



17th Annual Report 2011-2012

**Annual Report
2011-12**

Board of Directors

Mrs. Anita Chitturi : Managing Director

Mr. Narendra Chitturi : Director

Mr. Indrayya Chitturi : Director

Mr. Nalla Bulli Venkaiah : Director

Mr. Bethina Hanumantha Rao : Director

Mr. Sudhakar Devarapalli : Director

Registered Office : Door No: 15-93/5, Aganampudi,
B C Colony, Gajuwaka, Visakhapatnam,
Andhra Pradesh - 530046

Auditors : M/s. P. S. Nagaraju & Co.,
Plot No: 15, Sai Prabha,
Arunodaya Colony, Silicon Valley,
Madhapur, Hyderabad - 500081

Share Transfer Agents : M/s Sathguru Management Consultants Private Limited,
Plot 54, Sagar Society Road No: 2,
Banjara Hills Hyderabad 500034

Corporate Office : Flat No.201, Sri Mukha Residency,
Sri Nagar Colony, Hyderabad
Andhra Pradesh 500073.

Bankers : State Bank of India
PBB Phase, Masab Tank Branch,
Hyderabad

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Company will be held on Saturday September 29, 2012 at 09.30 AM at D No 15-93/5, Aganampudi, B C Colony, Gajuwaka, Visakhapatnam - 530046 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2012, the Profit and Loss account for the year ended on that date together with the notes and schedules of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bethina Hanumantha Rao who retires by rotation and being eligible, offers him-self for reappointment.

To appoint a Director in place of Mr. Sudhakar Devarapalli who retires by rotation and being eligible, offers him-self for reappointment.

4. To appoint M/s. L N P & Co, Chartered Accountants, Hyderabad, as Auditors of the Company in place of M/s. P. S. Nagaraju & Co, Chartered Accountants, Hyderabad to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions of the Companies Act, 1956 and Rules framed there under, the existing Articles of Association of the Company be and hereby amended as under:

- (i) After article 98 of the Article of Association of the Company, the following new Article 98A shall be inserted:

“98A: The Board may provide video conference facility and/or other permissible electronic mode of communication to the shareholders of the Company for participating in General Meetings of the Company through video conference facility and/or other permissible electronic mode of communication shall be governed by the Rules and Regulations as applicable to the Company for the time being in force.”

- (ii) After Article 163 of the Article of Association of the Company, the following new Article 163A shall be inserted:

“163A: Directors may participate in Meetings of the Board and/or Committees thereof, through video conference facility and/or Committees thereof, through video conference facility and/or other permissible mode of communication shall be governed by the Rules and Regulations as applicable to the Company for the time being in force.”

“FURTHER RESOLVED THAT the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee or any person which the Board may nominate/constitute to exercise its powers, including the powers by this Resolution) be and is hereby authorized to carry out the above mentioned amendments in the existing Articles of Association of the Company and that the Board may take all such steps as may be necessary to give effect to this resolution.”

6. To consider and thought fit to pass with or with out the following resolution as a Special Resolution.

“**RESOLVED THAT** Sri. Narendra Chitturi who was appointed as Additional Director of the Company on 14th November, 2011 under section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of the Director of the Company be and is hereby appointed as a director of the Company liable to retire by rotation.”

7. To consider and thought fit to pass with or without the following resolution as a Special Resolution.

“**RESOLVED THAT** Sri. Nalla Bulli Venkaiah, who was appointed as Additional Director of the Company on 14th November, 2011 under section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of the Director of the Company be and is hereby appointed as a director of the Company liable to retire by rotation.”

8. To consider and thought fit to pass with or without the following resolution as a Special Resolution.

“**RESOLVED THAT** Sri. Chitturi Indrayya, who was appointed as Additional Director of the Company on 14th November, 2011 under section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of the Director of the Company be and is hereby appointed as a director of the Company liable to retire by rotation.”

9. To consider and thought fit to pass with or without the following resolution as a Special Resolution.

“RESOLVED THAT Sri. Sudhakar Devarapalli, who was appointed as Additional Director of the Company on 14th November, 2011 under section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of the Director of the Company be and is hereby appointed as a director of the Company liable to retire by rotation.”

10. To consider and thought fit to pass with or without the following resolution as a Special Resolution.

“RESOLVED THAT Smt. Anita Chitturi, who was appointed as Director of the Company on 14th November, 2011 under section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of the Director of the Company be and is hereby appointed as a director of the Company liable to retire by rotation.”

11. To consider and thought fit to pass with or without the following resolution as a Special Resolution.

“RESOLVED THAT Smt. Anita Chitturi, who was appointed as Managing Director of the Company on 14th November, 2011 under section 269 of the Companies Act, 1956 and holds office up to five years from the date of appointment and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of the Managing Director of the Company be and is hereby appointed as a Managing director of the Company for a period of Five years.”

By order of the Board

Place : Hyderabad
Date : 03.09.2012

Sd/-
Anita Chitturi
Managing Director

Notes:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ELIGIBLE TO APPOINT A PROXY OR PROXIES WHO CAN ATTEND AND VOTE INSTEAD OF MEMBER AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) The Proxy Form duly completed must be lodged at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.
- 3) Explanatory Statement as per Sec.173 (2) of the Companies Act, 1956 in respect of special business is annexed hereto.
- 4) The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 26th, 2012 to Saturday, September 29, 2012, both days inclusive, for the purpose of Annual General Meeting.
- 5) The brief profile of Directors liable to retire by rotation and proposed to be appointed are as under:

Mr. B. Hanumantha Rao: He is Graduate and has rich experience of 15 years in the fields of Stock investment and other investment portfolios.

