

Corporate Information

Board of Directors

Bhargav Marepally
CEO & Managing Director

Ramesh Yerramsetti
Managing Director

Patri Venkata Rama Krishna Prasad
Chairman, Non-Executive Independent Director

Keerthy Jaya Tilak
Non-Executive Independent Director

L. V. Prasad
Non-Executive Independent Director

Guhan Subramaniam
Non-Executive Non-Independent Director

Chief Financial Officer
Ravi Sankar Chivukula

**Head of Legal, Company Secretary
& Compliance Officer**
Artham Someswara Rao

Bankers

Axis Bank Limited

Committees of Board of Directors

Audit Committee

Bhargav Marepally
P. V. R. K. Prasad
Keerthy Jaya Tilak
L.V. Prasad

Remuneration Committee

P.V.R.K. Prasad
L.V. Prasad
Keerthy Jaya Tilak

Share Transfer and Shareholders'/ Investors' Grievance Committee

Bhargav Marepally
Ramesh Yerramsetti
L.V. Prasad

Auditors

M/s. BVR & Associates, 104, 1-9-1088/68/71,
Yashasree Apartments, Adikmet Road, Vidya
Nagar, Hyderabad – 500 044,
Andhra Pradesh, India

Registered Office

Wing 2, Block B, 3rd Floor, Cyber Gateway,
HITECH City, Madhapur, Hyderabad - 81, India.
Ph: +91 40 44556600
Fax: +91 40 40028703
www.gssamerica.com

Registrar and Share Transfer Agents

Bigshare Services Private Limited

E/2, Ansa Industrial Estate, Saki Vihar Road, Saki
Naka, Andheri (E), Mumbai – 400 072, India
Tel: +91 22 2847 3747
Fax: +91 22 2847 5207
<https://www.bigshareonline.com>

Notice of Annual General Meeting (AGM)

Notice is hereby given that the **6th Annual General Meeting (AGM)** of the members of GSS America Infotech Limited will be held on Monday, December 28th 2009 at 11.00 A.M at Ellaa Suites, Jasmine Banquet Hall, Hill Ridge Springs, 25 Kancha, Gachibowli, ISB Road, Hyderabad 500 032 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 30th June, 2009, the Profit and Loss Account for the year ended on that date together with the Reports of Director's and Auditors thereon.
2. To declare dividend for the financial year ended 30th June, 2009.
3. To appoint a Director in the place of Mr. Guhan Subramaniam, who retires by rotation, and being eligible, offers himself for re appointment.
4. To appoint a Director in the place of Mr. Keerthy Jaya Tilak, who retires by rotation, and being eligible, offers himself for re appointment

Special Business

5. To appoint Mr. L.V.Prasad as a Director of the Company

To consider and if thought fit to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. L.V.Prasad who became an Additional Director of the company with effect from June 20th 2009 and who holds office up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ('the Act') and in respect of whom the company has received a notice in writing from a member under Section 257 of the Act proposing his candidature to the office of Director of the Company, be and is hereby appointed a Director of the company, who shall be liable to retire by rotation."

6. To Appoint Auditors of the company

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

"RESOLVED THAT subject to the provisions of Sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s.Sarath & Associates, Chartered Accountants be appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting in place of the retiring Auditors M/s. B V R & Associates, Chartered Accountants, to conduct the audit of the Accounts of the Company for the Financial year 2009-10, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors, plus service tax and out of pocket expenses."

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

"RESOLVED THAT the Board be and is hereby authorized to utilize the unutilized initial public offer funds for acquisitions / working capital requirements other than those objects for which such funds were initially allocated as mentioned in the prospectus."

