



CCS INFOTECH LIMITED

13TH

ANNUAL REPORT
2009 - 2010

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Mr. M.A. Hasan Abdul Kader	-	Chairman and Managing Director
Mr. H. Ratnakumar	-	Executive Director
Mr. P. Ravivarma	-	Director (Non Executive and Independent)
Mr. S.Sam kumar	-	Director (Non Executive and Independent)
Mrs. E. Selvarani	-	Director (Non Executive and Independent)
Registered Office	-	Flat No-7, III Floor “CCS TOWERS” No-14, Periyar Road, T.Nagar, Chennai - 600 017.
Auditors	-	M/s. Subbiah & Co Chartered Accountants, Chennai 600 093
Bankers	-	State Bank of India Tamilnad Mercantile Bank Ltd ICICI Bank Ltd
Factory	-	“Lakshmi Home” Plot No-14, Block C, Vinoba Nagar Mariamman Koil Street Pondicherry – 605 013
Registrar and Share Transfer Agents	-	M/s.Venture Capital & Corporate Investment Limited No-12-10-167 Bharat Nagar Hyderabad – 500 018. Ph. No: 040-23818475/76/23868023

NOTICE

NOTICE is hereby given that the THIRTEENTH Annual General Meeting of the shareholders of M/s CCS Infotech Limited will be held on Thursday, the 30th day of September, 2010 at 10.00 a.m. at the Registered Office of the Company at "CCS TOWERS" N0-7, IIIrd Floor, No. 14, Periyar Road, T. Nagar, Chennai- 600017 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, and adopt the Audited Balance Sheet as at 31st March 2010 and the Profit & Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr.M.A.Hasan Abdul Kader, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in the place of Mr.Ravivarma, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditors and fix their remuneration. M/s.SUBBIAH & CO., Chartered Accountants, Chennai, the retiring Auditors of the Company are eligible for reappointment and offers themselves for reappointment.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modifications the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr.Sam Kumar Srinivasan, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 at the meeting of Board of Directors held on 30th September 2009 and who vacates his office at the conclusion of this Annual General Meeting be and is hereby appointed as Director of the Company liable to retire by rotation".

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

"RESOLVED THAT pursuant to section 198,269,309,311 and all other applicable provisions of the Companies Act 1956, read with Schedule XIII of the Companies Act 1956 the Company hereby approves the re-appointment of Mr. H. Ratnakumar, as the Executive Director of the company for a further period of 5 (Five) years w.e.f 1st January 2010, on the following terms and conditions.

A. Salary: Rs.100,000/- (Rupees One Lakh Only) per month with authority to the Board of Directors to grant suitable increments from time to time.

B. Perquisites and Allowances: Perquisites and allowances payable to Mr.H.Ratnakumar, shall be determined by the Board of Directors from time to time and shall not exceed overall Rs.25,000/- (Rupees Twenty Five Thousand only) per month.

(i) Housing

Suitable residential accommodation, free of cost with all facilities, amenities and services (including gas, electricity, water and furnishings). In case Mr. H. Ratnakumar, does not opt for company provided accommodation at any time, he shall be paid house rent allowance of a sum not exceeding 50% of the salary. The expenditure incurred by the Company on gas, electricity, water and furnishings provided to him shall be evaluated as per the Income Tax Rule, 1962.

(ii) Medical Re-imbursement

Reimbursement of medical expenses incurred by Mr. H. Ratnakumar, for self and family in accordance with rules and regulations of the Company as may be enforced from time to time.

(iii) Leave and Leave Travel Concession:

Leave period of 6 weeks on full pay and allowances, for the entire period of 12 months of service, subject to the condition that the leave accumulated but not availed of will not be allowed to be encashed. The Company will bear the full costs of leave passage for Mr. H. Ratnakumar and his family, once during the period of 12 months to any destination in India. In case it is proposed that the leave be spent abroad, the Company will bear the full cost of air passage by Club Class for Mr.H.Ratnakumar and his family for the said period not exceeding the cost of return passage to his home country.

(iv) Club Fees:

Mr. H. Ratnakumar shall be entitled to the reimbursement of fees of any two clubs in India, including admission or entrance fees and monthly or annual subscriptions.

