



COMP-U-LEARN TECH INDIA LTD.

**11th
ANNUAL REPORT
2007-08**

Comp-U-Learn Tech India Limited**BOARD OF DIRECTORS**

Mr.K.S.Rao
 Mr.Gottipati S.S.prasad
 Mr.P.Jagadeesh Babu
 Mr.P.V.V.Satyanarayana
 Mr.V.Suresh Babu
 Mr.V.Venkateswarlu
 Mr.Baljinder Sharma
 Mr.Raj Kosaraju

- Managing Director
 - Director
 - Director
 - Director
 - Director
 - Director
 - Director
 - Director

COMPANY SECRETARY

K.VIJAYA SHREE

AUDITORS

M/s.Balaji Vishwanath & Co.
 Chartered Accountants
 202, Krishnaveni Arcade
 Bhagyanagar Colony,
 Kukutpally,
 Hyderabad-500072
 Ph: 040-23161679

BANKERS

AXIS Bank
 Srinagar Colony,
 Hyderabad

UCO Bank,
 62, M.G.Road,
 Secunderabad

REGISTRAR AND SHARE TRANSFER AGENTS

Big Share Services Private Limited,
 G-10, Left Wing, Amrutha Ville,
 Opp.Yashodha Hospital,
 Somajiguda, Raj Bhavan Road,
 Hyderabad-500082
 Ph: 040-23374967
 Fax: 040-23370295

REGISTERED OFFICE

4th Floor, My Home Tycoon,
 Life Style Building, Greenlands,
 Begumpet, Hyderabad-500016

LISTED AT

THE BOMBAY STOCK EXCHANGE LIMITED

**Date, time and Venue of the
 11th Annual General Meeting**

Tuesday, 30th of September'2008
 at 10.A.M at Vasavi Club, 6-1-91,
 2nd Floor, Vasavi Seva Kendram,
 Opp. Meera Theatre,
 Khairatabad, Hyderabad - 500 004.

Book Closure :

29th of September'2008 to
 1st of October'2008
 (Both days inclusive)

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NOTICE OF THE ELEVENTH ANNUAL GENERAL MEETING

Notice is hereby given to all the members of the Company that the Eleventh Annual General meeting of the Company will be held on Tuesday, the 30th of September, 2008 at 10.00 A.M. at Vasavi Club, 6-1-91, 2nd Floor, Vasavi Seva Kendram, Opp. Meera Theatre, Khairatabad, Hyderabad - 500 004. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Annual Accounts consisting of Balance Sheet and Profit and Loss Account as on 31st of March, 2008 together with the notes and schedules thereto and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Gottipati S.S. Prasad who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration. The retiring Auditors M/s. Balaji Viswanath & Co, Chartered Accountants, Hyderabad being eligible offer themselves for reappointment.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED that Shri P.V.V. Satyanarayana, who was appointed with effect from 17.01.2008 as a Director of the Company and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose office shall be liable to determination through retirement by rotation."

5. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED that Shri V. Venkateswarlu, who was appointed with effect from 31.10.2007 as a Director of the Company and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose office shall be liable to determination through retirement 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 Shri V. Suresh Babu, who was appointed with effect from 17.01.2008 as a Director of the Company and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose office shall be liable to determination through retirement 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 Shri Raj Kosaraju, who was appointed with effect from 31.10.2007 as a Director of the Company and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose office shall be liable to determination through retirement 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 Shri K.S. Rao, who was appointed with effect from 17.01.2008 as a Director of the Company and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose office shall be liable to determination through retirement by rotation."

9. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED that Shri Baljinder Sharma, who was appointed with effect from 30.04.2008 as a Director of the

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Company and holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose office shall be liable to determination through retirement by rotation."