By Order of the Board of GSS America Infotech Limited

Sd/-

Mr. Someswara Rao Artham

Head of Legal, Company Secretary & Compliance Officer

Place : Hyderabad

Date : November 30, 2009

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 on behalf of him and the proxy need not be a member of the Company. The enclosed proxy form should be deposited with the Company before the expiry of 48 hours from the date of the AGM.**
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In terms of the Article 106 of the Articles of Association of the Company, and in accordance with Section 255 & 256 of the Companies Act, 1956, Mr. Keerthy Jaya Tilak and Mr. Guhan Subramaniam, will retire by rotation at the Annual General Meeting of the Company and being eligible, offer themselves for re-election. Additional information pursuant to Clause 49 of the Listing Agreement with Stock Exchanges of those directors retiring by rotation and seeking reappointment at Annual General Meeting is given in the notes to this notice.
4. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
5. Members/proxies are requested to bring their copy of the Annual Report and duly filled in attendance slips to the meeting. The form of attendance slip is given at the end of this Annual Report.
6. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company between 11:00 am to 1:00 pm up to the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
9. The members may inspect the register of directors' shareholding maintained under section 307 of the Companies Act, 1956, at the venue of the sixth annual general meeting and at the registered office of the Company.
10. In respect of holding of shares in electronic form, members are requested to notify any change of address or bank account details to their respective Depository Participants. Members holding shares in electronic form may please note that their bank details as furnished to the respective Depositories will be printed on their Dividend Warrant as per the applicable regulations.
11. Members having share certificates in physical form are requested to update immediately bank details and change of address, if any, to the Company's Registrar and Share Transfer Agent enabling the Company to dispatch the dividend warrants at their correct address.
12. Members who still hold shares certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, saving in stamp duty and elimination of any possibility of documents and bad deliveries.
13. Members desirous of obtaining any clarification on queries concerning accounts and operations of the Company are requested to address their questions in writing to the Company Secretary, at least seven days before the date of the sixth annual general meeting.
14. The register of members and the share transfer books will remain closed from December 23, 2009 to December 28, 2009 (both days inclusive) for the purpose of taking record of eligible Shareholders / Beneficial Owners for payment of Dividend as may be approved by the Members in the Annual General Meeting of the Company being scheduled on December 28th, 2009.
15. The dividend at the rate of Rs.1.50/- for the year ended June, 30, 2009 as recommended by the Board, if sanctioned at the AGM, will be payable to those members whose names appear on the Company's Register of Members on December 23, 2009.

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956

Item No. 5

During the year, Mr. L.V.Prasad has been co-opted as an Additional Director and holds his office up to this Annual General Meeting.

Mr. L.V. Prasad holds a Bachelors degree in Computer Science from BITS, Pilani, he has spent over 18 years in the Information Technology field in various management positions.

Your Board recommends the above re-appointment of Director as it is in the best interest of the Company.

Your Directors recommend this resolution for your approval.

None of the Directors of the Company are interested in the proposed resolution.

Item No. 6

The Company Auditors M/s. B V R & Associates, Chartered Accountants, retire at this Annual General Meeting (AGM) of the Company. However, M/s B V R & Associates have not offered themselves for re-appointment at this AGM.

Further, the Company has received a Special Notice from a member of the Company under Sections 190 and 225 of the Companies Act, 1956, signifying the Member intention to propose the appointment of M/s Sarath & Associates, Chartered Accountants as the Auditors of the company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. M/s Sarath & Associates, Chartered Accountants have also expressed their willingness to act as Auditors of the Company, if appointed and have further confirmed that the said appointment, if made would be in conformity with the provisions of section 224(1B) of the Act.

In view of the above and based on the recommendations of the Audit Committee, the Board of Directors has at its Meeting held on 30th November, 2009 proposed the appointment of M/s Sarath & Associates, Chartered Accountants as the Statutory Auditors in place of M/s B V R & Associates for the financial year 2009-10.

The Members approval is being sought to the appointment of M/s Sarath & Associates, Chartered Accountants as the Statutory Auditors and to authorize the Board of Directors, on the recommendation of the Audit Committee to determine the remuneration payable to the Auditors.

The Directors recommend the Resolution at item no. 6 for acceptance by the members.

None of the Directors of the Company is concerned or interested in this resolution.

Item no. 7

The board had planned building own offshore development centre in Hyderabad during 2007 and hence provided budget of Rs.66.10 Crores. However post IPO the company realized that there is significant increase in land cost and based on the tax incentives it would be wise for the company to take premises on lease in a SEZ, which would give a 5 year tax holiday. in lieu of change in the policy your board proposes to utilize the said funds for growth of the organization in terms of further acquisitions and / or working capital requirements. the members are requested to approve the item of the agenda.

None of the Directors of the company is concerned are interested in this resolution.

