



COMPUAGE INFOCOM LTD.

Speed.....Reliability.....Valueperformance

10th Annual Report
08 09



COMPUAGE INFOCOM LTD.

COMPUAGE INFOCOM LTD.

Tenth Annual Report 2008-2009

Board of Directors

Atul H. Mehta
Bhavesh H. Mehta
G.S. Ganesh
C. Subramaniam
Vijay Agarwal

Company Secretary

Nilufer Irani

Registered Office

3, Dhuru Building, 1st Floor,
329, Vithal bhai Patel Road,
Mumbai-400 004.

Registrar & Share Transfer Agents

LINKINTIME PRIVATE LIMITED

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai-400 078.

Auditors

M/s. B.V. Dalal & Co.
Chartered Accountants

Branches

Ahmedabad, Agra, Aurangabad, Bangalore, Baroda, Bhubneshwar, Bhopal, Chandigarh, Chennai, Coimbtore, Cochin, Dehradun, Delhi, Ghaziabad, Goa, Guwahati, Guragaon, Hyderabad, Hubli, Indore, Jaipur, Jammu, Jabalpur, Kolkatta, Kottayam, Lucknow, Ludhiana, Mumbai, Mangalore, Madurai, Nagpur, Nasik, Parwanoo, Patna, Pondicherry, Pachukula, Pune, Raipur, Rajkot, Ranchi, Siliguri, Surat, Trivendrum, Vizag, Vijayawada, Varansi,

Bankers

Bombay Mercantile Co-op. Bank Ltd.
CITI Bank N.A
HDFC Bank Ltd.
Indian Overseas Bank
Standard Chartered Bank
ICICI Bank Limited
Barclays Bank
Indian Bank
Kotak Mahindra Bank
Hongkong and Shanghai Banking Corporation Limited

COMPUAGE INFOCOM LTD.

3, Dhuru Building, 1st Floor, 329 Vithalbhair Patel Road, Mumbai -400 004.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Full Name of the Member attending (in block letters) _____

Full Name of the first joint holder _____

(To be filled-in if first named joint-holder does not attend the meeting)

Name of the Proxy _____

(To be filled-in if the proxy form has been duly deposited with the Company)

I hereby record my presence at the TENTH ANNUAL GENERAL MEETING of the Company held on Saturday, the 25th of July 2009 at Victorial Memorial School For Blind, Tardeo Road, Opp. Film Centre, Mumbai 400 034 at 10.00 a.m.

Regd. Folio No.: _____

OR

DP ID / CLIENT ID: _____

Member's / Proxy Signature

No. of shares held : _____ (to be signed at the time handing over of this slip)

COMPUAGE INFOCOM LTD.

3, Dhuru Building, 1st Floor, 329 Vithalbhair Patel Road, Mumbai -400 004.

FORM OF PROXY

I/We _____

of _____ in the district of _____

_____ being a member(s) of the above named company, hereby

appoint Mr./Ms. _____

of _____ in the district of _____

of failing him / her Mr./Ms. _____

of _____ in the district of _____

as my / our proxy to vote for me / us, on my / our behalf at the TENTH ANNUAL GENERAL MEETING of the Company held on Saturday, the 25th of July 2009 at Victoria Memorial School For Blind Tardeo Road, Opp. Film Centre, Mumbai 400 034 at 10.00 a.m. and at any adjournment thereof.

Signed this _____ day of _____ 2009

Regd. Folio No.: _____

OR

DP ID / CLIENT ID: _____

No. of shares held: _____

Affix
Re. 1.00
Revenue
Stamp

Signature

Note: The Proxy form duly completed must be deposited at the Registered Office of the Company not less than 48hrs. before the time of holding of the meeting.



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NOTICE IS HEREBY GIVEN THAT THE TENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF COMPUAGE INFOCOM LIMITED WILL BE HELD ON SATURDAY 25TH JULY, 2009 AT 10.00 A.M. AT VICTORIA MEMORIAL SCHOOL FOR BLIND TARDEO ROAD, OPP. FILM CENTRE, MUMBAI-400 034. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2009 and the Balance Sheet as on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr.G.S.Ganesh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. B.V.Dalal & Co. Chartered Accountants as Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorise Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. To Consider and if thought fit, to pass with or without modifications the following resolution as a Special Resolution.