10. To consider, and, if thought fit, to pass, the following resolution, with or without modification(s), as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (Act), (including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company, the Listing Agreement entered into between the Company and the Bombay Stock Exchange Ltd., the Guidelines for Preferential Issues contained in the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (the "**SEBI Guidelines**"), and subject to all other applicable norms, guidelines, regulations in force, and statutory approvals, consents, permissions or sanctions, as may be necessary, of appropriate authorities, institutions or bodies, subject to lock-in for such period as may be required under the SEBI Guidelines and subject to such conditions as the authorities may impose at the time of granting their approvals/consents / permissions/sanctions and which may be agreed to by the Board of Directors of the Company (the '**Board**', which expression shall include any Committee(s) thereof constituted by the Board) if it thinks fit, in the interest of the Company, consent of the Company be and is hereby accorded to the Board to offer, issue and allot on a preferential basis, 20,00,000 (Twenty lakhs) Convertible Equity Share Warrants of Rs. 10/- each at a price of Rs. 12/- per equity share warrant (Inclusive of a premium of Rs. Two/-) for cash amounting to Rs. 2,40,00,000/- (Rupees Two Crores Forty Lakhs only) on the following principal terms and conditions and in such manner as the Board may deem fit, to the promoters of the Company and their relatives, whose details are given below:

Sl No.	Name of the proposed allottee	No. of Equity Share Warrants
1	P.JAGADEESH BABU	5,00,000
2	GOTTIPATI S.S.PRASAD	5,00,000
3	P.SANDHYA	5,00,000
4	GOTTIPATI RAJARATNAM	5,00,000
	Total	20,00,000

a. **issue price**

One new Equity Share Warrant of the company of the face value of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 2/- (Rupees Two only) per share i.e., at a price of Rs. 12/- (Rupees Twelve only) which is in accordance with the existing SEBI (DIP) guidelines and duly certified by the Statutory Auditors of the Company.

b. **Terms of the payment:**

An amount of Rs. 1.20 (Rupee One and twenty paise only) per Equity Share warrant, being 10% of the issue price, including the premium, shall be payable with the application.

The amount referred to above, shall be adjusted against the price payable subsequently for acquiring the Shares by exercising an option for the purpose.

The amount referred to above shall be forfeited if the option to acquire shares is not exercised.

c. **Conversion period**

The holder of 1 (one) Equity Share Warrant shall be entitled to be issued and allotted 1 (One) Equity Share of Rs. 10/- each in the capital of the company credited as fully paid, which shall be allotted within such time, not exceeding 18 months from the date of issue, as may be determined by the Board.

d. **Dematerialisation:**

The Equity shares to be issued would be in dematerialized form.

e. **Lock-in-period**

The pre-preferential issue shareholding of the proposed allottees, shall be kept under lock-in in accordance with the applicable SEBI DIP Guidelines.

The Equity Share Warrants as well as, the resultant Equity Shares allotted to the promoters, after conversion and issued pursuant to the resolution shall be subject to lock-in in accordance with the applicable SEBI DIP Guidelines.

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- f. The promoter-warrant holders shall also be entitled to any further Bonus/ Rights Issue (s) of Equity Shares or other securities convertible into Equity Shares by the Company, in the same proportion and manner as any other shareholders of the company for the time being.
- g. **Ranking of Equity Shares**
The Equity shares to be issued and allotted by the Company, as a consequence of the conversion/ exchange, of the Equity Share warrants in the manner aforesaid shall be subject to the Memorandum and Articles of the company and shall rank *pari passu* in all respects with the existing Equity Shares of the Company.
- h. The issue of Equity Share Warrants or Shares arising out of the conversion of Warrants, shall be governed by the guidelines issued by the SEBI, or any other authority as the case may be, or any modifications thereof.
- i. Any of the Equity Share Warrants issued as above, that may remain unsubscribed for any reason whatsoever may be offered and allotted by the Board in its absolute discretion to any other person/ entity/investor within the same category of promoter and promoter group, on the same terms and condition.
- j. **Listing:**
The Board be and is hereby authorized to seek listing of the Equity Shares issued/allotted at Bombay Stock Exchange Limited, Mumbai, where the shares of the company are already listed

"RESOLVED FURTHER THAT:

- (a) The relevant date for the purpose of pricing of the Securities, in accordance with the SEBI Guidelines is 30th of August, 2008, being the 30th day prior to the date of this meeting (i.e., the date on which the meeting of the general body of shareholders is being held, in terms of Section 81(1A) of the Companies Act, 1956, to consider the proposed issue of Securities on preferential basis.)
- (b) The Board be and is hereby authorized to offer, issue and allot any and all of the Securities as above, at such time as it may deem fit subject to the SEBI Guidelines.
- (c) The Board be and is hereby authorized to decide and approve other terms and conditions of the issue of the Securities as above, and also shall be entitled to vary, modify or alter any of the terms and conditions, including the size of the issue, as it may deem expedient.
- (d) The Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to any committee(s) of directors or any other officer(s) of the Company or to any other person or persons as it may deem fit for the purpose of giving effect to the aforesaid resolution."