Statement of object wise IPO funds raised and expenditure made as on 30th June, 2009

Sl. No.	Name of the object/project	Funds raised	Expenditure incurred till 30 th June, 2009	Balance available under each project
1	Setting up Global Delivery Centre	6610.39	Nil	6610.39
2	Setting up of overseas offices	980.58	942.63	37.95
3	Working capital	2500	2384.74	115.26
4	Acquisitions	3000	3111.55	(111.55)
5	Issue expenses	1659.24	1221.17	438.07

Total: 14750.21

Particulars	Amount
Public issue proceeds	13989.98
Internal accruals	760.23

By Order of the Board of GSS America Infotech Limited

Total: 14750.21

Balance amount to be utilized Rs. 6329.89

Sd/-

Mr. Someswara Rao Artham

Head of Legal, Company Secretary & Compliance Officer

Place : Hyderabad

Date : November 30, 2009

Details of the Directors seeking re- election at the ensuing AGM as per Clause '49 IV G' of the listing agreement

Item No. 3 & 4

Name of the Director	Mr. Guhan Subramaniam	Mr. Keerthy Jaya Tilak
Brief resume and details of expertise in their functional areas	Mr. Guhan Subramaniam is a Managing Partner at IL&FS Investment Managers Limited. He is an experienced professional and a senior member of the IL&FS Private Equity team. He has 29 years experience. His experience has predominantly been in Information Technology and Software Solutions, Product and Services both in India and Global markets. His career spans from Sales, Marketing, Business Development, Human Resources Development to Business Planning. He has held senior management positions in Modi Xerox Ltd from 1985 to 1990, in Wipro Information Technology Ltd from 1990 to 1997, in Ashok Leyland Information Technology Ltd from 1997 to 1999, in BPL Innovision Technologies Pvt. Ltd from 1999 to 2000 and in IL&FS Investment Managers Ltd from December 2000 till date.	Mr. Keerthy Jaya Tilak aged 61 years, is an IIM, Kolkata Graduate, having 36 years of experience in marketing, developing marketing strategies, establishing systems and procedures and business promotion. He has worked at various senior positions with Escorts Ltd, LML Ltd, Essar Group and Nagarjuna group. As an independent Consultant, he executed many projects for SMEs for Project Funding, Rehabilitation, New Product Launches and Mergers. Since 2006 he is working as freelance consultant in the area of manpower recruitment at middle and senior level to MNCs.
Names of the other companies in which the person also holds the directorship and the membership of Committees of the Board	<ol style="list-style-type: none"> 1. Director in Mindteck India Limited 2. Director in Sark Systems Ltd 3. Director in IPF online Limited 4. Director in Si2 Micro Systems Limited 5. Director in EMR Technology Ventures Pvt. Ltd 6. Chairman of the Audit Committee and member of Remuneration and Shareholders Committee in Mind tech India Limited 	<ol style="list-style-type: none"> 1. Director in Jaytee Management Consultants Private Limited 2. Committee Memberships: NIL
Shareholding in the Company	NIL	NIL

Directors Report

Dear Members,

Your Directors are pleased to present the 06th Annual Report and the Audited Accounts for the 15 months ended June 30, 2009

I. FINANCIAL RESULTS

The Company's financial results (consolidated & standalone) for the year ended June 30, 2009 is provided in the Annual Report.

Consolidated Revenues of the Company stood at Rs.495.47 Crores, due to excellent demand for the Company's integrated service approach for IT Infrastructure and Software Services delivery Model.

The Profit before Tax of the company for the year ended 30.06.2009 is Rs.87.11 Crores; the company has recorded an impressive growth during the year. This growth has been made possible due to the enlargement of operations and consequent economies as well as improved management of costs.

The Company has had a very good year and is poised to continue its growth trend during the current year.

FINANCIAL RESULTS FOR THE 15 MONTHS ENDED 30th JUNE 2009

Particulars	GSS America Infotech Limited and its subsidiaries (Rs. In Crores)	
	15 Months ended	12 Months ended
	30.06.2009	31.03.2008
Total income	510.30	300.28
Gross Profit	126.16	93.97
Operating Profit before interest	102.66	75.92
Profit (+)/Loss (-) from Ordinary Activities before tax	87.11	69.66
Net Profit (+)/ Loss (-) from Ordinary Activities after tax	79.31	62.20
Paid-up equity share capital (Face Value. Rs. 10/- each)	12.74	13.30
Reserves and Surplus	336.04	251.28
Earnings Per Share	62.25	46.77

II. DIVIDEND

The Directors are pleased to recommend, for approval of the members, a final Dividend of Rs.1.50/- per equity share of face value of Re.10/- each of the company for the financial year 2008-09. The final dividend on the equity shares, if declared as above, would involve an outflow of Rs. Rs.2,23,52,205/- towards dividend and dividend tax.

