting of the financial year, ie, 28.01.2006)	1 (One)	N.A.
Mr. Ashok Bhatnagar (Appointed as Director only on 30.12.2005)	1 (One)	N.A.
Mr. B B Medhi (Appointed as Director only on 30.12.2005)	2 (Two)	N.A.

Dates of the Board Meetings during the Year:

27th April 2005, 30th June 2005, 30th July 2005, 17th October 2005, 30th December 2005 and 28th January 2006.

BOARD COMMITTEES :

I. AUDIT COMMITTEE

The Audit Committee of the Company was constituted pursuant to provisions of the Listing Agreement and Section 292A of the Companies Act, 1956

TRITON CORP LIMITED

The Committee comprises of following Directors and Member Secretary.

Mr. Ashok Bhatnagar

Mr. B B Medhi

Mr. B C Rastogi

Mr. Y K Agrawal

Mr. Paresh Kumar Singh (Member Secretary)

The Committee has powers and perform functions as envisaged under Section 292A of the Companies Act, 1956 and the Listing Agreement. During the financial year the committee met four times i.e, on 29.06.2005, 30.07.2005, 17.10.2005 and 28.01.2006.

II. SHAREHOLDERS' GRIEVANCE & SHARE TRANSFER COMMITTEE

The Board has delegated the powers of redressal of investors' grievances and complaints and share transfers to the Shareholders' Grievance & Share Transfer Committee consisting of the following members

Mr. B C Rastogi

Mr. K C Gupta

Mr. Y K Agrawal

Mr. Paresh Kumar Singh (Member Secretary)

This Committee reviews and takes all necessary actions for redressal of investors' grievances and complaints as may be required in the interest of investors and also approves requests for share transfers, transmissions, transpositions, rematerialisation, split and duplicate shares at regular intervals. During the financial year the committee met twenty three times i.e, on 15.04.2005, 30.04.2005, 16.05.2005, 30.05.2005, 15.06.2005, 30.06.2005, 30.07.2005, 16.08.2005, 30.08.2005, 20.09.2005, 30.09.2005, 15.10.2005, 30.10.2005, 16.11.2005, 30.11.2005, 15.12.2005, 30.12.2005, 16.01.2006, 30.01.2006, 15.02.2006, 28.02.2006, 16.03.2006 and 31.03.2006.

III. REMUNERATION COMMITTEE

The Company constituted a Remuneration Committee, to operate in terms of the provisions related thereto in the Listing Agreement of the Stock Exchanges and/or the provisions as prescribed in this regard by the Companies Act , 1956.

The Committee comprises the following Directors

Mr. Ashok Bhatnagar

Mr. B B Medhi

Mr. B C rastogi

Mr Paresh Kumar Singh, Member Secretary

This committee reviews the remuneration payable to the Managing Director and Whole Time Director appointed from time to time. The Committee while deciding the remuneration package of the senior management takes into account the following factors:

- a) Employment Scenario
- b) Remuneration package of senior management people in the industry in general
- c) Remuneration package of the managerial talent of other industries.

DISCLOSURES :

Your Company does not have any materially significant transactions with any of the related parties i.e. Promoters, Collaborators, Directors, Associated Company.

INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information with the Company, inter-alia, the information as required under jthe revised Clause No. 49 of the Listing Agreement is regularly provided to the Board as a part of the agenda.

COMPLIANCE REPORTS OF ALL APPLICABLE LAWS TO THE COMPANY

The periodical reports submitted by the Internal Auditors and by the concerned executives of the Company with regard to compliance of all laws applicable to the Company including steps taken by the Company to rectify instances of non-compliances, if any, are being reviewed by the board.

CODE OF CONDUCTS

The Company's Board has laid down code of conduct for all Board Members and Sr. Management of Company as required under revised Clause 49 of the Listing Agreement. All Board members and senior Management Personnel have affirmed compliance with Code of Conduct. A declaration signed by the Managing Director to this effect is annexed to this Report

MEANS OF COMMUNICATION

The Un-Audited Quarterly & Half Yearly Results are sent to all the Stock Exchanges where the shares of the Company are listed. The results of the Company are published in one English daily Newspaper circulating substantially in India and one Regional

TRITON CORP LIMITED

Newspaper, ie, Financial Express in English and Jansatta in Hindi.

REPORT ON CORPORATE GOVERNANCE

Running report is on Corporate Governance.

COMPLIANCE

A certificate dated 29.07.2006 obtained from the statutory auditors is annexed with the Annual Report and forms part of this report on Corporate Governance.

GENERAL SHAREHOLDERS INFORMATION

a. GENERAL MEETINGS (AGMs, EGMs & Class Meetings)

Details of meetings held during the last three years are given below:-

Date	Time	Venue	Nature of meeting
30th September 2005	11.00A.M.	64A, Adhyapak Nagar, Suraj Complex, Najafgarh Road, Nangloi, Delhi 110041	A.G.M.
12th March 2005	10.30 A.M.	64A, Adhyapak Nagar, Suraj Complex, Najafgarh Road, Nangloi, Delhi 110041	Court Convened EGM
30th September 2004	10.30 A.M.	64A, Adhyapak Nagar, Suraj Complex, Najafgarh Road, Nangloi, Delhi 110041	A.G.M.
30th September, 2003	1.00 P M	Angrez Farm, Near De Paul Boys House, Village-Ujwa, New Delhi 110073	A.G.M.

- b. Date of forthcoming Annual General Meeting : 30th September, 2006
- c. Financial Calendar : 1st April to 31st March.
- d. Period under review : 1st April, 2005 to 31st March, 2006
- e. Date of book closure : 5th September, 2006 to 6th September, 2006
(both days inclusive)
- f. Dividend payment date : NOT APPLICABLE
- g. Whether Special Resolutions were put through Postal Ballot Process or whether any Special Resolution is proposed to be put through postal ballot process : NO

LISTING ON STOCK EXCHANGE:

The Shares of the Company are listed on the following Stock Exchanges:
The Stock Exchange, Mumbai. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai
The Calcutta Stock Exchange, Lyonn's Range, Calcutta.

STOCK CODE

at Mumbai Stock Exchange 523387
at Calcutta Stock Exchange 29041 (Physical)
10029041 (Demat.)

CEO/CFO CERTIFICATION

Mr. K. C. Gupta, Managing Director and Mr. Y. K. Agrawal, Executive Director, who are carrying responsibility of CEO/CFO respectively have given CEO/CFO certificate as per format prescribed under Clause No. 49 of the Listing Agreement to the Board at its meeting held on 29th June, 2006.

REGISTRAR & SHARE TRANSFER AGENT

In terms of Circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002 issued by SEBI, the Company has engaged the services of M/s MAS Services Ltd, as the common agency relating to share registry for both electronic connectivity and physical transfers.

The Addresses of Registrar & Transfer agents are as under: -

For Physical & Demat Shares M/s MAS Services Private Limited
AB-4 Safdurjung Enclave, New Delhi-110029

TRITON CORP LIMITED

DEMATERIALIZATION OF SECURITIES & LIQUIDITY.

Presently, the Equity Shares of your Company are held both in Dematerialized and physical form and as on 31.03.2006 75.30% of fully paid up share capital are held in electronic form.

As the members are aware, trading in equity shares of your company is permitted only in Dematerialized form and your Company has entered into an Agreement with both the Depositories i.e NSDL & CDSL. The Shareholders have the option to open their accounts with either NSDL or CDSL.

