



2010 Annual
Report

SEVENTH ANNUAL REPORT





Vision

To be among the top 10 managed IT services providers for Small and Medium Business Globally, by 2015

Mission

Provide Innovative Managed IT Services at a Committed Quality and Optimal Cost leveraging Technology, Thought Leadership and Global Delivery Model

GSS America – A Snapshot

- A Publicly listed Managed IT Services company with over 11 years in operation.
- A Global Organization with operations in US, India, Middle East & Singapore.
- A SEI-CMMi Level-3 Organization, delighting customers through industry recognized processes.
- An organization certified on ITSM & ISMS (ISO 9001, 20000 & 27001).
- An organization propelled by industry recognized and highly capable leadership team.
- A strong and expanding customer base serviced by a world class delivery engine (Over 70 Fortune 500 customers and 150 Global 1000 customers).
- A dedicated Global Operations Command Center in Hyderabad, India, to provide best in class Remote Infrastructure Management Services.
- An organization with best in class, top tier, Technology Alliances to offer best in class solutions to its customers.
- An organization with a strong focus on leading edge technologies such as Open Source solutions and Cloud Computing.

Solutions for Smarter Operations – *SMB Solutions from GSS*



Awards & Accolades

- GSS America Infotech is now certified against ISO 20000-1:2005, Global IT Service Management Certification
- GSS was ranked in Forbes Asia's best 200 under \$ 1 billion companies in 2010 for the third consecutive year, after 2008 and 2009.



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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. Sarath & Associates

Chartered Accountants, No. 102,

Gowri Apartments, 617, Urdu Lane,

Himayatnagar, Hyderabad - 29

Registered Office

Wing 2, Block B, 3rd Floor, Cyber Gateway,
Hitech City, Madhapur, Hyderabad - 81, India.

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Fax: +91 40 40028703

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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

Notice of Annual General Meeting (AGM)

Notice is hereby given that the **7th Annual General Meeting (AGM)** of the members of GSS America Infotech Limited will be held on Monday, December 27th 2010 at 10.30 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, 2010, the Profit and Loss Account for the year ended on that date together with the Reports of Director's and Auditor's thereon.
2. To declare dividend for the financial year ended 30th June, 2010.
3. To appoint a Director in the place of **Mr. PVRK Prasad**, who retires by rotation, and being eligible, offers himself for re appointment.
4. To appoint a Director in the place of **Mr. L.V.Prasad**, who retires by rotation, and being eligible, offers himself for re appointment.
5. To Appoint M/s.Sarath & Associates Chartered Accountants, to hold office as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of Next Annual General meeting and to authorize the Board of Directors to fix their remuneration.

Special Business

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

CHANGE OF NAME OF THE COMPANY

"RESOLVED THAT subject to the provisions of Section 21 and other applicable provisions, if any, of the Companies Act, 1956, and other applicable clauses of the listing agreement entered with the stock exchanges the name of the company be and is hereby changed from **GSS AMERICA INFOTECH LIMITED** to **GSS INFOTECH LIMITED**

RESOLVED FURTHER THAT the name **GSS AMERICA INFOTECH LIMITED** wherever it occurs in the Memorandum and Articles of Association of the company be substituted by the new name **GSS INFOTECH LIMITED**

RESOLVED FURTHER THAT Mr. Ramesh Yerramsetti, Managing Director and/ or Mr.A Someswara Rao, Company Secretary severally be and are hereby authorized to sign necessary documents for the purpose of name change."

7. To consider and if thought fit, to pass, with or without any modification(s), if any, the following Resolution as an **Ordinary Resolution**:

INCREASE IN AUTHORISED CAPITAL OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, all applicable clauses of the listing agreement entered into with the stock exchanges the consent of the members of the company be and is hereby accorded to increase the Authorised Share Capital of the Company from **Rs.15,00,00,000/-** (Rupees fifteen crores) divided into 1,50,00,000 (one crore fifty lakhs) Equity Shares of Rs.10/- each to **Rs.50,00,00,000/-** (Rupees Fifty Crores) divided into 5,00,00,000 (five crore) Equity Shares of Rs.10/- each by additional creation of 3,50,00,000 (Three Crore fifty lakhs) Equity Shares of Rs.10/-(Rupees Ten) each which shall rank pari passu with the existing equity shares of the Company with respect to dividend and other entitlements

RESOLVED FURTHER THAT sub-clause (a) of Clause V of the Memorandum of Association be and is hereby replaced by the following clause:

V. The authorized share capital of the Company is Rs.50,00,00,000 (Rupees Fifty Crores only) divided into 5,00,00,000 (five Crore) Equity Shares of Rs.10/-(Rupees Ten only) each with power for the Company to consolidate, convert, sub-divide, reduce or increase the capital and to issue any new shares with any preferential or special rights and conditions attached thereto subject to the provisions of the Companies Act, 1956."

