



20th Annual Report

2010 - 2011

BOARD OF DIRECTORS

Dr. Santhosh Babu, IAS, Chairman
Tmt.Unnamalai Thiagarajan, Managing Director
Thiru C. Ramachandran
Thiru J. Ravi
Thiru P.S. Kumar
Thiru R. Ganapathi
Thiru H. Karthik Seshadri
Thiru K.Padmanaban
Thiru S Paulraj
Dr. V Dharmalingam
Thiru G Senrayaperumal
Thiru K.Kasim

COMPANY SECRETARY

Thiru R S Gowdhaman

STATUTORY AUDITORS

M/s. S.H. Bhandari & Co.
Bhandari Towers,
824, EVR Periyar Road
Kilpauk, Chennai – 600 010.

BANKERS

M/s. State Bank of India
Industrial Finance Branch,
Chennai – 600 002.

REGISTERED OFFICE

Elnet Software City
TS 140, Block No. 2&9, Rajiv Gandhi Salai,
Taramani, Chennai – 600 113
Phone – 044 - 22541337/1098
Fax – 044 - 22541955
E-mail: elnet@md4.vsnl.net.in

**REGISTRARS AND SHARE
TRANSFER AGENTS**

M/s. Cameo Corporate Services Limited
“Subramanian Building”, Fifth Floor
No. 1, Club House Road, Chennai – 600 002
Phone – 044 - 28460390 (6 lines)
Fax – 044 - 28460129

TWENTIETH ANNUAL REPORT 2010-2011

NOTICE

NOTICE is hereby given that the **TWENTIETH** Annual General Meeting of **ELNET TECHNOLOGIES LIMITED** will be held on Tuesday, the 28th June 2011 at 11.00 A.M. at New Woodlands Hotel Pvt. Ltd., No.72-75, Dr.Radhakrishnan Salai, Mylapore, Chennai 600 004 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 and Loss Account of the Company for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare Dividend
3. To appoint Auditors and to fix their remuneration

To consider, and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT M/s S.H.Bhandari & Co, Chartered Accountants, Chennai be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration of Rs.2,85,000 /- plus service tax as applicable”.

4. To appoint a Director in place of Thiru R. Ganapathi who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Thiru J.Ravi who retires by rotation and is eligible for re-appointment.
6. To appoint a Director in place of Dr.V. Dharmalingam who retires by rotation and is eligible for re-appointment.

By Order of the Board of Directors

Place : Chennai

R.S.GOWDHAMAN

Date : 12.05.2011

DGM(F&A) & COMPANY SECRETARY

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. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of Annual General Meeting.
2. The explanatory Statement as required under Sec. 173(2) of the Companies Act 1956, in respect of the Ordinary Business set out above is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from 22.06.2011 to 28.06.2011 (Both days inclusive).
4. The payment of dividend, upon declaration by the shareholders, at the ensuing Annual General Meeting will be made within one month from the date of Annual General Meeting.
5. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their Bank details, change in address etc., to their Depository participant only and not to the Company's Registrar and Share Transfer Agent.

Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrars and Share Transfer Agents to provide efficient and better service to the Members.

Pursuant to the provisions of Sec 205A and 205C of the Companies Act, 1956, dividend declared, which remain unclaimed for a period of seven years will be transferred by the Company to the Investor Education and Protection Fund as shown here under.

Financial Year Ended	Date of Declaration of Dividend	Due date of the proposed transfer to Investor Education and Protection Fund
31.03.2004	29.09.2004	28.09.2011 **
31.03.2005	07.05.2005	06.05.2012
31.03.2006	06.05.2006	05.05.2013
31.03.2007	27.07.2007	26.07.2014
31.03.2008	30.07.2008	29.07.2015
31.03.2009	07.07.2009	06.07.2016
31.03.2010	21.07.2010	20.07.2017

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**** Please note that as per sec.205 (c) of the Companies Act, 1956, we have to transfer the pending amount lies in the Unpaid Dividend account to Investor Education and Protection Fund. Hence we will be transferring the said amount accordingly.**

Members who have not so far received / encashed dividend for the aforesaid years are requested to seek payment of dividend by writing to the Company immediately. Members are also requested to note that no claims shall lie against the said fund or the Company in respect of any amounts which were unclaimed and unpaid for seven years from the date they first became due for payment and no payment shall be made in respect of any such claims.