(v) Personal Accident Insurance:

The Company shall pay an annual premium of a sum not exceeding Rs.7000/- for a personal accident insurance policy of Mr. H. Ratnakumar.

(vi) Car, Driver & Telephone:

The Company will provide Mr. H. Ratnakumar with a Car and driver and a Telephone at his residence for use on Company's business. Use of car for private purposes and personal long distance calls on the telephone shall be billed by the Company to Mr.H.Ratnakumar.

In case the Company is not able to provide a driver to Mr. H. Ratnakumar, the expenses for engaging a driver will be reimbursed to him as per the Company's rules.

C. Overall Remuneration

The aggregate of salary, allowances, perquisites and performance bonus in any one financial year and performance bonus in any financial year shall not exceed the limits prescribed under section 198, 309, and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said Act or any modifications or re-enactment for the time being in force.

D. Minimum Remuneration

In the event of the Company incurring a loss or having inadequate profits in any financial year during the currency of tenure of service of Mr. H. Ratnakumar the payment of salary, performance bonus, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule XIII to the Act, as may be in force from time to time.

RESLOVED FURTHER THAT during the tenure as the Executive Director Mr. H. Ratnakumar shall be entitled to be paid / reimbursed by the Company all costs, charges, and expenses as may be incurred by him for the purpose of or on behalf of the Company

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

“RESOLVED THAT pursuant to section 198,269,309,311 and all other applicable provisions of the companies Act 1956, read with Schedule XIII of the Companies Act 1956 the Company hereby approves the revision of terms of remuneration of Mr.M.A.Hasan Abdul Kader, Managing Director of the company, for the remainder of his term on the following terms and conditions.

A. Salary: Rs.100,000/- (Rupees One Lakh Only) per month with authority to the Board of Directors to grant suitable increments from time to time.

B. Perquisites and Allowances: Perquisites and allowances payable to Mr.H.Ratnakumar, shall be determined by the Board of Directors from time to time and shall not exceed overall Rs.25,000/- (Rupees Twenty Five Thousand only) per month

(i) Housing

Suitable residential accommodation, free of cost with all facilities, amenities and services (including gas, electricity, water and furnishings). In case Mr.M.A.Hasan Abdul Kader, does not opt for company provided accommodation at any time, he shall be paid house rent allowance of a sum not exceeding 50% of the salary. The expenditure incurred by the Company on gas, electricity, water and furnishings provided to him shall be evaluated as per the Income Tax Rule, 1962.

(ii) Medical Re-imbursement

Reimbursement of medical expenses incurred by Mr.M.A.Hasan Abdul Kader, for self and family in accordance with rules and regulations of the Company as may be enforced from time to time.

(iii) Leave and Leave Travel Concession

Leave period of 6 weeks on full pay and allowances, for the entire period of 12 months of service, subject to the condition that the leave accumulated but not availed of will not be allowed to be encashed. The Company will bear the full costs of leave passage for Mr.M.A.Hasan Abdul Kader and his family, once during the period of 12 months to any destination in India. In case it is proposed that the leave be spent abroad, the Company will bear the full cost of air passage by Club Class for Mr.M.A.Hasan Abdul Kader and his family for the said period not exceeding the cost of return passage to his home country.

(iv) Club Fees

Mr. M.A.Hasan Abdul Kader, shall be entitled to the reimbursement of fees of any two clubs in India, including admission or entrance fees and monthly or annual subscriptions.

(v) Personal Accident Insurance

The Company shall pay an annual premium of a sum not exceeding Rs.7000/- for a personal accident insurance policy of Mr.M.A.Hasan Abdul Kader.

(vi) Car, Driver & Telephone:

The Company will provide Mr.M.A.Hasan Abdul Kader with a Car and driver and a Telephone at his residence for use on Company's business. Use of car for private purposes and personal long distance calls on the telephone shall be billed by the Company to Mr.M.A.Hasan Abdul Kader.

In case the Company is not able to provide a driver to Mr.M.A.Hasan Abdul Kader, the expenses for engaging a driver will be reimbursed to him as per the Company's rules.

C. Overall Remuneration

The aggregate of salary, allowances, perquisites and performance bonus in any one financial year and performance bonus in any financial year shall not exceed the limits prescribed under section 198, 309, and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said Act or any modifications or re-enactment for the time being in force.