SEBI has directed that 'No Custody charge' shall be levied on any investor who would be opening a demat account on or after 1st February 2005. This is an added benefit over and above the existing advantages offered by the depository system. Members are requested to avail the facility of dematerialization of the Company's shares on either of the depositories as aforesaid.

COMPLIANCE OFFICER

Mr.Paresh Kumar Singh, Company Secretary is the compliance officer who may be contacted at the Registered Office of the Company. Contact details are given below:-

NAME	TELEPHONE NO.	FAX NO.
PARESH KUMAR SINGH	0124-4006256	0124-4007012

SHARE TRANSFER SYSTEM

The share transfers of your Company are presently handled by the Share Transfer Registrar i.e. MAS Services Ltd both in physical and Electronic form.

The share transfers and reports are approved in the meetings of the Share Transfer Committee of the Board of Directors.

CONSOLIDATION OF FOLIOS AND AVOIDANCE OF MULTIPLE MAILING

In order to enable the Company to reduce costs and duplicity of efforts for investor services, members who may have more than one folios in their individual name or jointly with other persons mentioned in the same order, are requested to consolidate all similar holdings under one folio. This would help in monitoring the folios more effectively. Members may write to the Registrar indicating their folio numbers to be consolidated.

PATTERN OF SHAREHOLDING AS ON 31ST MARCH, 2006

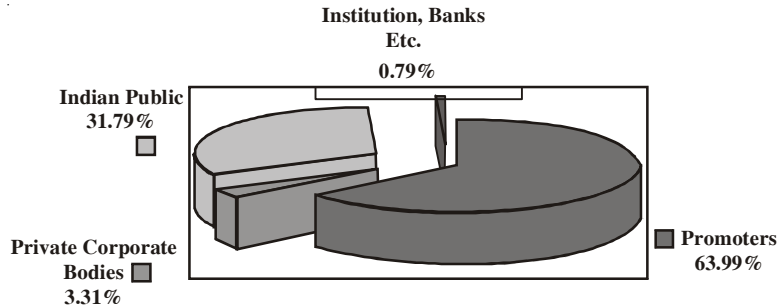
CATEGORY	NO.OF SHARES HELD	%AGE OF HOLDING
A. Promoters Holding		
1. Promoters		
– Indian Promoters	87,91,660*	63.99
– Foreign Promoters	NIL	NIL
2. Persons acting in concert	NIL	NIL
SUB-TOTAL	87,91,660*	63.99
B. Non-Promoters Holding		
3. Institutional Investors		
a. Mutual Funds and UTI	1,08,950	0.79
b. Banks, Financial Institutions, Insurance Companies,(Central/ State Govt. Institutions/Non-Government Institutions)	NIL	NIL
c. FII's	NIL	NIL
SUB-TOTAL	1,08,950	0.79
4. Others		
a. Private Corporate Bodies	4,54,774	3.31
b. Indian Public	43,68,031	31.79
c. NRIs/OCBs	1185	0.01
d. Any Other (Clearing Member)	15,400	0.11
SUB-TOTAL	49,48,340	35.22
GRAND TOTAL	1,37,40,000	100.00

Notes : *1. These 87,91,660(63.99%) Shares are held by Rajendra Seclease Ltd.

2. Total foreign shareholding in the number of shares and percentage shareholding is 1185 shares i.e. 0.01%.

TRITON CORP LIMITED

A Pie chart depicting the shareholding pattern as on 31-3-2006 of Triton Corp Ltd



MANAGEMENT RESPONSIBILITY STATEMENT

The Management of the Company confirms that the Financial Statements are in full conformity with the requirements of the Companies Act, 1956 and the Generally Accepted Accounting Principles (GAAP) in India. The Management accepts responsibility for the integrity and objectivity of these financial statements as well as for estimates and judgments relating to matters not concluded by the year end.

The Management believes that the financial statements of operation reflect fairly the form and substance of transactions and reasonably present the Company's financial condition and the results of operations. The Company has an internal control system which is reviewed, evaluated and updated on an ongoing basis. The internal Auditors have conducted periodic audits to provide reasonable assurance that the Company's established policies and procedures have been followed.

The financial Statements have been audited by M/s Mudit Gupta & Co, Chartered Accountants, and have been discussed with the Audit committee

In terms of SEBI Circular No. D& cc/fitcc/CIR-16/2002 dated 31st December, 2002 reconciliation of the total admitted capital with the both the depositories (NSDL & CDSL) and the total issued and listed capital, otherwise called secretarial audit has been undertaken regularly starting from the December, 2002 quarter by M/s Sharma Jyotsna & Associates, Practicing Company Secretaries.

INFORMATION PURSUANT TO CLAUSE 49VI(A)(iii) OF THE LISTING AGREEMENT.

Names of other companies in which the Directors who are being newly appointed or re-appointed holds directorship.

Name	Name of the Company	Nature of Office
Mr. K.C.Gupta	1. Rajendra Seclease Limited	Director
	2. TDT Copper Limited	Director
	3. Kasi Ram Softech (India) Limited	Director
Mr. Y. K. Agrawal	Kasi Ram Softech (India) Limited	Director
Mr. B C Rastogi	Nova Petrochemicals Ltd	Director
Mr. Ashok Bhatnagar	ASVI Technical Consultants Ltd	Director
Mr. B. B. Medhi	-	-

TRITON CORP LIMITED

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CLAUSE 49 OF LISTING AGREEMENT

AUDITORS CERTIFICATE

We have examined the compliance of conditions of Corporate Governance by **Triton Corp Limited**, for the year ended on 31st March, 2006, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures of implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We 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 **MUDIT GUPTA & CO**
Chartered Accountants

Sd/-
SANJEEV SRIVASTAVA
Partner
M. No. 502238

Place : New Delhi
Date : 29.07.2006

DECLARATION

The Members of
Triton Corp Limited

I, K. C. Gupta, Managing Director of the Company, hereby certify that the Board members and Senior Management Personnel have affirmed compliance with the Rules of Code of Conduct for the financial year ended 31st March, 2006 pursuant to the requirements of Clause 49 of the Listing Agreement as amended.

For **TRITON CORP LIMITED**

Sd/-
(K.C.Gupta)
Managing Director

Place : Gurgaon
Date : 29/07/2006

TRITON CORP LIMITED

AUDITORS' REPORT

TO THE MEMBERS OF
TRITON CORP LIMITED
(FORMERLY STENCIL APPAREL BRANDS LIMITED)

We have audited the attached Balance Sheet of M/s Triton Corp Limited as at 31st March 2006 and also the Profit & Loss Account and the cash flow statement 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit 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 the reasonable basis for our opinion.

1. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. The Hon'ble High Court of Delhi at New Delhi, vide its order dated 20th September 2005 and received on 3rd January, 2006 has approved the amalgamation with conditions to be complied with in the stipulated/ extended time by the Company. The company is in the process of complying the conditions. (Refer clause (g) of Note No II of schedule 17).