The register of members and the share transfer books will remain closed from 23rd December, 2009 to 28th December, 2009 (both days inclusive)

III. TRANSFER TO RESERVES

Your Directors propose to transfer a sum of Rs.1,71,54,627/- to General reserves out of the amount available for appropriations and a sum of Rs. 1,65,86,93,055/- is carried forward in the Profit and Loss account.

IV. FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit under Sections 58A and 58AA of the Companies Act, 1956 read with the Companies (acceptance of Deposits) Rules, 1975.

V. DETAILS ON BUY BACK OF SHARES

During the financial year 2008-09, the board of Directors of your company recommended buy back of GSS America shares and earmarked Rs.20 (twenty) Crores for this exercise. The company proposed to buy back the shares through open market operations using stock exchanges route at a maximum price of Rs.250/- (Rupees Two Hundred and Fifty only) per share subject to the approvals as may be required from the statutory authorities. The promoters have decided not to participate in this buyback offer. A detailed description of buy back is as given below.

Method/Details of buy back	Open market route (through stock exchange)
Amount allotted for buy back	20 crores
Buy back price not exceeding	Rs.250/-
% of paid up capital and free reserves	9.86 %
Commencement of buyback	February 25, 2009
Closing of buyback	August 07, 2009
No. of shares bought back	563157
Average price per share at which equity shares bought back shares	Rs.152.19/-

The objectives of the buyback exercise are outlined below:

- To return money to the shareholders in a tax-efficient manner and investor friendly without sacrificing the growth opportunities.
- To create positive impact on share performance by –
 - u Reducing the weighted average cost of capital
 - u Improving return on equity
 - u Increasing Earning Per Share

However, inorganic route continuous to be an integral part of Company's growth strategy. Your company believes that the existing cash reserves should be sufficient to address any inorganic growth opportunities.

Capital structure

The equity capital structure of the company pre Buy-back (as on the date of public announcement) and post Buy-back are as under:

Share capital	Authorized	Issued, subscribed, paid-up
Pre buy back	1,50,00,000 equity shares of Rs.10/- each	1,33,00,000 equity shares of Rs.10/- each
Post buy back	1,50,00,000 equity shares of Rs.10/- each	1,27,36,843 equity shares of Rs.10/- each.

VI. DIRECTORS

Mr. Guhan Subramaniam and Mr. Keerthy Jaya Tilak, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Mr.L. V. Prasad, Director appointed as Additional Director on the Board on 20th June, 2009 and holds office up to the commencement of forthcoming Annual General Meeting and in respect of whom the company has received a notice in writing from a member under Section 257 of the Act proposing his candidature to the office of Director of the Company, be and is hereby appointed a Director of the company, who shall be liable to retire by rotation.

Mr.K.Vasudeva Rao, Independent Director, due to other preoccupations resigned from the Board and other committees with effect from 01st June, 2009.

VII. ACQUISITIONS AND INVESTMENTS

Acquisition of a US Based Company ATEC Group

The company's subsidiary M/s. GSS Infotech Holdings Inc., has acquired US based software Company ATEC Group through its wholly owned subsidiary GSS Infotech Holdings inc. The company is a prominent player in IT infrastructure space for several years in U.S. The revenues through this acquisition will get reflected in the current fiscal 2009-10.

VIII. AUDITORS

M/s. B.V.R & Associates, Chartered Accountants, Statutory Auditors of the Company have not offered themselves for re-appointment at the ensuing Annual General Meeting. The company has received a special notice from a member of the company, in terms of provisions of the act, 1956, signifying the intention to propose the appointment of M/s Sarath & Associates, as the statutory auditors of the company from the conclusion of ensuing Annual General Meeting till the conclusion of the next annual general meeting.