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

RAISING OF FUNDS THROUGH FOREIGN CURRENCY CONVERTIBLE BONDS(FCCB)/ AMERICAN DEPOSITORY RECEIPTS(ADR)/ GLOBAL DEPOSITORY RECEIPTS(GDR)/ QUALIFIED INSTITUTIONAL PLACEMENT(QIP) ROUTES.

"RESOLVED THAT pursuant to the provisions of section 81(1A) of the Companies Act, 1956 ("the Companies Act"), Listing Agreements with each of the Stock Exchanges where equity shares of the Company are listed ("the Listing Agreements") and the Foreign Exchange Management Act, 1999 ("FEMA"), Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and the rules and regulations made thereunder including the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations, 2000, all as amended from time to time, and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant and the Memorandum and Articles of Association of the Company and subject to all the necessary approvals, consents, sanctions and/or permissions of Government of India("GOI"), Reserve Bank of India ("RBI"), Foreign Investment Promotion Board("FIPB"), Securities and Exchange Board of India ("SEBI"), Stock Exchanges and / or other regulatory authorities and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, sanctions and/or permissions which may be agreed to by the Board of Directors of the Company ("the Board" hereinafter shall be deemed to include Securities Issuance Committee thereof) be and is hereby authorised to issue, offer and allot (including provision of reservation on firm and/or comparative basis, of such part of issue and for such categories of persons as may be permitted) in the course of one or more domestic or international offering(s), with or without Green Shoe Option, including by way of Qualified Institutions Placements under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, ("SEBI ICDR Regulations") to eligible investors whether or not such investors are members of the Company or whether such investors are Indian or foreign, including qualified institutional buyers, whether by way of public offering or private placements and whether by way of circulation of an offering circular or placement document or otherwise, securities including equity shares and/or instruments or securities convertible into equity shares of the Company such as Global Depository Receipts and/or American Depository Receipts and/or foreign currency convertible bonds and/or convertible preference shares and/or, fully convertible debentures and/or, partly convertible debentures and/or, non convertible debentures and/or any one or more or combination of the above (hereinafter referred to as "Securities") for an amount not exceeding \$ 75 Mns (Seventy five Million US Dollars only) at such price, either with or without premium as may be determined by the Board, at the option of the Company, as the case may be, and such issue and allotment be made in one or more tranches, on such terms and conditions as may be decided by the Board at the time of issue or allotment

RESOLVED FURTHER THAT the relevant date for the purpose of pricing of the Securities proposed to be issued in accordance with the SEBI ICDR Regulations or FEMA shall be the date of meeting in which the Board decides to open issue of the securities, subsequent to the receipt of members' approval in terms of section 81(1A) and other applicable provisions, if any, of the Companies Act and other applicable rules, regulations and guidelines in relation to the proposed issue of the securities *inter alia* through qualified institutions placement(s) to qualified institutional buyers in accordance with SEBI ICDR Regulations as mentioned in these resolutions as above

RESOLVED FURTHER THAT in case of any equity linked issue/offering, including without limitation, any GDR/ADR/FCCB offering, the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above or as may be in accordance with the terms of issue/offering in respect of such Securities and such equity shares shall rank pari passu with the existing equity shares of the Company in all respects except provided otherwise under the terms of issue/offering and in the offer document and/or prospectus and/or offer letter and/or offering circular and/or listing particulars

RESOLVED FURTHER THAT issuance of securities by way of QIP as mentioned above shall be in accordance with the provisions of Chapter VIII of the SEBI ICDR Regulations for Qualified Institutions Placements and the provisions of FEMA, the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations, 2000, Memorandum and Articles of Association of the Company, Listing Agreements with the Stock Exchanges where the equity shares of the Company are listed

RESOLVED FURTHER THAT in the event of issue of securities by way of Qualified Institutions Placements