"RESOLVED FURTHER THAT for giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any questions, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Securities and the utilisation of the proceeds of the issue of the Securities for the Company's expansion plans, acquisitions, capital expenditure and/or other corporate initiatives, to meet issue expenses, etc., to prescribe the form of application, enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit."

Date: 01.09.2008

Place: Hyderabad

For COMP-U-LEARN TECH INDIA LIMITED

Sd/-

K.S.RAO

MANAGING DIRECTOR

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IS ENCLOSED HERewith. PROXY FORM IF INTENDED TO BE USED, IT SHOULD BE RETURNED TO THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE ANNUAL GENERAL MEETING.
2. The Register of members and the Share Transfer Register will remain closed from 29th of September, 2008 to 1st of October, 2008 (both days inclusive) in terms of the provisions of section 154 of the Companies Act, 1956.
3. The members are requested to intimate promptly any change in their address to the share transfer agent Big share Services Private Limited, G-10, Left Wing, Amrutha Ville, Opp Yashodha Hospital, Somajiguda, Raj Bhavan Road, Hyderabad- 500 082 .Ph: 040- 23374967,Fax: 040- 23370295.

EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 AND CLAUSE 49 OF THE LISTING AGREEMENT.

Details of the Directors seeking appointment in forthcoming Annual General Meeting

(In pursuance of Clause 49 of the Listing agreement)

Name of Director	Mr. P.V.V.Satyanarayana	Mr.V.Venkateswarlu	Mr. K.S.Rao
Designation	Director	Director	Managing Director
Age	45 Years	48 Years	55 Years
Date of Appointment	Appointed as Additional Director on 17.01.2008	Appointed as Additional Director on 31.10.2007	Appointed as Additional Director on 17.01.2008
Expertise in specific functional areas	He has been practicing as a Chartered Accountant for more than 17 years. He has immense and wide ranging experience in the Financial Accounting, Audit and Management and resourcing of funds.	More than 18 years of experience in the area of Media, real estate and software Industry. He has in depth knowledge in Financial Accounting and Management. He has been instrumental in enforcing internal controls and effective capital management.	More than 20 years of experience as Business head, CEO of various organizations taking care of business and technical operations. He has a wide range of experience in information technology field and has provided both software and hardware solutions to leading Banks. He has profitably managed unit selling, project selling and solution selling scenarios by building and controlling the best network of dealers and distributors.
Qualifications	ACA, AICWA	CA	B.E
List of Companies in which Directorship is held as on 01.09.2008	1. Commitment Capital Services Limited 2. Greenline Tea and Exports Limited	1. Aktiva Biotech Limited	1. Soladur Energy Systems Pvt.Ltd. 2. Greenline Tea and Exports Ltd.
Number of the Committees of the Boards of the other Companies on which he is a Director as on 01.09.2008	1	Nil	Nil
Number of shares held in the Company	Nil	Nil	Nil

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Name of Director	Mr. V.Suresh babu	Mr.Baljinder Sharma	Mr. Raj Kosaraju
Designation	Director	Director	Director
Age	42 Years	42 Years	47 Years
Date of Appointment	Appointed as Additional Director on 17.01.2008	Appointed as Additional Director on 30.04.2008	Appointed as Additional Director on 31.10.2007
Expertise in specific functional areas	He has over 20 years of experience in the field of Marketing and real estate. He has worked as a business head, managing marketing teams in the field of software training centers.	Up to 20 years of experience in different areas focusing on Marketing development, generating leads and deals, Managing Top Management relationships in target segments and geographies. He has an extensive global network with Businesses and Large Corporates in India and overseas.	He has more than 20 years of experience in marketing, Information Systems, Consulting and Technology outsourcing. He held Technical Field Sales, Logistics and consulting positions in various reputed Multi national Companies.
Qualifications	MBA (Marketing)	MBA	MBA from Texas A & M University MS in Information Systems and International Management.
List of Companies in which Directorship is held as on 01.09.2008	1. Broad Light Info Solutions Private Limited	1. Singhi Advisors (Mtius) Ltd 2. Crains Technologies Limited, Mauritius. 3. Point R Ltd, Mauritius 4. TechBridge Ltd, Mauritius 5. BIT Project International Limited, Mauritius 6. Centre for Management and Research Ltd, Mauritius	Nil
Number of the Committees of the Boards of the other Companies on which he is a Director as on 01.09.2008	Nil	Nil	Nil
Number of shares held in the Company	Nil	Nil	Nil