Based on the legal opinion, Company has taken effect of the merger in the current financial statement from the appointed date 1st April 2004 and effective date 1st February 2006 of the following transferor companies:

- a) Saffron Global Ltd.
 - b) Sai Info Ltd. and
 - c) Webrizon (India) Ltd.
(Refer point (g) of Note No. II of Schedule-17)
3. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The Balance Sheet and Profit & Loss Account and the cash flow statement dealt with by this report are in agreement with the books of Account.
 - iv. In our opinion, the Balance Sheet and 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 Companies Act, 1956 other than treatment of certain transactions as per the High Court order. (Refer clause (i) of Note no. II of Schedule 17)
 - v. On the basis of written representations received from the directors, as on 31st March 2006, and taken on record by the board of Directors, we report that none to the directors is disqualified as on 31st March 2005, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read together with the notes thereon subject to Note No. 9 regarding recovery of debtors, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the Accounting principles generally accepted in India.
 - a. in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2006 and
 - b. in the case of Profit and Loss Account of the Profit for the year ended on that date.
 - c. in the case of cash flow statement of the cash flows for the year ended on that date.

For **MUDIT GUPTA & CO**
Chartered Accountants

Sd/-
SANJEEV SRIVASTAVA
Partner
M. No. 502238

Place : New Delhi
Date : 29.06.2006

TRITON CORP LIMITED

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE REPORT OF EVEN DATE

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and in terms of the information and explanations given to us and the books and records examined by us in the normal course of audit, we report that:

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets.
(b) The Company's program of Physical verification of all Fixed Assets over a period of three years is in our opinion reasonable having regard to size of the company and the nature of Fixed Assets. As informed, discrepancies were noticed on such verification and have been appropriately adjusted in the accounts.
(c) In our opinion a substantial part of Fixed Assets have not been disposed off during the year.
2. (a) Inventory at stores has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
(b) 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) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. (a) The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly the provisions of clauses 4(iii)(b), 4(iii)(d) of the Order are not applicable to the company.
(b) The Company has not taken any loans, secured or unsecured, from companies, or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 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 explanation given to us, there is an adequate internal control procedure commensurate with size of the company and the nature of its business for the purchase of stores, Fixed Assets and other assets and for the sale of services.
5. a) In our opinion and according to the information and explanations given to us, the transaction that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered. However the register needs updating.
b) And according to the information and explanations given to us, the Company has not purchased goods and materials and provided services aggregating to Rs.500,000/- or more in value from/ to any of the parties listed in the register maintained under Section 301 of the Companies Act, 1956.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year to which the provisions of section 58-A and 58-AA of Companies Act, 1956 and the rules framed thereunder including the directions issued by the Reserve Bank of India attract.
7. In our opinion, the company has an adequate internal audit system commensurate with its size and nature of its business.
8. As explained to us, the maintenance of cost records has not been prescribed by the Central Government under Section 209 (1d) of the Companies Act, 1956.
9. a) The Company has been generally regular in depositing undisputed statutory dues like Provident Fund and Employees State Insurance dues. According to the information and explanation given to us, there are no undisputed amount payable in respect of Income-Tax, Wealth-Tax, Sales-Tax, Custom-Duty and Excise-Duty were outstanding as on 31st March, 2006 for a period of more than six month from the date they became payable.
b) According to the information and explanations given to us, there is no disputed demand amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom duty and Excise Duty were outstanding as on 31 March 2006 for a period of more than 6 months from the date they become payable.
10. During the year the three other companies merged with the company. Their accumulated losses are now the accumulated losses of the company. The Company's accumulated losses are more than 50 % of its net worth as at 31 March 2006. The Company has no cash losses during the financial year and in the immediately preceding financial year. The Company was declared a Sick

TRITON CORP LIMITED

industrial Company as defined under the clause (o) of sub-section (1) of section 3 of sick industrial companies (Special Provision) Act, 1985. However the Net Worth of the Company has become positive and the Company has since been discharged from the provisions of Sick Industrial Companies (Special Provisions) Act, 1985.

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank during the year.
12. In our opinion and according to the information and explanations given to us, 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. The provisions of any special statute as specified under clause (xiii) of the order are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institution.
16. According to the information and explanations given to us, during the period the company has not taken any term loans.
17. According to the information and explanations given to us, no short-term loans have been used for long-term investment and vice versa.
18. The Company has not made any preferential allotment of shares to parties and companies covered under in the Register maintained under section 301 of the Companies Act, 1956 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. According to the information and explanations given to us and from the records of the Company perused by us during the course of our audit, we have not come across any fraud on or by the company during the year.

Place : New Delhi
Date : 29.06.2006

For **MUDIT GUPTA & CO**
Chartered Accountants

Sd/-
SANJEEV SRIVASTAVA
Partner
M. No. 502238

TRITON CORP LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2006

	Schedule	As At 31st March, 2006 (Rs.)	As At 31st March, 2005 (Rs.)
I. SOURCES OF FUNDS			
1) Shareholders' Funds			
(a) Share Capital	1	57,480,000	56,580,000
b) Shares pending for Allotment	1	172,409,650	172,409,650
c) Reserve and Surplus	2	286,696,309	240,733,664
2) Share Application Money		348,323	645,823
3) Loan Funds			
Secured Loan		—	72,687
		<u>516,934,282</u>	<u>470,441,824</u>
II. APPLICATION OF FUNDS			
1) Fixed Assets			
a) Gross Block	3	379,685,608	399,571,576
b) Less : Depreciation		153,220,852	137,723,448
c) Net Block		226,464,755	261,848,128
d) Add: Capital Work-In-Progress		74,921,106	65,876,822
		<u>301,385,861</u>	<u>327,724,950</u>
2) Investment	4	201,090	201,090
3) Current Assets, Loans and Advances			
a) Inventories of Stores	5	313,348	420,275
b) Sundry Debtors	6	198,094,719	89,596,604
c) Cash and Bank Balances	7	7,717,743	12,118,726
d) Loans & Advances	8	65,587,852	87,470,830
		<u>271,713,662</u>	<u>189,606,435</u>
Less: Current Liabilities and Provisions			
Current Liabilities & Provisions	9	57,030,131	47,837,426
Net Current Assets		<u>214,683,531</u>	<u>141,769,009</u>
4) Miscellaneous Expenditure	10	663,800	746,775
(to the extent not written off or adjusted)			
		<u>516,934,282</u>	<u>470,441,824</u>
Significant accounting policies and Notes to Accounts	17		

The Schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date attached

For **MUDIT GUPTA & Co.**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
Sanjeev Srivastava
Partner

Sd/-
K. C. Gupta
Director

Sd/-
Y. K. Agrawal
Director

Sd/-
Paresh Kumar Singh
Company Secretary

Place : Delhi
Date : 29.06.2006

TRITON CORP LIMITED**PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON 31ST MARCH, 2006**

	Schedule	Current Year (Rs.)	Previous Year (Rs.)
INCOME			
Operating Income	11	317,529,518	278,592,811
Other Income	12	2,545,023	12,180,634
Increase/(Decrease) in inventories		—	(830,250)
		<u>320,074,541</u>	<u>289,943,194</u>
EXPENDITURE			
Connectivity Charges	13	59,967,544	50,768,108
Personnel Cost	14	126,754,371	119,271,776
Loss on Sale of Shares		—	37,627,135
Administration and other Expenses	15	45,729,588	34,975,580
		<u>232,451,502</u>	<u>242,642,598</u>
Operating Profit (EBIDT)		87,623,039	47,300,596
Financial Charges	16	486,822	317,261
Depreciation & Impairment Loss	3	34,474,248	32,752,346
Depreciation Written Back		—	650,442
Provision for Bad & Doubtful Debts		6,300,795	—
Profit before taxation & Prior Period Adjustment		46,361,173	14,881,431
Prior Period Adjustments		20,722	30,805
Provision for taxation		—	—
Provision for Fringe Benefit Tax		377,806	—
Net Profit after taxation		<u>45,962,645</u>	<u>14,850,626</u>
Add : Balance brought forward from earlier years		<u>(572,049,297)</u>	<u>(586,899,923)</u>
Balance transferred to Reserve & Surplus		<u>(526,086,652)</u>	<u>(572,049,297)</u>
Significant accounting policies and Notes to Accounts	17		

The Schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date attached

For **MUDIT GUPTA & Co.**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
Sanjeev Srivastava
Partner

Sd/-
K. C. Gupta
Director

Sd/-
Y. K. Agrawal
Director

Sd/-
Paresh Kumar Singh
Company Secretary

Place : Delhi
Date : 29.06.2006

TRITON CORP LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT MARCH 31, 2006

	As At 31st March, 2006 (Rs.)	As At 31st March, 2005 (Rs.)
SCHEDULE - 1 : SHARE CAPITAL		
{Refer point (h) of Part II of Schedule 17}		
Authorised :		
375,000,000 Equity Shares of Rs.2/- each	750,000,000	750,000,000
5,000,000 10% Redeemable Cumulative Preference Shares of Rs.10/- each	50,000,000	50,000,000
TOTAL	800,000,000	800,000,000
ISSUED AND SUBSCRIBED		
13,740,000 Equity Shares of Rs.2/- each fully paid up	27,480,000	27,480,000
3,000,000 10% Redeemable Cumulative Preference Shares of Rs.10/- each	30,000,000	30,000,000
TOTAL	57,480,000	57,480,000
PAID UP		
13,740,000 Equity Shares of Rs.2/- each fully paid up	27,480,000	27,480,000
3,000,000 10% Redeemable Cumulative Preference Shares of Rs.10/- each (Previous year Rs.9.70 paid up)	30,000,000	29,100,000
TOTAL	57,480,000	56,580,000
Shares Pending for Allotment		
86,204,825 Equity Shares of Rs.2/- each (to be issued as per the Order on the Scheme of amalgamation to the share holders of transferee companies for consideration other than cash) {Refer point (h) of Part II of Schedule 17}	172,409,650	172,409,650
TOTAL	172,409,650	172,409,650
SCHEDULE - 2 : RESERVES AND SURPLUS		
Amalgamation Reserve {Refer point (j) of Part II of Schedule 17}	361,264,909	361,264,909
Capital Reserve	7,178,500	7,178,500
Capital Redemption Reserve	42,912,250	42,912,250
Share Premium Account	401,412,802	401,412,802
Share Forfeiture	14,500	14,500
Less: Profit & Loss Account	526,086,652	572,049,297
TOTAL	286,696,309	240,733,664

TRITON CORP LIMITED

SCHEDULE - 3 : FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	Cost As At 01.04.2006	Additions during the period	Sale/Adjust. during the period	Total As On 31.03.2006	As At 01.04.2005	Provided during the period	Written Back during the period	Upto 31.03.2006	Impairment Loss	W.D.V. As On 31.03.2006	W.D.V. As on 31.03.2005
Land	65,499,947	-	-	65,499,947	-	-	-	-	-	65,499,947	65,499,947
Building	93,961,896	746,823	-	94,708,719	11,869,427	3,143,384	-	15,012,811	-	79,695,908	82,092,469
Air Conditioners	13,688,736	-	-	13,688,736	1,930,941	725,327	-	2,656,268	-	11,032,468	11,757,795
Computers	58,440,112	2,701,876	25,408,548	35,733,440	36,670,683	6,316,009	17,490,479	25,496,212	-	10,237,228	21,769,429
Softwares	30,074,879	1,643,200	280,000	31,438,079	16,818,235	4,108,505	192,744	20,733,996	-	10,704,083	13,256,644
Furniture & Fixtures	20,025,072	1,032,490	521,493	20,536,069	8,628,990	1,573,850	451,438	9,751,402	-	10,784,667	11,396,083
D.G. Set	2,457,510	-	-	2,457,510	593,152	116,732	-	709,884	-	1,747,626	1,864,358
UPS	2,769,114	-	-	2,769,114	1,386,873	464,701	-	1,851,574	-	917,540	1,382,241
Printers	533,823	-	-	533,823	352,808	87,296	-	440,104	-	93,719	181,015
Office Equipments	6,954,191	190,057	179,337	6,964,911	1,793,079	415,407	77,140	2,131,345	-	4,833,566	5,161,112
Other Equipment	452,884	-	451,024	1,860	152,742	1,844	152,726	1,860	-	-	300,143
Other plant & Machinery	94,447,440	1,920,954	-	96,368,394	54,058,493	15,784,391	-	69,842,884	-	26,525,510	40,388,947
Vehicles	7,343,283	33,156	1,314,122	6,062,317	2,928,031	667,272	612,318	2,982,985	930,703	2,148,629	4,415,251
Other Fixed Assets	2,922,689	-	-	2,922,689	539,995	138,828	-	678,822	-	2,243,867	2,382,694
TOTAL	399,571,576	8,268,556	28,154,524	379,685,608	137,723,448	33,543,545	18,976,844	152,290,149	930,703	226,464,755	261,848,127
Capital Work in Progress	65,876,822	13,786,673	4,742,390	74,921,106	-	-	-	-	-	74,921,106	65,876,822
Total	465,448,397	22,055,229	32,896,914	454,606,713	137,723,448	33,543,545	18,976,844	152,290,149	930,703	301,385,861	327,724,949
Previous Year (Fixed Assets)	377,870,337	22,914,936	1,213,697	399,571,576	105,907,030	32,752,346	935,927	137,723,448	-	261,848,128	271,963,307

As At
31st March, 2006
(Rs.)

As At
31st March, 2005
(Rs.)

SCHEDULE - 4 : INVESTMENTS

UNQUOTED SHARES (At Cost)

40 Equity Shares of Rs.1 each fully paid up of Kasiram Softech India Ltd.	40	40
20,000 Equity Shares of Rs.10/- each fully paid up of Forward Exim Pvt Ltd.	200,000	200,000
2,34,000 Equity Shares of Rs.10/- each fully paid up of TDT Copper Limited	1,050	1,050
TOTAL	201,090	201,090

SCHEDULE - 5 : INVENTORIES OF STORES

Inventory of Stores	313,348	420,275
TOTAL	313,348	420,275

TRITON CORP LIMITED

	As At 31st March, 2006 (Rs.)	As At 31st March, 2005 (Rs.)
<u>SCHEDULE - 6 : SUNDRY DEBTORS</u>		
a) Debts outstanding for a period exceeding six months (Unsecured)		
Considered Good	49,745,836	16,913,160
Considered Doubtful	14,265,859	7,965,064
b) Other Debts (Unsecured)		
Considered Good	148,348,883	72,683,444
	<u>212,360,578</u>	<u>97,561,668</u>
Less : Provision for bad & doubtful debts	14,265,859	7,965,064
TOTAL	<u>198,094,719</u>	<u>89,596,604</u>
 <u>SCHEDULE - 7 : CASH & BANK BALANCES</u>		
Cash in Hand	30,590	381,997
Balances with Scheduled banks	1,056,111	720,028
Balance in Fixed Deposit Accounts	6,631,042	11,016,701
TOTAL	<u>7,717,743</u>	<u>12,118,726</u>
 <u>SCHEDULE - 8 : LOANS & ADVANCES</u>		
(Unsecured considered good unless otherwise stated)		
Share Application Money Paid	46,520,228	46,805,228
Advances		
Advances and other amounts recoverable in cash or in Kind or for value to be received	7,620,438	20,981,126
(Due from companies in which director of the company is director Rs. 51,00,365/-, maximum due during the year Rs. 51,00,365/-, previous year Rs. 49,00,365/-)	<u>54,140,666</u>	<u>67,786,354</u>
Advance Income Tax/ TDS	1,101,199	7,152,301
Security Deposits	10,345,987	12,532,175
TOTAL	<u>65,587,852</u>	<u>87,470,830</u>
 <u>SCHEDULE - 9 : CURRENT LIABILITIES & PROVISIONS</u>		
Current Liabilities		
Sundry Creditors	41,672,870	36,782,347
Other Liabilities	14,597,013	11,014,694
Provisions		
Provision for Gratuity	382,442	40,385
Provision for Taxation - Fringe Benefit Tax	377,806	-
TOTAL	<u>57,030,131</u>	<u>47,837,426</u>