- a) the relevant date for the pricing of the securities proposed to be issued in accordance with the SEBI ICDR Regulations, shall be in accordance with clause 85 of the SEBI ICDR Regulations
- b) the allotment of securities shall be completed within 12 months from the date of passing of these resolutions approving the proposed issue or such other time as may be allowed by SEBI from time to time;
- c) the total amount raised in such manner should not, together with the over-allotment option exceed five times the net worth of the Company as per the audited balance sheet of the previous financial year; and
- d) the securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized stock exchange or except as may be permitted from time to time by the SEBI ICDR Regulations

RESOLVED FURTHER THAT the number and/or conversion price in relation to the equity shares that may be allotted on conversion of securities that may be issued through Qualified Institutions Placement(s) in accordance with the SEBI ICDR Regulations mentioned above shall be appropriately adjusted against corporate actions such as bonus issue, rights issue, splits and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring

RESOLVED FURTHER THAT the Company and/or any entity, agency or body authorized and/or appointed by the Company, may issue depository receipts representing the underlying Securities issued by the Company in negotiable registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability and free transferability thereof as per international practices and regulations (including listing on one or more stock exchange(s) inside or outside India) and under the forms and practices prevalent in the international market

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such act, deeds matters and things including but not limited to preparation, amendment, alteration, variation, finalization and approval of preliminary or final offer or placement documents, determining form and manner of issue, including the class of investors to whom securities are to be issued and allotted, the number of securities to be allotted, issue price, face value, execution of various transaction documents, as it may in its absolute discretion think fit, and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of securities and utilization of issue proceeds as it may in its absolute discretion deem fit without being required to seek further permissions, consents or approvals of members or otherwise to the end and intent that members shall be deemed to have given their approval thereto expressly by the authority of this resolution

RESOLVED FURTHER THAT consent of the Company be and is hereby granted in terms of section 293(1)(a) and 293(1)(d) and other applicable provisions, if any, of the Companies Act and subject to all the approvals of the Board to secure, if necessary, all or any of the above mentioned securities to be issued, by the

creation of mortgage and/or charge on all or any of the Company's immovable, movable and/or intangible assets, both present and future in such form and manner and on such terms as may be deemed fit and appropriate by the Board

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of securities or as the case may be necessary in accordance with the terms of offering all such equity shares which shall rank *pari passu* with the existing equity shares of the Company in all respects including dividend

RESOLVED FURTHER THAT without prejudice to the generality of the above and subject to all applicable laws, the aforesaid issue of securities may have all or any terms or combination of terms including as to conditions in relation to payment of dividend, pre-payment of whatsoever, and all such securities or variation of the conversion price of the securities during the tenure of the securities and the Company is also entitled to appoint, engage, enter into and execute all such arrangements/agreements as the case may be with lead managers, managers, underwriters, bankers, financial institutions, merchant bankers, solicitors, advisors, guarantors, depositories, custodians or other intermediaries in such offerings of securities and to remunerate all such agencies including payment of commission, brokerage, fees or payment of their remuneration for their services or the like and also to seek the listing of securities on one or more the stock exchanges in India or abroad

RESOLVED FURTHER THAT in the event of issue of Securities by way of GDRs and / or ADRs, the relevant date on the basis of which price of the resultant shares shall be determined as specified under applicable law, shall be the date of the meeting in which the Board decides to open the proposed issue of Securities

RESOLVED FURTHER THAT such of the Securities as are not subscribed may be disposed off by the Board in its absolute discretion in such a manner, as the Board may deem fit and as permissible by law

RESOLVED FURTHER THAT the Board be authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors or the Chairman or any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution(s) and matters flowing from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to resolve and settle all questions and difficulties that may arise in the proposed issue / offer, allotment and conversion of any of the aforesaid Securities, utilization of the issue proceeds and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution

RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be, in its absolute discretion, deemed necessary in this regard."

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

ISSUANCE OF EMPLOYEE STOCK OPTION SCHEME (ESOS)

"RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956(including any modification or re-enactment thereof for the time being in force, and in accordance with the provisions of the Memorandum of Articles of Association of the Company, the listing agreements with the Stock Exchanges and the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and other rules and regulations, prescribed by the Securities and Exchange Board of India ("SEBI") or any other relevant authority, from time to time, to the extent applicable and subject to any approvals, consents, permissions and sanctions of any authorities as may be required, and subject to any such