6. Members are requested to bring their copies of this report to the meeting.
7. Members who are holding shares in physical form are requested to intimate to the Registrar and Transfer Agents (R&TA) of the Company immediately about change in their address.
8. Members may contact the Company at Email: *elnet@md4.vsnl.net.in* for any query.
9. Members who are holding shares in more than one folio are requested to intimate to the Registrars the details of all their folio numbers for consolidation into a single folio. Members who hold shares in dematerialized form are requested to write their Client ID and DPID and those hold shares in physical form are requested to write their folio no. in the attendance slip while attending the meeting for easy identification of attendance at the meeting.
10. Members are requested to
 - i) write to the Company at least seven days before the date of the Meeting, in case they desire any information as regards the Audited Accounts for the Financial year ended 31.03.2011, so as to enable the Company to keep the information ready.
 - ii) Quote registered folio number or Client ID in all the correspondence.
 - iii) Send all share transfer lodgments (physical mode) / correspondence to the Registrar and Share Transfer Agents of the Company.
11. Members are informed that trading and settlement of Company's shares through Stock Exchanges has been made compulsory in Demat (Electronic) form. In view of this mandatory requirement the members are requested in their own interest to dematerialize their shareholding in the Company.
12. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
13. Corporate Members are requested to forward a Certified Copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT U/S 173 (2) OF COMPANIES ACT 1956

Item No. 3. Appointment of Auditors

As more than 25% of the paid up capital is held by M/s Electronics Corporation of Tamil Nadu Limited, a Government of Tamil Nadu Undertaking, the appointment or reappointment at each Annual General Meeting of the Auditors of the Company shall be made by a Special Resolution as per Sec 224 A of the Companies Act, 1956. M/s S.H. Bhandari & Co., Chartered Accountants, who are the Statutory Auditors for the financial year ended 31.03.2011 is being proposed to be appointed as Auditors for the financial year ending 31.03.2012.

Directors recommend the passing of the resolution.

No Director is interested or concerned in this item of business.

By Order of the Board of Directors

Place : Chennai
Date : 12.05.2011

R.S.GOWDHAMAN
DGM(F&A) & COMPANY SECRETARY

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INFORMATION ON DIRECTORS RETIRING BY ROTATION SEEKING REAPPOINTMENT AND DIRECTORS PROPOSED TO BE APPOINTED AT THE ANNUAL GENERAL MEETING

Name	Thiru R. Ganapathi	Thiru J.Ravi	Dr.V.Dharmalingam
Date of Birth and age	28.06.1955 & 55 Years	03.10.1954 & 56 Years	07.05.1956 & 54 Years
Appointed on	14.08.2003	08.08.2003	10.07.2006
Qualification	B.Tech - Mechanical Engineering - IIT, Chennai	B.Tech (Chemical Engg..)	B.S.M (Siddha)D.C.M.(Varma),& D.Sc.,
Experience in specific functional areas	Engineering - Management. IT Training, Construction and heavy machinery trading	30 years of experience in international Trading.	Instrumental in establishing the Varma Department at the Aringar Anna Hospital, Chennai. Successful in the treatment of chronic ailments has made him widely known. As an exponent in Indian Medicine,practices internationally.
Directorship/ Chairmanship held in other public companies	Deccan Softlab Pvt. Ltd - Director		
	ETL Infrastructure Service Ltd - Director		
	Elnet Software City Ltd - Director		
	Trigyn Technologies Ltd - Ex-Director		
	Trigyn Technologies (India) Pvt. Ltd - Director		

	Trigyn Technologies Inc., USA - Director		
	Leading Edge Infotech Ltd - Director		
	Orient Green Power Company Ltd - Director		
	Audit Committee		
Memberships/ Chairmanship of Committee across public companies	Elnet Technologies Ltd - Member		
	Shareholders/Investors Grievance Committee		
	Elnet Technologies Ltd - Member		
	Remuneration Committee		
	Elnet Technologies Ltd - Member		

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DIRECTORS' REPORT

To

The Members

Your Directors have great pleasure in presenting the TWENTIETH Annual Report together with the Audited Accounts of your Company for the Financial Year ending 31.03.2011.

Members would be happy to note that your company has had a successful year of operation, which has resulted in an after tax profit of Rs.364.61 Lakhs.

OPERATIONS

The highlights of the Financial Results of your Company are as under:-

Sl. No.	Particulars	For the year ended 31.3.2011 Rs. in Lacs	For the year ended 31.3.2010 Rs. in Lacs
1.	Income from operations	1606.45	1644.24
2.	Non-operating income	62.03	37 .67
3.	Total expenditure	708.07	690.58
4.	Interest	98.50	124.42
5.	Gross profit (after interest but before depreciation and taxation) [1+2)-(3+4)]	872.78	866.91
6.	Depreciation	291.03	293.25
7.	Provision for deferred tax	(21.72)	(21.57)
8.	Provision for current tax	228.00	220.00
9.	Net Profit	364.61	375.23
10.	Dividend & tax thereon	55.79	55.97
11.	Transfer to General Reserve	200.00	200.00
12.	Balance carried forward to Balance Sheet	108.82	119.26
13.	Paid up Equity Share Capital	400.00	400.00