

8K Miles

Real Time

Real Project

Real People



26th Annual Report 2010 - 2011

Board of Directors

Mr. G P Surana, Managing Director
Mr. R.S.Ramani, Whole-Time Director
Mr. Suresh Venkatachari, Director
Mr. Ravi Surana, Director
Mr. M.V.Bhaskar, Director
Mr. Vedantharamanujam Srinivasan, Director
Ms. Padmini Ravichandran, Director

Statutory Auditors

G Ram Mohan & Co.
Chartered Accountant
7/A, 1st Floor,
Vengal Rao Nagar,
Hyderabad – 500 038

Bankers

Indian Overseas Bank
R.k.Salai Branch,
Chennai -600 004

Registered Office

1-7-241/11/D, S.D.Road,
Secunderabad – 500 003 A.P.

Registrar & Share Transfer Agent

Adroit Corporate Services Private Limited
Industries Estate, Makwane Road, Naronvaka
Andheri (East), Mumbai - 59

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NOTICE to the Shareholders

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Shareholders of the Company will be held at 03:00pm on Friday, 30th September at Registered Office of the Company located at 1-7-241/11/D, S.D.Road, Secunderabad – 500 003

As Ordinary Business:

1. To receive, consider and adopt the Balance Sheet of the Company as on March 31, 2011 and the Profit and Loss account for the year ended on that date along with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in the place of Mr. Vedantharamanujam Srinivasan, who retires by rotation and being eligible, offers him for re-appointment.
3. To appoint a Director in the place of Ms. Padmini Ravichandran, who retires by rotation and being eligible offers her for re-appointment.
4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution

"RESOLVED THAT Messrs G Ram Mohan & Co., Chartered Accountants, the retiring auditors, is hereby relieved from being the Statutory Auditors of the Company. Messrs. GHG Associates, Chartered Accountants, be and are hereby appointed in place as Statutory Auditors of the Company under Section 224 read with Section 224A and other applicable provisions, If any, of the Companies Act, 1956 to hold office from the conclusion of this Annual General Meeting of the Company until the conclusion of next Annual General Meeting of the Company, at a remuneration as may be mutually decided between M/s. GHG Associates, Chartered Accountants and the Board of Directors of the Company."

As Special Business:

To consider and, if thought fit, to pass with or without modification, the following resolutions:--

As an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions under Sections 198, 269, 309, 310 and 311 read with Schedule XIII and any other applicable provisions of the Companies Act, 1956, as amended from time to time and subject to the approval of Central Government, the consent of the Company be and is hereby accorded to the appointment of Mr. R.S.Ramani

as Whole-time Director of the Company for a period of five years, effective from August 13th 2011 to August 12th 2016 as per the terms and conditions mutually decided between the Board of Directors of the Company and Mr. R.S.Ramani on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. R.S.Ramani as the Whole-time Director of the Company, the total remuneration comprising of Basic Salary and other applicable allowances together with other perquisites and/or benefits as per the policy of the Company, as stipulated, be paid to him as minimum remuneration, subject to the provisions of Schedule XIII to the Companies Act, 1956, as amended from time to time or any equivalent statutory re-enactment thereof for the time being in force.”

“RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to alter the overall remuneration payable to Mr. R.S.Ramani, so as not to exceed the limits as may be stipulated by the Central Government from time to time.”

“RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to submit and file necessary form(s), application(s), writing(s), and other necessary document(s) to the Central Government and/ or Registrar of Companies and to do all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give full effect to this resolution.”

By Order of the Board
For 8k Miles Software Services Limited

Sd/-
G P Surana
Managing Director

Sd/-
M.V.Bhaskar
Director

Place : Secunderabad
Date : 03rd September 2011

Notes:

- 1.** A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member of the Company. The proxy forms, in order to be valid, must be received by the Company at its Registered Office not less than 48 hours before the commencement of the meeting. A form of proxy is given at the end of the Annual Report.
- 2.** Explanatory Statement pursuant to Section 173(2) of the Companies Act is enclosed and forms part of this notice.
- 3.** The Register of Members and Share Transfer Books of the Company shall remain closed on 29th September 2011 and 30th September 2011 (Both days Inclusive).
- 4.** Members are requested to notify the Company at its Registered Office or to the Share Transfer Registrar of any change in address quoting their folio number.
- 5.** A copy of all the documents referred to in the accompanying explanatory statement are open to inspection at the Registered Office of the Company on all working days except holidays up to the date of AGM.
- 6.** Members are requested to affix their signatures at the space provided on the attendance slip annexed to the proxy form and hand over the slip at the entrance to the place of the meeting.
- 7.** Members are requested to bring their Client ID and DP ID for easy identification of attendance at the meeting.

Corporate Members are requested to send certified copy of Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the meeting.
- 8.** Members seeking any information or clarification on the Accounts are requested to send in written queries to the Company. Replies to such written queries received, will be provided only at the meeting.
- 9.** Members / proxies are requested to bring the duly filed attendance slip sent herewith for attending the meeting.

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

Appointment of Whole-Time Director

Mr. R.S.Ramani, having more than 22 years of experience is a seasoned professional in the field of Finance, Accounting, Auditing and Operations in IT, Education and training industries and proves himself instrumental for growth of the Company. Having the Company in its growth phase, the directors on Board feels that Mr. R.S.Ramani is in a position to give his valuable contribution, given more powers and responsibility to guide the Company in its proposed new projects.