TRITON CORP LIMITED

	As At 31st March, 2006 (Rs.)	As At 31st March, 2005 (Rs.)
<u>SCHEDULE - 10 : MISCELLANEOUS EXPENDITURE</u>		
(to the extent not written off)		
PRELIMINARY EXPENSES		
As per last Balance Sheet	746,775	891,881
Add: Incurred during the Year	-	-
	<u>746,775</u>	<u>891,881</u>
Less : Written off during the Year	82,975	145,106
TOTAL	<u><u>663,800</u></u>	<u><u>746,775</u></u>
 <u>SCHEDULE - 11 : OPERATING INCOME</u>		
Call Centre Services	316,854,518	277,784,224
Support Services Rendered	675,000	-
Sale of Wax	-	808,587
	<u>317,529,518</u>	<u>278,592,811</u>
TOTAL	<u><u>317,529,518</u></u>	<u><u>278,592,811</u></u>
 <u>SCHEDULE - 12 : OTHER INCOME</u>		
Dividend	55,825	10,284
Excess Provision Written Back	266,519	-
Interest Income	697,294	2,156,777
Profit on sale of Fixed Assets	5,000	-
Credit Balances Written Off	1,465,995	9,636,327
Miscellaneous Income	54,389	377,246
	<u>2,545,023</u>	<u>12,180,634</u>
TOTAL	<u><u>2,545,023</u></u>	<u><u>12,180,634</u></u>
 <u>SCHEDULE - 13 : CONNETIVITY CHARGES</u>		
Connectivity Charges	59,967,544	50,768,108
TOTAL	<u><u>59,967,544</u></u>	<u><u>50,768,108</u></u>

TRITON CORP LIMITED

	As At 31st March, 2006 (Rs.)	As At 31st March, 2005 (Rs.)
SCHEDULE - 14 : PERSONNEL COST		
Salary and Allowances	88,378,225	82,130,865
Employer's Contribution to P.F, E.S.I and others	4,178,716	4,191,270
Recruitment & Training Expenses	3,486,965	1,091,795
Services Charges	49,209	-
Cafeteria Exp.	9,134,754	6,580,858
Staff welfare expenses	728,017	3,958,111
Staff Transportation Expenses	20,390,082	21,278,492
Provision for Gratuity	342,057	40,385
Gratuity	66,346	-
TOTAL	126,754,371	119,271,776
SCHEDULE - 15 : ADMINISTRATION EXPENSES		
Professional & Consultancy Charges	4,917,721	4,720,253
Telephone Expenses	2,456,935	3,245,657
Travelling & Conveyance Exp.	1,141,386	1,014,917
Advertisement Expenses	83,213	305,875
Books & Periodicals	37,744	55,039
Business Promotion	38,408	345,235
Directors Remuneration	2,233,500	2,761,280
Electricity & Water Exp.	9,174,311	8,814,491
Exchange Fluctuation Loss	4,127,976	-
Housekeeping Expenses	411,392	346,910
Loss on Sale of Vehicles	444,803	448,212
Insurance Charges	249,170	280,536
Meeting Expenses	3,105	7,414
Office Maintenance	242,577	322,791
Postage & Telegram Expenses	291,771	76,068
Preliminary Exp W/off	82,975	145,106
Printing & Stationary	801,485	916,354
Rent	487,375	445,548
Repairs & Maintenance Expenses	8,008,645	8,545,207
STPI Service Charges	200,000	200,000
Sundry balances W/off	640,264	1,467,700
Website Maintenance Expenses	4,025	6,754
Assets Discarded Off	8,475,876	-
Internal Audit Fees	309,580	-
Auditor's Fee		
— For Statutory Audit	115,046	175,218
— For Tax audit	14,030	13,775
Director's Sitting fee	20,000	37,500
Compounding Fee CLB	5,000	-
Demat & Share Processing Charges	105,578	31,338
Ground Rent	287,695	-
Miscellaneous Expenses	318,002	246,403
TOTAL	45,729,588	34,975,580
SCHEDULE - 16 : FINANCIAL CHARGES		
Interest	191,844	17,618
Bank Charges	287,395	299,643
Interest on Income Tax	7,583	-
TOTAL	486,822	317,261

TRITON CORP LIMITED

SCHEDULE - 17 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Financial Statement

- a) The financial statements have been prepared under the historical cost convention in accordance with the Indian Generally Accepted Accounting Principles (GAAP) comprising of the Accounting Standards issued by the Institute of Chartered Accountants of India and provisions of the Companies Act, 1956 as adopted consistently by the Company.
- b) The Company follows mercantile systems of accounting and recognises significant items of income and expenditure on accrual basis.
- c) The Preparation of financial statement in conformity with GAAP requires that the management of the company to make estimates and assumptions that affect the reported amount of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statement. Examples of such estimates include the useful life of fixed assets, provision for doubtful debts/advances, future obligation in respect of retirement benefit plans etc. Actual results could differ from these estimates.

Fixed Assets and Depreciation

Fixed Assets are accounted for at cost net of MODVAT and include cost of installation wherever incurred.

Depreciation is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 read with the relevant circulars issued by the Department of Company Affairs from time to time.

Investments

Long - term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary in the opinion of the management.

Retirement Benefits

- a) Contribution to the Provident Fund is charged to the revenue each year.
- b) Provision for Gratuity and leave encashment are made on the basis of number of employees exceeding five years in a company.

Revenue Recognition

Revenue from sales and services are recognised when the invoice is raised in accordance with the terms of the contract. Sales return are adjusted from the sales of the year in which the return takes place.

Inventory

Inventory consists of goods that are held in the normal course of business. Inventories are valued at lower of cost or net realizable value.

Miscellaneous Expenditure

Preliminary, Public issue, Preoperative and Capital issue expenses incurred are amortised over a period of ten years.

Claims

Claims against / by the Company arising on any account are provided in the books of account on receipt basis.

Taxation

The Income Tax liability is ascertained based on assessable profit computed in accordance with the provisions of Income Tax Act, 1961.

Deferred income tax reflects the impact of current year timing difference between taxable income / losses and accounting income for the year and reversal of timing difference of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. In respect of carry forward losses, deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such losses can be set off.

Foreign Currency Transactions

Export sales, services and expenditures in foreign currency are recorded at the exchange rate of the date of transaction. Exchange differences are recorded when the amount actually received/ paid which is converted in Indian rupees.

