



CCS INFOTECH LIMITED

14TH

**ANNUAL REPORT
2010 - 2011**

BOARD OF DIRECTORS

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.Samkumar	-	Director (Non Executive and Independent)
Mrs. E. Selvarani	-	Director (Non Executive and Independent)
Registered Office	-	Flat No-7, IIIrd 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 FOURTEENTH Annual General Meeting of the shareholders of M/s CCS Infotech Limited will be held on Friday, the 30th day of September, 2011 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 2011 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 Mrs.E.Selvarani, who retires by rotation and being eligible, offers herself for reappointment.
3. 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 offer themselves for reappointment.

SPECIAL BUSINESS

4. 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. M.A. Hasan Abdul Kader, as the Managing Director of the company for a further period of 5 (Five) years w.e.f 24th September 2011, 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.M. A Hasan Abdul Kader, 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) may be provided. 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 is 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 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 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 of the Managing Director and such re-appointment as Director shall not be deemed to constitute a break in his appointment as 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
Dated : 03.09.2011

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.**
2. 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. Documents referred in the accompanying Notice and Explanatory Statement are available for inspection at the registered office of the Company during the office hours between 11.00 a.m. and 1.00 p.m. on all working days prior to the date of the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 28th September 2011 to 30th September 2011 (Both days Inclusive)
5. 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.
6. 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.

7. 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.
8. 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.
9. In compliance with the "Green Initiative in Corporate Governance" as allowed by The Ministry of Corporate Affairs ("Ministry"), Government of India, vide its circular nos.17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011, the Company shall send the Notice of this Annual General Meeting and Annual Report for the financial year 2010 -11, through electronic mode, to those members who have registered their e-mail address with the Company or with their respective depository participant and have opted to receive the aforesaid documents in electronic form.
10. Information pursuant to clause 49 of the listing agreement in respect of proposed appointment/ re-appointment of directors

01	Name	Mrs.E Selvarani
A	Date of Birth	20-06-1969
B	Qualifications	M.COM
C	Expertise	Finance and General Administration
D	Other Directorships Name of the Company	Nil
E	Committee Memberships, if any, with position	Nil

02	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	Right Choice Ventures (India) Ltd
E	Committee Memberships, if any, with position	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(1)

Mr.M.A.Hasan Abdul Kader is the Managing Director of the Company. His tenure expires on 24th September 2011. The Board of Directors (based on the recommendation of the Remuneration Committees) at its meeting held on 03-09-2011 have approved the re-appointment and remuneration including perquisites of Mr.M.A.Hasan Abdul Kader as Managing Director for a period of five (05) years with effect from 24th September 2011 which have been enumerated in the resolution at item no.4 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.M.A.Hasan Abdul Kader is a technocrat. Further, Mr.M.A.Hasan Abdul Kader 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.M.A.Hasan Abdul Kader specified in the resolution are now placed before the members for their approval. The Board recommends passing of the Ordinary Resolution at Item No.4 of the Notice.

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
Dated : 03.09.2011

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have great pleasure in presenting the Fourteenth Annual Report together with Audited Accounts of the Company for the year ended 31st March 2011 and the Auditors' Report thereon.

FINANCIAL RESULTS

The stand-alone financial results of CCS Infotech Limited for the year ended March 31, 2011 are presented below:-

(Amount In LACS)

Particulars	2010-11	2009-2010
Revenue	8209.34	6834.44
Expenditure	8013.14	6708.18
Profit before Tax & Depreciation	196.20	126.26
Depreciation	80.39	30.07
Profit after Depreciation but before tax	115.81	96.19
Current Tax	20.88	15.71
Deferred Tax	-11.83	1.10
Profit After Tax	106.76	81.58
Balance Brought from Previous Year	827.94	746.36
Balance carried to Balance sheet	934.70	827.94

Your Company has made a turnover of Rs.8209.34 Lacs as compared to Rs. 6834.44 Lacs of previous year and has made a profit of Rs.106.76 Lacs compared to Rs. 81.58 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 power 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.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits during the year under review.

DIVIDEND

In order to conserve the liquid resources and enhance shareholders value, your directors have not recommended any dividend during the year under report.

SUBSIDIARY COMPANIES

The Company continue to have one Subsidiary i.e., CCS INFOTECH SINGAPORE PTE. LIMITED. As per Section 212 of the Companies Act, 1956, we are required to attach the Directors' Report, Balance Sheet, and Profit and Loss account of our subsidiaries. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the Annual Report. Accordingly the Annual Report 2010-11 does not contain the financial statements of our subsidiaries. The audited annual accounts and related information of our subsidiaries, where applicable, will be made available upon request. These documents will also be available for inspection during business hours at our Registered Office.

As per the requirement of AS-21/27 issued by the ICAI, your company is pleased to present the consolidated balance sheet, profit and loss account and cash flow statement of the Company and its subsidiary.

INSURANCE

All insurable interests of the Company including buildings, furniture and fixtures and other insurable interest are adequately insured.

STATUTORY STATEMENTS

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

Your Company has activities as detailed below relating to conservation of energy and technological absorption as required to be disclosed under Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988.

A. Conservation of Energy

Energy conservation measures taken: The Company is very careful in using the power to reduce the cost of maintenance and conserve the resources.

Additional investments and proposals, if any, being implemented for reduction of consumption of energy – Nil

B. Technology Absorption and Foreign Exchange earnings & out go

	(Disclosure of Particulars with respect to technology absorption to the extent applicable)	2010-11	2009-10
i.	Research & Development (R&D)	NIL	NIL
ii.	Technology Absorption, Adaptation and Innovation	NIL	NIL
iii.	Foreign Exchange Earnings		1167.73
iv.	Foreign Exchange Outgo	NIL	NIL

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement u/s 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement your Directors to the best of their knowledge and belief confirm that:

- (i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed and no material departure has been made from the same.
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and
- (iv) they have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

During the year under review, there were no employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operation of Company during the year.

INTERNAL CONTROLS AND THEIR ADEQUACY

The internal control systems are commensurate to the size of the operation of the Company. Whenever it is required, the systems and procedures are upgraded to suit the changing business needs.