Mr. R.S.Ramani, a promoter of your Company, is an enthusiastic force for injecting dynamism in the group. Mr. R.S.Ramani has been a key player in managing the day to day operations of the Company, sharing his best leadership qualities and knowledge to the heads of individual business vertical and corporate functions like Finance, IT and Auditing. Motivation being a major step in pushing the business towards success, Mr. R.S. Ramani, putting his strengths to work place, knows the art of managing people by leveraging diversity and motivating them to perform their best. Mr. R.S.Ramani is an expert in finance, accounting, auditing and operations in IT and successfully implemented various new techniques and methods of operations in this field. He has been innovative in designing new models of working culture bringing out the best output required for a business growth.

Considering the vast experience of Mr. R.S.Ramani and his leadership abilities, the Board of Directors, subject to approval of members and other requisite approvals as may be necessitated from time to time, appoint him as Whole-Time Director for a term of five years w.e.f. 13th August 2011 on the terms as set out below:

In accordance with the provision of Section 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII the remuneration payable to Chairman, Managing Director or a Whole Time Director, Directors in a financial year does not exceed 5% of the annual net profit of the Company for one such managerial person and subject to further to the overall limit of 10% of the annual net profit of the Company for all of them together.

- A.** *Tenure of Agreement:* August 13th, 2011 to August 12th, 2016
- B.** *Remuneration:* Salary of Rs. 1, 00, 000 (Rupees one lakh) per month. The Board of directors has power to increase the Salary with the approval of Central government.

C. The Whole Time Director shall also be entitled to the following perquisites and facilities:

Perquisites:

- 1)** Medical Reimbursement: As per Company's Policy
- 2)** Personal Accident Insurance: As per Company's Policy
- 3)** Annual Leave: 30 days annual leave with pay for every completed year of service.
- 4)** Provision of Car: As per the rules of the Company.
- 5)** Telephone/Cell Phones: As per the rules of the Company.
- 6)** Residential Accommodation/HRA: The Whole-time Director shall be provided residential accommodation in accordance with the rules of the company
- 7)** The Company shall reimburse actual entertainment and traveling expenses incurred by the Whole-time Director in connection with the Company's business.

Pursuant to the provisions of Section 269 read with Schedule XIII of the Companies Act, 1956, the approval of the members needs to be obtained in connection with the appointment of Mr. R.S.Ramani as a Whole-Time Director and payment of remuneration as above.

The Board recommends the resolution for your approval.

None of the Directors are interested in this Resolution.

By Order of the Board
For 8k Miles Software Services Limited

Sd/-
G P Surana
Managing Director

Sd/-
M.V.Bhaskar
Director

Place : Secunderabad
Date : 03rd September 2011

Pursuant To Clause 49 of the Listing Agreement, the Additional Information on Director's recommended For Appointment/Re- Appointment at the ensuing Annual General Meeting

Re-appointment of Mr. Vedantharamanujam Srinivasan as an Independent Director

Name	Vedantharamanujam Srinivasan
Age	52 years
Qualification	B. Sc, B.E.
Other Directorships held in Companies	Compucrafters India Private Limited Compucrafters Systems and Solutions Private Limited
Date of Appointment	31/08/2010

Re-appointment of Ms. Padmini Ravichandran as an Independent Director

Name	Ms. Padmini Ravichandran
Age	48 years
Qualification	BCA
Other Directorships held in Companies	Sreyes Communetwork Private Limited Sudesi Infomedia Private Limited
Date of Appointment	31/08/2010

Directors' Report

The Board of Directors of 8K Miles Software Services Limited are pleased to present the Twenty Sixth Annual Report for the year ended March 31, 2011, together with the Auditors' Report and Audited Accounts for the Financial year 2010-11.

Financial Performance

The comparative pictures of the financials of the Company for the last two years are presented in the table below.

(All figures in Rupees)

Particulars	2009-10	2010-11
Sales and Other Income	933,000	11,187,230
Profit/(Loss) before Interest & Depreciation	385,164	3,297,075
Interest	0	0
Depreciation	0	0
Profit/(Loss) for the year	385,164	3,297,075
Provision for Taxation	0	0
Current tax	0	(653,059)
MAT Credit Enhancement	0	0
Fringe Benefit Tax	0	0
Deferred Tax	0	767800
Profit/(Loss) After Tax	385,164	3,411,816
Balance carried forward from Previous Year	(12,437,372)	(12,052,208)
Total Loss carried Forward	(12,052,208)	(8,640,392)

Operations Review

The Company's income stood at Rs. 1,11,87,230/- as against Rs. 9,33,000/- in the previous year. Your Company has entered a net profit of Rs 34,11,816/- as against Rs. 3,85,164/- in the previous year.

Business Review

Consequent to amendments made to the Main objects of the Company and purchasing the entire business of Messrs. 8K Miles Web Services Private Limited, your Company acquired other Companies viz., Messrs Mentor Minds Solutions & Services Private Limited, a Chennai based entity and Messrs. Mentor Minds Solutions & Services Inc, a US based Company and its subsidiary Messrs. Mentor Minds Solutions and Services, Canada. In lieu of acquisition of Shares of Messrs Mentor Minds Solutions & Services Private Limited and Messrs. Mentor Minds Solutions & Services Inc, the company issued equity shares to the shareholders of those companies, on preferential basis. Upon receipt of consent from the members under various provisions of the