Monetary items denominated in foreign currency remaining unsettled at the end of the year are translated at the rate prevailing on the balance sheet date and the resultant exchange differences are recognised in the Profit and Loss Account other than those

TRITON CORP LIMITED

relating to fixed assets which are adjusted in the carrying cost of fixed assets.

Research and Development

Research and development costs are expensed as incurred. Software product development costs are expenses as incurred until technological feasibility is achieved. Capital expenditure incurred on research and development is depreciated over the estimated useful life of the related assets.

Events occurring after Balance Sheet date

Events occurring after the Balance Sheet date, which are material in nature, have been considered in the preparation of financial statements.

Contingent Liabilities

Depending on facts of each case and after due evaluation of relevant legal aspects, claims against the company not acknowledged as debts are regarded as contingent liabilities. In respect of statutory matters, contingent liabilities are recognised based on demand(s) that are contested by the company.

Impairment of Fixed Assets:

At each balance Sheet date, the company reviews the carrying amounts of its Fixed Assets to determine whether there is any indication that these assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Accordingly the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to the Profit and Loss account.

II. DISCLOSURE AS REQUIRED UNDER ACCOUNTING STANDARD 14 ISSUED BY ICAI

a) The Hon'ble High Court of Delhi at New Delhi approved the scheme (under section 391 and 394 of the Companies Act, 1956) of amalgamation of the following transferor companies with Triton Corp Ltd. vide its order dated 20th September 2005 and received on 3 Jan 2006.

1. Saffron Global Ltd.
2. Sai Info Ltd., and
3. Webrizon (India) Ltd.

The effective date of the scheme is 1st February, 2006 (Being the last of the dates when the certified copies of the order of the Hon'ble High Court of Delhi at New Delhi are filed with the Registrar of Companies at New Delhi by the Transferor Companies and Transferee Company) pursuant to Section 391 to 394 of the Companies Act, 1956

b) General nature of business of the amalgamating companies:

S. No.	Name of the Co.	Nature of Business
1.	Saffron Global Ltd.	IT & IT Enabled services
2.	Sai Info Ltd.	IT & IT Enabled services
3.	Webrizon (India) Ltd.	IT & IT Enabled services & Trading

c) Appointed date is 01-04-2004 as per the Scheme and accordingly the date of transfer of under takings of the transferor companies is taken as 01-04-2004.

d) Effective date of Accounting for the purpose of amalgamation is 1st February 2006.

e) Method of Accounting: Pooling of interest method is followed for giving effect to the above said amalgamation. Under the pooling of interest method, the assets, liabilities and reserves of the Transferor Companies have been stated by the Transferee Company at their existing carrying amount.

f) As per the scheme of amalgamation, the undertakings of the Transferor Companies along with all their debts and liabilities without any further act stand vested with the Transferee Company.

g) The scheme of amalgamation is approved subject to the fulfillment of the following conditions:

- i) The Transferee Company shall immediately apply to the appropriate authority in SEBI for condoning and/or compounding of the offence committed as a result of breach of Regulations 6 (2), 6 (4), 8 (1) and 8 (3) of the SEBI (SAST) Regulations, 1997 within two weeks and the authority shall take decision thereon. The decision of the authority shall be implemented by the Transferee Company.
- ii) The Transferee Company shall immediately take all steps to ensure that the public shareholding at 25% is maintained. Steps in this respect shall be initiated within four weeks and the entire process shall be completed within six months.
- iii) In case these steps are not taken or process not completed within the time stipulated, the Regional Director and/or the DSE shall be entitled to file appropriate application in this Court for withdrawal of the sanction and demerger of the

TRITON CORP LIMITED

companies and DOTH hereby declare the same to be binding on all the shareholders and creditors of the Transferor and Transferee Companies and all concerned and doth approve the said scheme of amalgamation with effect from the appointed date i.e. 01.04.2004.

Hon'ble court had allowed 4 weeks to initiate steps to comply with the above conditions, which the company has done. However the company has applied to Hon'ble High Court for extension of the time limit as the matter is pending before appropriate authorities and SEBI.

Based on the legal opinion, the current Financial Statements have taken effect of the Merger and are prepared on the basis that the above conditions will be complied with by the company with in the permissible/ extended time as per Hon'ble High Court.

The transferor companies have filled necessary documents with the Registrar of Companies for winding up without dissolution. The approval is pending. However the transferor companies have been legally advised that they are merged with the Company with effect from the appointed date effective from 1 Feb 06 and accordingly no separate financial statements are prepared by the transferor companies.

h) Share Capital:

- i) As per the scheme of the Amalgamation, the face value of the share will reduce to Rs.2/- each, fully paid up and Authorised equity share capital will be 375,000,000 equity shares of Rs. 2/- each.

Pending necessary formalities at the stock exchanges, the reduction of the paid up capital has not been affected at stock exchanges However with the scheme of amalgamation having become operational, company has been legally advised to take the effect of capital reduction in the financial statement. Necessary compliance with Registrar of Companies in this regard is in progress.

- ii) As per the scheme of the amalgamation, the basis of allotment of shares is:

Saffron Global Ltd.	2:1
Sai Info Ltd.	1:1
Webrizon (India) Ltd.	1:1

- iii) Post Merger Share Capital Structure as per the Scheme will be as follows:

a) Existing No. of equity shares of the Company: 1,37,40,000 of Rs. 2/- each (The face value of shares have been reduced from Rs. 10/-per share to Rs.2 per share as envisaged in the Scheme)	: 2,74,80,000
b) 5,93,31,120 equity shares of Rs.2 each to be allotted to the equity shareholders of saffron Global Ltd. Transferor Company No.1	: 11,86,62,240
c) 1,28,73,675 equity shares of Rs.2 each to be allotted to the equity shareholders of Sai Info Ltd. Transferor Company No.2	: 2,57,47,350
d) 1,40,00030 equity shares of Rs.2 each to be allotted to the equity shareholders of Webrizon (India) Ltd. Transferor Company No.3	: 2,80,00,060
Total 9,99,44,825 Equity Shares of Rs.2 each	: 19,98,89,650

Pending necessary compliance and approval from SEBI and stock exchanges these shares have not been issued and have been shown as "Shares Pending allotment" in the Financial Statements. However these have been considered as "Purchase Consideration" for the transferor companies and accordingly Goodwill/ Amalgamation Reserve are calculated.

- i) Based on the legal opinion obtained on the accounting treatment of certain transactions emitted through the approved High Court scheme, following treatment are made in the financial statements which has a departure from the treatment presented under Accounting Standard-14 issued by the Institute of Chartered Accountants of India
- a) 81,38,880 equity shares held by Sai Info Ltd. in Saffron Global Ltd. were cancelled consequent to its amalgamation resulting into a reduction in Share Premium Account. Similarly, 10 equity shares held by Triton Corp Limited in Saffron Global Limited were cancelled. Had the AS 14 been followed, it would have affected the debit balance of Profit & Loss Account as carried in the Balance Sheet.
- b) Rs.323.30 lacs shown as inter co. payable by Transferee Company to one of Transferor Company (Sai Info Ltd.), who had already provided for it prior to the appointed date has been extinguished in the amalgamated accounts and has resulted in increase in Share Premium Account. Had the AS 14 been followed, it would have affected the debit balance of Profit & Loss A/c as carried in the Balance Sheet.
- c) Goodwill created out of one of the transferor company in amalgamation has been adjusted from the share premium account of the amalgamated entity as per the approved scheme of amalgamation. Had the AS 14 been followed, it should have been netted off from Amalgamation Reserve.