M/s Sarath & Associates have also expressed their willingness to act as Auditors of the company, if appointed, and have further confirmed that the said appointment would be in conformity with the provisions of section 224(1B) of the companies act, 1956.

IX. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are set out in the Annexure A to this Report.

X. AUDIT COMMITTEE

The Company has an audit Committee comprising of 4 directors namely, Mr.P.V.R.K. Prasad, Non-Executive Independent Director, Mr. Keerthy Jaya Tilak, Non-Executive Independent Director, Mr.L. V. Prasad, Non-Executive Independent Director and Mr. Bhargav Marepally, Executive Director.

XI. SUBSIDIARIES

As on date the Company has the following subsidiaries:

a. GSS America Inc.

1699 Wall Street, Suite 201
Mt. Prospect, IL 60056
Tel: +1 847 640 3700
Fax: +1 847 640 3701
<http://www.gssamerica.com>

b. Infospectrum Consulting Inc.

1699 Wall Street, Suite 201
Mt. Prospect, IL 60056
Tel: (847) 640 3700
Fax: (847) 640 3701
<http://www.isc-na.com>

c. System Dynamix Corporation

2842 Main Street
Glastonbury, Connecticut 06033
Voice: (860) 633-7174
Fax: (860) 633-7162
<http://www.sdc-us.com>

XII. PARTICULARS OF EMPLOYEES:

As required by the provisions of Section 217 (2A) of the Companies Act, 1956, as amended, read with Companies (Particulars of Employees) Rules, 1975, the names and other particulars of the employees are set out in the Annexure B to this Report.

XIII. CORPORATE GOVERNANCE:

Your company is committed to benchmark itself with global standards for providing good corporate governance and has put in place an effective Corporate Governance System which ensures that the provisions of Clause 49 of the Listing Agreement are duly complied with. A report on Corporate Governance along with an Auditor Certificate on its compliance forms part of this Report.

XIV. MANAGEMENT DISCUSSION AND ANALYSIS

A report on Management Discussion and Analysis is set out as **Annexure E** to this Report.

XV. CEO'S DECLARATION

Certificate from the 'Chief Executive Officer and Managing Director' and the Chief Financial Officer of the Company regarding the financial statements as per the Corporate Governance Norms is given as Annexure F to the report. Further, the declaration by the Chairman and Managing Director of the Company declaring that all the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company is set out as Annexure G to the Report.

XVI. DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating Management, and after due enquiry, confirm:

- a.** That in preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure
- b.** That the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at June 30, 2009 and of the profit of the Company for the year ended on that date
- c.** That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
- d.** That the annual accounts have been prepared on a going concern basis.

XVII. STATEMENT PURSUANT TO EXEMPTION UNDER SECTION 212(8) OF THE COMPANIES ACT 1956

In terms of the exemption granted under Section 212(8) of the Companies Act, 1956, by the Ministry of Corporate Affairs, Government of India Vide its **letter No.47/247/2009-CL-III dated 24th April, 2009**, the company has been exempted from complying with the provisions contained in sub-section (1) of section 212 of the Companies Act, 1956 in respect of subsidiaries.

Accordingly, the Annual Report of the company contains the consolidated audited financial statements prepared as per the provisions of the Listing Agreement and prepared in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India.

Further, the annual accounts of the subsidiary companies and the related detailed information will be made available to any member of the Company seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any member of the Company at the registered office of the company.

XVIII.ACKNOWLEDGEMENTS:

Your Directors would like to place on record their appreciation for the contribution made by the employees at all levels, who, through their competence, hard work, solidarity, co-operation, support and commitment have enabled the company to achieve its strong growth.

Your Directors acknowledge with thanks the continued support and valuable co-operation extended by the business constituents, investors, vendors, bankers and shareholder of the company. Your Directors also thank the Software Technology Parks of India, the Government of India, Governments of Andhra Pradesh, other governmental agencies and NASSCOM for their support during the year, and look forward to their continued support.

On behalf of the Board of Directors of GSS America Infotech Limited

Sd/-

Mr. Bhargav Marepally
Chief Executive Officer & Managing Director

Place : Hyderabad
Date : November 30, 2009

Sd/-

Mr. Ramesh Yerramsetti
Managing Director

Place : Hyderabad
Date : November 30, 2009