D. Minimum Remuneration

In the event of the Company incurring a loss or having inadequate profits in any financial year during the currency of tenure of service of Mr.M.A.Hasan Abdul Kader the payment of salary, performance bonus, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule XIII to the Act, as may be in force from time to time.

RESLOVED FURTHER THAT as the Managing Director Mr.M.A.Hasan Abdul Kader, shall be liable to retire by rotation under section 255 of the Companies Act, 1956, however, if re-appointed as a director immediately on retirement by rotation, he shall continue to hold office in Managing Director and such re-appointment as Director shall not be deemed to constitute a break in his appointment as the Managing Director.

RESLOVED FURTHER THAT during the tenure as the Managing Director Mr.M.A.Hasan Abdul Kader shall be entitled to be paid / reimbursed by the Company all costs, charges, and expenses as may be incurred by him for the purpose of or on behalf of the Company

**By Order of the Board
For CCS INFOTECH LIMITED**

**M.A. HASAN ABDUL KADER
Managing Director**

Chennai
04th September, 2010

NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXY TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.***
- An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to special business to be transacted in the meeting is annexed hereto.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from 28th September, 2010 to 30th September, 2010 (Both days Inclusive)
4. Members are hereby requested to send all correspondence concerning transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address to the Company's Registrar and Share Transfer Agents, quoting their folio NO/DP ID/ Client ID in all correspondence.
5. Members desiring to have any clarification on account are requested to write to the Company at an early date so as to enable the Company to keep the information ready.
6. Members/ proxies should bring the attendance slip duly filled in for attending the meeting and corporate members are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
7. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956, are requested to write to the Company's Registrar for the prescribed form. On request the necessary form can be obtained from the RTA.
8. Information pursuant to clause 49 of the listing agreement in respect of proposed appointment/ re-appointment of directors

01	Name	Mr.Sam Kumar Srinivasan
A	Date of Birth	20-04-1965
B	Date of Appointment	25-12-2000
C	Qualifications	PG DIPLOMA IN MANAGEMENT
D	Expertise	15 Years
E	Other Directorships Name of the Company	Nil
F	Committee Memberships, if any, with position	Member of the Audit, Remuneration and Shareholders grievance committees

02	Name	Mr. H. Ratnakumar
A	Date of Birth	04-06-1967
B	Date of Appointment	25-12-2000
C	Qualifications	B.Tech
D	Expertise	20 Years
E	Other Directorships Name of the Company	Nil
F	Committee Memberships, if any, with position	Nil

03	Name	Mr.P.Ravivarma
A	Date of Birth	20-07-1963
B	Qualifications	B.A
C	Expertise	Business development, Software content production
D	Other Directorships Name of the Company	Nil
E	Committee Memberships, if any, with position	Member of the Audit, Remuneration and Shareholders grievance committees

04	Name	Mr.M.A. HASAN ABDUL KADER
A	Date of Birth	05-04-1967
B	Qualifications	B.Tech
C	Expertise	20 Years
D	Other Directorships Name of the Company	Nil
E	Committee Memberships, if any, with position	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(1)

Item No.5

The Board of Directors at their meeting held on 30th September, 2009 had appointed Mr.Sam Kumar Srinivasan, as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, and Article 106A of the Articles of Association of the Company to hold office as such till the conclusion of the ensuing Annual General Meeting.

The Company has received a notice in writing along with a deposit of Rs. 500/- from a member as required under section 257 of the Companies Act, 1956 signifying his intention to propose the appointment Mr.Sam Kumar Srinivasan as a Director of the Company.

The Board of Directors recommend the resolution as set out in item No.5 of the notice convening annual general meeting for approval of the shareholders.

Except Mr.Sam Kumar Srinivasan, being the appointee, no other directors is in any way concerned or interested in the aforesaid resolution.