TRITON CORP LIMITED

- j) The difference between the consideration and value of identifiable assets and liabilities based on the Pooling of Interest method acquired from the transferor companies after giving effect to the preliminary expenses not written off, pre-operative expenses not written off and the Investments held inter se by the transferor and transferee companies is Rs.3518.05 lacs and the same has been transferred to the Amalgamation Reserve as per the details given below:

(Rs. in Lacks)

PARTICULARS	SAI INFO	WEBRIZON	SAFFRON
Fixed Assets	1671.55	8.51	915.46
Investments	5.60	-	-
Other Assets	2067.19	23.52	581.45
Accumulated Losses	3158.55	241.68	1930.76
Secured Loans	-	(98.47)	(0.59)
Current Liabilities and Provisions	(9.67)	(30.68)	(212.19)
Reserves & Surplus	(5145.96)	-	-
Excess of Assets over liabilities	1747.26	144.56	3214.89
Less: Purchase consideration	(257.47)	(280.00)	(1186.62)
Amalgamation Reserve/ (Goodwill)	1489.79	(135.44)	2028.27

- The Goodwill has been adjusted separately from the Share Premium Account as per the note i (c) mentioned above
- From the above Amalgamation Reserve adjustments as mentioned in note i (a) & (b) above is made.

III. NOTES TO ACCOUNTS

1) Contingent Liabilities

Contingent Liabilities not provided for:

- a) Various labour related matters are pending for judgment at Ghaziabad Labour Court as on 31.03.2006.
- b) Bonds executed in favour of customs/Excise authorities for Rs. 2,70,00,000/- whereby, in the event of default of relevant provision of these Acts, the authorities may enforce their rights under the bonds.
- c) Bonds executed in favour of the president of India for fulfillment of export obligation for five years and other terms and conditions relating thereto. In the event of failure, the company shall be liable to pay appropriate penalties.
- d) Bank Guarantees (all against 100% margin money) issued in favour of Central excise & Customs for Rs. 27,00,000/-
- e) Bank Guarantees (both against 100% margin money) issued in favour of Reliance infocomm Limited for Rs. 26,50,000/-; in favour of sales Tax Department for Rs. 1,65,000/-.

2) Capital Commitments:

	Current Year (Rs. In Lakh)	Previous Year (Rs. In Lakh)
Estimated contracts on capital accounts and not provided for (net of advances)	194.36	229.00

- 3) Sundry creditors include overdue amounts of Rs. Nil payable to small scale and ancillary industries. (Previous year NIL)
The information has been compiled to the extent they could be identifiable as small scale and ancillary on the basis of information available.
- 4) Amalgamation expenses have been charged to the profit & loss account in the year in which they have incurred by the respective company. During the year, company has spent Rs.44,080/- and the same has been to charged to profit & loss account.
- 5) Capital work in progress includes a Tin Project at Haldia, where there is no activity for the last two years and no expenses have been incurred on the project that is of capital nature.
Management is hopeful of completing the project in future.

6) Managerial Remuneration

	Current Year (Rs. In Lakh)	Previous Year (Rs. In Lakh)
Directors / Managerial Remuneration	17.61	16.40

- 7) In the opinion of the management, the current assets, loans and advances are expected to realise, at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts. Debtors and creditors are subject to confirmations.
- 8) No Deferred Tax Asset has been recognised on unabsorbed depreciation / losses since there is no reasonable certainty of its realization in the near future.

TRITON CORP LIMITED

- 9) The Company has filed Legal Cases and appointed recovery agents in respect of few of the receivables amounting to Rs.164.67 Lakh, which has been considered good by the management. The management is perusing the matter and is confident of recovery. Hence no provision has been made in the books of accounts.

10) Payments to Auditors

	Current Year (Rs. In Lakh)	Previous Year (Rs. In Lakh)
Statutory Auditors		
Audit Fee		
Statutory Audit	1.12	0.16
Tax Audit	0.17	0.00
Other Matters		
Certification Charges	0.02	0.02
Others	0.26	

11) Additional information pursuant to the provision of part II and Part IV of schedule VI of the companies Act, 1956 to the extent applicable

	Current Year (Rs. In Lakh)	Previous Year (Rs. In Lakh)
A. Sales & Services		
Call Centre Services	3168.55	2774.63
Support Services Rendered	6.75	NIL
B Expenditure in foreign currency (on accrual basis)		
Connectivity Charges	270.75	288.00
Repair and Maintenance	—	8.48
Foreign Traveling	2.12	—
C C.I.F Value of Imports		
Capital Goods	21.51	106.64
CWIP	39.51	155.61
D. Earning in foreign exchange (on accrual basis)		
Export of Services on F.O.B. basis	3168.55	2774.64

12) Earning Per Share

	Current Year (Rs. In Lakh)	Previous Year (Rs. In Lakh)
Profit after tax	Rs.4,59,62,645/-	Rs. 1,48,50,626/-
Total No. of shares as at 31.03.2006	13,740,000	13,740,000
Weighted average number of equity shares	9,99,44,825	9,99,44,825
Basic Earning Per Share	Rs. 3.35 per share	Rs. 1.08 per share
Diluted Earning Per Share	Rs. 0.46 per share	Rs. 0.15 per share

13) Segment Reporting

A. Business Segments:

Based on the guiding principles given in Accounting Standard (AS-17 "Segment reporting") issued by the Institute of Chartered Accountants of India, the Group business segments include: IT & IT Enabled services and Trading.

B. Geographical Segments:

The transferee Company activities/operations are primarily within the country, however one of the transferors company (Saffron Global Ltd.) has operations in UK and USA and considering the nature of product it deal in, the risk and returns are same and as such there is two geographical segments.

C. Segment accounting policies

In addition of the significant accounting policies applicable to the business segments as set out in notes above, the accounting policies in relation to segment accounting are as under:

- Segment revenue and expenses are directly attributable to the segments.
- Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors,

TRITON CORP LIMITED

inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities.

D. Information about business segments:

A. Primary Segment

(Rs. In Lakh)

PARTICULARS	IT & ITes		OTHERS		TOTAL	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SEGMENT REVENUE						
External Sales	3,175.30	2,777.84	-	8.09	3,175.30	2,785.93
Other Income	18.42	4.48	-	95.76	18.42	100.24
Prior Period Income	0.42	-	-	-	0.42	-
Total Revenue	3,194.13	2,782.32	-	103.85	3,194.13	2,886.17
RESULTS						
Segment results	455.27	556.55	-	(429.12)	455.27	127.43
Operating Profit	455.27	556.55	-	(429.12)	455.27	127.43
Interest Expenses	(1.99)	(0.03)	-	(0.15)	(1.99)	(0.18)
Interest Income	6.97	7.49	-	14.07	6.97	21.56
Prior Period Expenses	(0.62)	(0.16)	-	(0.15)	(0.62)	(0.31)
Net Profit/(Loss)	459.63	563.85	-	(415.35)	459.63	148.50

B. Secondary Segment

PARTICULARS	US		UK		Others	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue	348.78	275.65	2,671.88	2,498.98	147.88	—