"RESLOVED THAT pursuant to the provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and all other applicable Rules, Regulations, Guidelines and laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall include a duly authorized Committee of Directors for the time being exercising the powers conferred by the Board of Directors), consent of the Company be and is hereby accorded to the Board of Directors of the Company to permit Foreign Institutional Investors (FIIs) registered with The Securities and Exchange Board of India (SEBI) including their SEBI approved sub-accounts (hereinafter referred to as FIIs), NRIs and foreign Nationals to acquire and hold shares of the Company upto an aggregate limit of 49% (Forty Nine per cent) of the paid-up equity share capital of the Company subject to the individual FII and NRI limit under Portfolio Investment Scheme or such other maximum limit as may be prescribed from time to time."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of



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giving effect to this resolution and for matters connected therewith or incidental thereto including delegating all or any of the powers conferred herein to any Committee of Directors or any Director or Officer of the Company."

5. To Consider and if thought fit, to pass with or without modifications the following resolution as a Special Resolution.

"RESOLVED THAT in pursuance to the resolution passed under postal ballot dated 13th May 2009 under section 192(A) of the Companies Act, 1956 and the Companies (Passing of the Resolution by Postal Ballot) Rules 2001 for Issue of Equity shares on a rights basis or warrants on a rights basis convertible to Equity Shares or a combination of both or any other securities on a rights basis for a sum not exceeding Rs. 16,00,00,000 (Rupees Sixteen Crores only) including premium on a rights basis to existing equity shareholders of the Company as on the Record Date (to be fixed for the purpose), the approval of the Company be and is hereby accorded to the Board to consolidate the fractional entitlement of equity shares or warrants convertible into equity shares to be issued on rights basis and issue these shares to a person(s)/trustee(s) nominated by the Board for this purpose, who shall be deemed to be a trustee on behalf of the shareholders of the Company entitled for the fraction of shares issued on rights basis and that such person(s)/trustee(s) shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same in proportion of their fractional entitlements.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the board either by itself or through a committee of directors named as Right Issue Committee consisting of Independent Directors be and is hereby authorized to accept and implement any suggestions, modifications and amendments given by any regulatory including Stock Exchange and also to do and perform all such acts, deeds, things and matters as may in its absolute discretion be deemed necessary and expedient and to settle any question or matter that may arise in connection therewith."

By Order of the Board of Directors
For Compuage Infocom Limited

Atul H.Mehta
Chairman & Managing Director

Place : Mumbai
Date: 29/06/2009

Registered Office:
Compuage Infocom Limited
3, Dhuru Building,
329, Vithalbhair Patel Road,
Mumbai-400 004.



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NOTES :

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

A proxy form duly completed and stamped, must reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

- 2) The register of members and the share transfer books of the company will remain closed from 24th July 2009 to 25th July 2009 (both days inclusive) in connection with the Annual General Meeting.
- 3) The relative Explanatory Statement pursuant to section 173 of the Companies Act, 1956 in regard to the business as set out in item No. 4 and 5 above is annexed
- 4) Members are requested to inform the Company any change in their address immediately to –

LINKINTIME PRIVATE LIMITED

C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai-400 078.



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INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

As required under the Listing Agreement, the particulars of the Director who is proposed to be re-appointed is furnished below:

1. Name : Mr. G.S.Ganesh
- Age : 50 years
- Qualification : Chartered Accountant
- Date of appointment : 18.10.2000

Brief Profile covering experience and achievements:

Shri Ganesh Shiva Ganesh is a qualified Chartered Accountant and is associated with Merchant Banking business from last 20 years. He has worked with Sharp & Tennan, Chartered Accountants, 20th Century Finance Corporation Limited, Infrastructure Leasing and Financial Services Limited and Ind Global Financial Trust Limited. He is the Chairman of the Audit committee and remuneration committee and member of Share Transfer Committee & Investor Grievance Committee of the Company. He is holding Nil Shares in the Company.