The above mentioned directors had been appointed as additional directors on dates as mentioned in the table. According to the provisions of Section 260 of the Companies Act, 1956, the above Directors hold office up to the date of the Annual General Meeting. As required by Section 257 of the Companies Act, 1956 a notice has been received from Members signifying their intention to propose the appointment of- Mr.P.V.V.Satyanarayana, Mr.V.Venkateswarlu, Mr.K.S.Rao, Mr.V.Suresh Babu, Mr.Baljinder Sharma and Mr.Raj Kosaraju as Directors of the Company.

Keeping in view the experience and knowledge of these incumbents, your directors recommend your approval to be given to their appointment as Directors of the company to be passed by the way of ordinary resolutions.

None of the directors except for the persons being appointed is interested or concerned in any way in the proposed resolution for the items no. 4 to 9.

Item No.10: The Company is considering raising the funds in order to take further corporate initiatives for the growth of the company and also raising the promoters stake in the company. As a part of the same, it is proposed to issue equity share warrants to the promoters of the company, whose details are provided in the resolution

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Disclosures which are required to be given in terms of Clause 13.1A of Chapter XIII of the SEBI Guidelines on Preferential Issues:

1. The object of the issue on preferential basis:

The overall object of the issue of Securities in terms of the foregoing is to

- Raise funds for taking other corporate initiatives for the growth of the Company.
- Increase the promoters stake in the Company.

The issue expenses would be met out of the proceeds of this issue.

2. Intention of the Promoters/Directors/Key Management persons to subscribe in the issue:

The Promoters are subscribing in this issue of Convertible Equity Share Warrants on a preferential basis.

3. Equity Shareholding pattern before and after the issue based on beneficiary position dated 22nd of August, 2008.

Sr.No.	Category	Before the Issue (\$)		Post Issue (#)	
		No. of Shares	%(\$\$)	No. of Shares	%(##)
I	Promoters' holding				
A.	Promoters				
	i. Indian Promoters				
	a. Existing	605004	3.67	605004	3.27
	b. Proposed	Nil	Nil	20,00,000	10.81
	ii. Foreign Promoters	Nil	Nil	Nil	Nil
B.	Persons acting in concert				
	a. Existing	Nil	Nil	Nil	Nil
	b. Proposed	Nil	Nil	Nil	Nil
	Total (IA+B)	605004	3.67	2605004	14.08
II	Non-Promoters Holding				
A.	i. Institutional investors	Nil	Nil	Nil	Nil
	Banks, Financial Institutions,	Nil	Nil	Nil	Nil
	Mutual Funds	Nil	Nil	Nil	Nil
B.	F I I s	Nil	Nil	Nil	Nil
C.	Private Corporate Bodies	26,83,522	16.26	26,83,522	14.51.
D.	Indian Public (Individuals)	1,29,92,662	78.75	1,29,92,662	70.23
E.	Non Resident Indians	160765	0.97	160765	0.87
F.	Clearing Members (Existing)	58047	0.35	58047	0.31
	TOTAL (IIA+B+C+D+E+F)	15894996	96.33	15894996	85.92
III	CUSTODIANS (ADR/GDR ISSUE)	Nil	Nil	Nil	Nil
	GRAND TOTAL (I+II+III)	165,00,000	100.00	18500000	100.00

\$ The Total Issued Capital after presuming 100% conversion of 35,00,000 (Thirty Five lakh) warrants into shares will be 1,65,00,000 (One Crore Sixty Five Lakhs) Equity Shares of Rs. 10/- each.