- 14) The Company was declared a Sick Company as defined under the Sick Industrial Companies (Special Provisions) Act 1985. As per the rehabilitation package approved by BIFR the net worth of the company turned positive. By virtue of a hearing held on 22/11/2005, the BIFR has discharged the company from its purview and hence the company is no longer a sick company within the meaning of SICA, 1985 and the rules made there under.
- 15) On and from the appointed date the unabsorbed depreciation and unabsorbed accumulated losses of the amalgamating companies shall be unabsorbed depreciation and unabsorbed accumulated losses of the amalgamated company. As per provisions of section 72A of the Income Tax Act, 1961 the amalgamated company would be entitled to set off and/ or carry forward such unabsorbed depreciation and unabsorbed accumulated losses.
- 16) The previous years' figures have been adjusted / regrouped after giving necessary following effect in the previous year accounts of amalgamation:
- Depreciation amounting to Rs.650442/- arising on account of change in method of charging depreciation from Written down value to straight-line method on Webrizon's fixed assets has been written back in the Profit & Loss account.
 - Preliminary expense to the extent not written off in all the transferor companies has been written off in the Profit and Loss account.
 - Income tax provision made in one of the transferor company for the FY 04-05 has been written back as the company has accumulated losses and there were business losses during the period for merged entity to set off the income against which the said provision was made.
- 17) Figures have been rounded off to the nearest rupee

The Schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date attached

For **MUDIT GUPTA & Co.**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
Sanjeev Srivastava
Partner

Sd/-
K. C. Gupta
Director

Sd/-
Y. K. Agrawal
Director

Sd/-
Paresh Kumar Singh
Company Secretary

Place : Delhi
Date : 29.06.2006

TRITON CORP LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I.	Registration No.	:	39989	State Code	:	55
	Balance Sheet Date	:	03/31/2006			

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. LAKHS)

Public Issue	:	Nil	Right Issue	:	Nil
Bonus Issue	:	Nil	Private placement	:	Nil

III. POSITION OF MOBILISATION& DEPLOYMENT OF FUNDS (AMOUNT IN RS. LAKHS)

Total Liabilities	:	5,169.34	Total assets	:	5,169.34
-------------------	---	----------	--------------	---	----------

SOURCES OF FUNDS

Paid-up Capital	:	574.80	Reserves & Surplus	:	2,866.96
Share Application Money	:	1,724.10	Application Money	:	3.48
Secured Loans	:	Nil	Unsecured Loans	:	Nil

APPLICATION OF FUNDS

Net Fixed assets *	:	3,013.86	Investments	:	2.0109
Net Current assets	:	2,146.84	Misc. Expenditure	:	6.64

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. LAKHS)

Turnover including other Income	:	3,200.75	Total expenditure	:	2,674.13
Profit/ (Loss) Before Tax	:	463.81	Profit/(Loss) After Tax	:	459.63
Earnings per Share (Basic)	:	3.35	Dividend rate %	:	Nil
Earning per Share (Diluted)	:	0.46			

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

Product Description	:	IT & IT enabled Services
Item Code No (NIC Code)	:	892 - 3

* Includes Capital Work in Progress

For and on behalf of Board of Directors

Sd/-
K. C. Gupta
Director

Sd/-
Y. K. Agrawal
Director

Sd/-
Paresh Kumar Singh
Company Secretary

Place : Delhi
Date : 29.06.2006

TRITON CORP LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2006

	Year Ended on 31st March, 2006 (Rs.)
A CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before Tax	46,361,173
Add: Adjustments for	
Depreciation & Impairment Loss	34,474,248
Preliminary/Pre-operative exp. Written off	82,975
Loss on sale of fixed assets	444,803
Fixed Assets Discarded Off	8,475,876
Provision for Gratuity	342,057
Interest Paid	199,427
Dividend Received	(55,825)
Profit on Sale of Fixed Asset	(5,000)
Provision for Doubtful Debts	6,300,795
Interest Income	(697,293)
Operating Profit before working capital changes	95,923,236
Adjustment for Working Capital changes	
Decrease/ (increase) in Inventory	106,927
Decrease/ (increase) in sundry debtors	(114,798,910)
Decrease/ (increase) in Loans and Advances	21,882,978
Increase/(decrease) in current liabilities	8,472,842
Cash generated from operations	11,587,073
Interest paid	(199,427)
Extra ordinary items	(20,722)
Net Cash generated from operations	11,366,924
B. CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of fixed assets	(3,526,166)
Increase in CWIP	(13,786,673)
Sale of fixed assets	262,000
Dividend Received	55,825
Interest Income	697,294
Net cash outflow from investing activities	(16,297,720)
C. CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from the issue of share capital	900,000
Share Application Money	(297,500)
Repayment of long term and other borrowings	(72,687)
Net cash from financing activities	529,813
Net Increase / (Decrease) in cash and cash equivalents	(4,400,983)
Cash and cash equivalents (Opening Balance)	12,118,726
Cash and cash equivalents (Closing Balance)	7,717,743
D. NOTES ON CASH FLOW STATEMENT	

The Schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date attached

For **MUDIT GUPTA & Co.**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
Sanjeev Srivastava
Partner

Sd/-
K. C. Gupta
Director

Sd/-
Y. K. Agrawal
Director

Sd/-
Paresh Kumar Singh
Company Secretary

Place : Delhi
Date : 29.06.2006

TRITON CORP LIMITED

Regd. Office : 7, Jagriti Enclave, Vikas Marg, Delhi -110092.

DIPD No.		L.F. No.	
Client ID No.		No. of shares held	

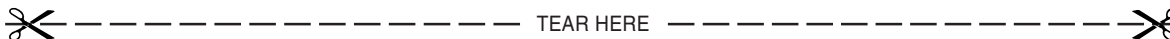
ATTENDANCE SLIP

I/We hereby record my/our presence at the 16th Annual General Meeting to be held on 30th September, 2006 at 11.30 A.M at 64A, Adhyapak Nagar, Suraj Complex, Najafgarh Road, Nangloi, New Delh-110 041

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

Notes:

1. You are requested to sign and hand over this slip at the entrance of the Meeting venue.
2. This attendance is valid only in case shares are held on date of the meeting.



TRITON CORP LIMITED

Regd. Office : 7, Jagriti Enclave, Vikas Marg, Delhi -110092.

DIPD No.		L.F. No.	
Client ID No.		No. of shares held	

FORM OF PROXY

I/We.....of.....
in the district of.....being a member/members of Triton Corp Limited hereby
appoint.....of.....in the district of
or failing.....of.....in the district
of..... as my/our proxy to vote for me/us on my/our behalf at the 16th Annual General Meeting of the
Company to be held on 30th September, 2006 at 11.30 A.M at 64A, Adhyapak Nagar, Suraj Complex, Najafgarh Road, Nangloi, New
Delhi -110 041 and at any adjournment thereof.

Signed this.....day of.....2006.

Affix
15 Paise
Revenue
Stamp

Notes:

1. The Proxy Form signed across revenue stamp should reach the Company's Registered Office at least 48 hours before the scheduled time of the meeting.
2. The Company reserves the right to ask for identification of the Proxy.
3. A Proxy cannot speak at the meeting and / or vote on a show of hands.

<i>Contents</i>	<i>Page No.</i>
1. Company Information	1
2. Notice of AGM	2-5
3. Directors' Report	6-8
4. Management Discussion and Analysis Report	9
5. Corporate Governance and Shareholder Information	10-14
6. Auditors' Certificate	15
7. Auditors' Report/Annexure to Auditors' Report	16-18
8. Balance Sheet	19
9. Profit and Loss Account	20
10. Schedules forming part of Balance Sheet and Profit Loss Account	21-31
11. Balance Sheet Abstract	32
12. Cash Flow Statement	33
13. Attendance Slip / Proxy Form	