By Order of the Board of Directors
For Compuage Infocom Limited

Atul H. Mehta
Chairman & Managing Director

Place : Mumbai
Date: 29/06/2009

Registered Office:
Compuage Infocom Limited
3, Dhuru Building,
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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No.4

In terms of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 read with Notification No. FEMA 20/2000-RB dated May 3, 2000, as amended from time to time, the Foreign Institutional Investors (FIIs)/SEBI approved sub-account of FIIs can, in aggregate, hold upto 24% of paid-up equity capital. The said Regulations further provide that the limit of 24% may be increased upto the sectoral cap/statutory ceiling, as applicable, by the Indian Company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

The said regulation also provide that the holding of NRIs can be increased upto 24% of the paid-up equity capital, by the Indian Company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Keeping in view, the interest of the FIIs and NRIs in the shares of your Company and the inherent advantage thereof to the shareholders at large, the Board of Director have, at their meeting held on 1st June 2009, decided to increase the limit of FIIs and NRIs holding in aggregate to 49%, subject to the requisite approval of the shareholders and any other permission required under any act. Hence the proposed resolution.

This Resolution will also enable the FIIs, NRIs and foreign Nationals to acquire shares of the Company within the revised ceiling under the provisions of the Reserve Bank of India.

None of the Directors of the Company are in any way concerned or interested in the Resolution.

Your Directors recommend the resolution for your approval as a Special Resolution

Item No.5

The Company has passed a special resolution through postal Ballot under section 192(A) of the Companies Act, 1956 and the Companies (Passing of the resolution by Postal Ballot) Rules, 2001 for issue of equity shares or warrants convertible to Equity Shares or a combination of both or any other securities on a rights basis to the existing equity shareholders of the company.



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In order to deal with the fractional shares which would come into existence on issue of shares or warrants, the Board of Directors have, at their meeting held on 1st June 2009, decided to consolidate the fractional entitlement and issue these shares to a person(s)/ trustee(s) nominated by them for this purpose who shall be deemed to be a trustee on behalf of the shareholders and shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same in proportion of their fractional entitlements.

None of the Directors of the Company are in any way concerned or interested in the Resolution.

Your Directors recommend the resolution for your approval as a Special Resolution

By Order of the Board of Directors
For **Compuage Infocom Limited**

Atul H. Mehta
Chairman & Managing Director

Place : Mumbai
Date: 29/06/2009

Registered Office:
Compuage Infocom Limited
3, Dhuru Building,
329, Vithalbhai Patel Road,
Mumbai-400 004.


COMPUAGE INFOCOM LTD.
DIRECTOR'S REPORT

Dear Shareholders,

The Board of Directors has pleasure in presenting herewith the Audited Financial Statements for the year ended 31st March 2009.

FINANCIAL HIGHLIGHTS :

The highlights of the Financial Results are:

(Rs. In Lacs)

Particulars	Current Year 2008-2009	Previous Year 2007-2008
Sales & Other Income	80427.45	61171.64
Profit before Taxation & Depreciation	755.44	715.87
Less: Depreciation	38.82	53.74
Profit after depreciation	716.62	662.13
Less: Provision for taxation	252.42	220.46
Fringe Benefit Tax	19.95	13.91
Profit after Tax Provision	444.25	427.76
Balance brought forward	605.17	630.33
Amount available for Appropriation:	1049.42	1058.09
Less : Utilised towards Capital Restructuring	NIL	452.92
Balance Carried to Balance Sheet	1049.42	605.17

Business Review:

Compuage ended the year 2008-09 on a positive note, with sales growing by over 31.45 % to Rs 803.71 crores and Profit before Depreciation and Tax by a marginal 5.52 % to Rs 7.55 crores. Despite revenue growing by over 30%, profits have registered a nominal growth due to increased finance and operating expenses.

The year ended March 2009 has been a challenging year, with unprecedented economic crisis worldwide. In view of the same, the company took a cautious approach and slowed down its operations, resulting in lower revenue, higher costs and thereby lower profits.

During the year, Compuage strengthened its operations further. It increased its offices to 51, service centers to 47, team to 550 and product lines to 15. While it did not realize the benefits of all these investments in the year concluded, they will definitely reap benefits in the years' ahead