\$\$ The percentage of shareholding is taken with reference to the abovementioned post issue share Capital 165,00,000 (One Crore Sixty Five Lakhs) Equity Shares of Rs. 10/- each

The Total Issued Capital after the preferential issue of 20,00,000 (Twenty lakhs) warrants presuming 100% conversion of warrants into shares will be 185,00,000 (One Crore Eighty five lakhs) Equity Shares of Rs. 10/- each.

The percentage of shareholding is taken with reference to the abovementioned post issue share Capital 185,00,000 (One Crore Eighty five Lakhs only) Equity Shares of Rs. 10/- each

4. Proposed time within which the allotment shall be completed:

The allotment is proposed to be completed within 15 days from the date of passing the resolution at this meeting or from the date of approvals, if any, required from any regulatory authority (ies) or the Central Government, as the case may be, whichever is later.

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5. Auditor's Certificate:

A copy of the certificate from M/s. Balaji Vishwanath & Co., Chartered Accountants, the statutory auditors of the Company, certifying that the issue of shares is being made in accordance with requirements of SEBI guidelines for preferential issues shall be placed before the shareholders at the Annual General Meeting.

6. The identity of the proposed allottees and the percentages of the pre and post-preferential issue capital that may be held by them:

The allottees of the proposed Equity Share warrants are the promoters of the Company. The proposed issue is being made to them to increase their stake in the company. They have been relentlessly pursuing the goal of making the company one of the leading software training and solutions Provider Company in the country. They have confirmed their readiness in writing to subscribe for the Equity Share warrants of the Company as per the price formula fixed by SEBI Guidelines.

The proposed allottees and their percentage holdings, pre and post preferential issue Capital are as given under the following table based on beneficiary position dated 22.08.2008

Sl No.	Name of the proposed allottee	Before the Issue (\$)		After the Issue (#)	
		No. of Shares	%(\$\$)	No. of Shares	%(##)
1	P.Jagadeesh Babu	4,91,000	2.98	991000	5.36
2	Gottipati.S.S.Prasad	49,004	0.30	549004	2.97
3	P.Sandhya	0	0.00	5,00,000	2.70
4	Gottipati Rajaratnam	65000	0.39	5,65,000	3.05
5	Total	605004	3.67	2605004	14.08

\$ The Total Issued Capital after presuming 100% conversion of 35,00,000 (Thirty Five lakh) warrants into shares will be 1,65,00,000 (One Crore Sixty Five Lakhs) Equity Shares of Rs. 10/- each.

\$\$ The percentage of shareholding is taken with reference to the abovementioned post issue share Capital 165,00,000 (One Crore Sixty Five Lakhs)) Equity Shares of Rs. 10/- each

The Total Issued Capital after the preferential issue of 20,00,000 (Twenty lakhs) warrants presuming 100% conversion of warrants into shares will be 185,00,000 (One Crore Eighty five lakhs) Equity Shares of Rs. 10/- each.

The percentage of shareholding is taken with reference to the abovementioned post issue share Capital 185,00,000 (One Crore Eighty five Lakhs only) Equity Shares of Rs. 10/- each

Persons Acting in Concert (PAC): All the allottees belong to the promoters group, and can be said to be persons acting in concert with each other.

1. Change in the control or composition of the Board:

There will neither be any change in the composition of the Board nor any change in the control of the company on account of the proposed preferential allotment. However there will be corresponding change in the shareholding pattern as well as voting rights consequent to preferential allotment.

2. SEBI Takeover Code:

The provisions of the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 1997, are not attracted and therefore proposed promoter- allottees are not required to make an open offer and comply with the formalities related to an open offer for this preferential allotment.

Section 81 of the Companies Act, 1956 provides, inter alia, that whenever it is proposed to issue further shares, such shares shall be offered to the existing shareholders of the Company in the manner laid down in the said section, unless shareholders decide otherwise in the general meeting by way of special resolution.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956, SEBI guidelines for the preferential issues and in terms of the listing agreement to issue and allot the equity share warrants as stated in the Special resolution.

Your Directors recommend the passing of the resolution as special resolution.

None of the Directors of the Company with the exceptions of the promoter cum directors who are the proposed allottees; are in any way concerned or interested in the said resolution.

Date: 01.09.2008

Place: Hyderabad

For COMP-U-LEARN TECH INDIA LIMITED

Sd/-

K.S.RAO

MANAGING DIRECTOR