Item No.6

Mr.H. Ratnakumar is the Executive Director of the Company. His tenure expires on 31.12.2009. The Board of Directors (based on the recommendation of the Remuneration Committees) at its meeting held on 21st December 2009 have approved the re-appointment and remuneration including perquisites of Mr.H.Ratnakumar as Executive Director for a period of five (05) years with effect from 1st January, 2010 which have been enumerated in the resolution at item no.6 of this notice. The said remuneration and perquisites are in consonance with the provisions of the Companies Act, 1956. His appointment is subject to the approval of the members at the ensuing General meeting. Mr. H. Ratnakumar is a technocrat, Further, Mr. H. Ratnakumar is having over two decades of rich experience particularly in IT Field and the Company has shown significant progress in terms of business growth, operations and profitability during his tenure.

The Explanatory Statement together with the accompanying notice should be treated as an abstract of terms and conditions of his appointment and memorandum of concern or interest under Section 302 of the Companies Act, 1956.

The appointment and payment of remuneration is in conformity with the schedule XIII of the Companies Act, 1956 and the revised terms of appointment and remuneration of Mr.H.Ratnakumar specified in the resolution are now placed before the members for their approval. The Board recommends passing of the Ordinary Resolution at Item No.6 of the Notice.

Except Mr.H.Ratnakumar, none of the Directors of the Company is concerned or interested in the resolution.

Item No.7

Mr.M.A.Hasan Abdul Kader is the Managing Director of the Company. The Board of Directors (based on the recommendation of the Remuneration Committees) at its meeting held on 02nd day of September 2009 have recommended to the Shareholders revision of terms of remuneration including perquisites of Mr.M.A.Hasan Abdul Kader, Managing Director for the remainder of his term which expires on 24.09. 2011 which have been enumerated in the resolution at item no.7 of this notice. The said remuneration and perquisites are in consonance with the provisions of the Companies Act, 1956. Revision of remuneration is subject to the approval of the members at the ensuing General meeting.

The Explanatory Statement together with the accompanying notice should be treated as an abstract of terms and conditions of his appointment and memorandum of concern or interest under Section 302 of the Companies Act, 1956.

The revision of remuneration is in conformity with the Schedule XIII of the Companies Act, 1956 and the revised terms of remuneration of Mr.M.A.Hasan Abdul Kader specified in the resolution are now placed before the members for their approval.

Except Mr.M.A.Hasan Abdul Kader, none of the Directors of the Company is concerned or interested in the resolution.

**By Order of the Board
For CCS INFOTECH LIMITED**

**M.A. HASAN ABDUL KADER
Managing Director**

Chennai
04th September, 2010

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have great pleasure in presenting the Thirteenth Annual Report together with Audited Accounts of the Company for the year ended 31st March 2010 and the Auditors' report thereon.

FINANCIAL RESULTS

The stand-alone financial results of CCS Infotech Limited for the year ended March 31, 2010 are presented below:-

(Amount In LACS)

Particulars	2009-2010	2008-2009
Revenue	6834.44	6967.34
Expenditure	6708.18	6836.12
Profit before Tax & Depreciation	126.26	131.22
Depreciation	30.07	22.84
Profit after Depreciation but before tax	96.19	108.38
Current Tax	15.71	26.47
Deferred Tax	1.10	0.40
Fringe Benefit Tax		1.84
Profit After Tax	81.58	79.67
Balance Brought from Previous Year	746.36	666.69
Balance carried to Balance sheet	827.94	746.36

Your Company has made a turnover of Rs.6834.44 Lacs as compared to Rs. 6967.34 Lacs of previous year and has made a profit of Rs. 81.58 Lacs compared to Rs. 79.67 lacs previous year.

BUSINESS OUTLOOK

Your Company presently has the following divisions:

1. Manufacturing – Your manufacturing Plant is situated at Puducherry and has got ISO 9001:2008 and ISO 14001:2004 certifications
2. System Integration – Your Company has partnered with leading IT hardware Companies and has bagged many end to end System Integration orders.
3. Infologics – IT Distribution – Your Company is distributing leading MNC PC brands and MNC pwer conditioning products presently. New products will be added soon.
4. Services – AMC/FMS – Your Company is providing AMC/FMS to leading companies in different business verticals.
5. CCS Zone – Retail- Your Company has multi brand retail stores to cater to consumer segment which is fast growing.
6. Projects and Solutions under BOLT/BOOM – Your Company is presently executing BOLT projects for Public Sector Undertakings and working to achieve 100% growth year on year in this segment.
7. E-Governance – Your Company is presently doing citizen services in Andhra Pradesh and working to get new orders.