Mr. D Sudhakar Devarapalli: He is a Graduate and having 18 years of relevant experience in real estate and other portfolios.

Explanatory statement pursuant to section 173 (2) of the Companies Act 1956**Item No.5**

The Ministry of Corporate Affairs (MCA), Government of India, New Delhi vide General Circulars No.27/2011 and 28/2011 dated May 20, 2011 and Circular No. 35/2011 dated June 06, 2012 have permitted the companies to hold Board Meetings and Shareholders' Meetings through video conference facility, as part of the Green Initiatives under Corporate Governance.

Further, MCA vide Circular No. 72/2011 dated December 27, 2011 made the video conference facility at the Shareholders' Meetings optional to the Company. In order to provide video conference facility to its Directors and Shareholders, your Company has been advised to carry out necessary amendments in the existing Articles of Association of the Company by inserting enabling provisions. In terms of Section 31 of the Companies Act, 1956, approval of the Members by way of a Special Resolution is required to amend the Articles of Association of the Company.

The Articles of Association with alterations proposed therein as referred to in the Notice shall be available for inspection by the Members at the Registered Office, **Door No: 15- 93/5, Aganampudi, B C Colony, Gajuwaka, Visakhapatnam, Andhra Pradesh-530046** of the any working day except holidays observed by the Company during usual business hours up to the date of the Meeting and will also be available at this Annual General Meeting.

Accordingly, your Board recommends passing of the Resolution No. 5 as a Special Resolution.

None of the Directors is interested or concerned in this Resolution.

Item No.6

Mr. Narendra Chitturi is appointed as an Additional director on 14th November, 2011 and holds office till the conclusion of the ensuing Annual General Meeting. The Company has received a notice from one of the members proposing his appointment.

Hence the above resolution is recommended for the approval of the members.

None of the Directors of the Company are interested or concerned in the Resolution except Mr. Narendra Chitturi and Mrs. Anita Chitturi.

Item No.7

Mr. Nalla Bulli Venkaiah is appointed as an Additional director on 14th November, 2011 and holds office till the conclusion of the ensuing Annual General Meeting. The Company has received a notice from one of the members proposing his appointment.

Hence the above resolution is recommended for the approval of the members.

None of the Directors of the Company are interested or concerned in the Resolution except Mr. Nalla Bulli Venkaiah.

Item No.8

Mr. Chitturi Indrayya is appointed as an Additional director on 14th November, 2011 and holds office till the conclusion of the ensuing Annual General Meeting. The Company has received a notice from one of the members proposing his appointment.

Hence the above resolution is recommended for the approval of the members.

None of the Directors of the Company are interested or concerned in the Resolution except Mr. Chitturi Indrayya.

Item No.9

Mr. Sudhakar Devarapalli is appointed as an Additional director on 14th November, 2011 and holds office till the conclusion of the ensuing Annual General Meeting. The Company has received a notice from one of the members proposing his appointment.

Hence the above resolution is recommended for the approval of the members.

None of the Directors of the Company are interested or concerned in the Resolution except Mr. Sudhakar Devarapalli.

Item No.10

Mrs. Anita Chitturi is appointed as director on 14th November, 2011 and holds office till the conclusion of the ensuing Annual General Meeting. The Company has received a notice from one of the members proposing her appointment.

Hence the above resolution is recommended for the approval of the members.

None of the Directors of the Company are interested or concerned in the Resolution except Mrs. Anita Chitturi and Mr. Chitturi Narendra.

Item No.11

Mrs. Anita Chitturi is appointed as Managing director on 14th November, 2011 and holds office till the conclusion of the ensuing Annual General Meeting. The Company has received a notice from one of the members proposing her appointment.

Hence the above resolution is recommended for the approval of the members.

None of the Directors of the Company are interested or concerned in the Resolution except Mrs. Anita Chitturi and Mr. Chitturi Narendra.

By order of the Board

Place : Hyderabad
Date : 03.09.2012

Sd/-
Anita Chitturi
Managing Director

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the Company's SEVENTEENTH ANNUAL REPORT together with the Audited Accounts of the Company for the Year ended March 31, 2012 and the Auditor's Report thereon:

Financial Results:

The Financial results for the period ended 31st March, 2012 are summarized below:

Particulars	2011-12 Rs. In Lakh	2010-11 Rs. In Lakh
Sales	68.88	10.23
Expenditure	65.71	25.62
Profit/ (Loss) before Tax	3.17	(15.38)
Provision for Tax	0.60	0.00
Profit/ (Loss) after Tax	2.57	(15.38)

Performance:

The Ministry of Corporate Affairs (MCA) vide notification no. S.O. 447(E) dated 28th February, 2011 amended the existing Schedule VI to the Companies Act, 1956. The Revised Schedule VI is applicable from financial year commencing from 1st April, 2011. The financial statements of your Company for the year ended 31st March, 2012 have been prepared in accordance with the Revised Schedule VI and accordingly, the previous year's figures have been reclassified/ regrouped to conform to this year's classification.

During the year 2011-12, the Company has achieved a turnover of Rs.68.88 Lakhs only and incurred a net profit of Rs.2.57 Lakhs. The entire income is earned from software services. The year under review has been encouraging and we expect ensuing financial year to be more fruitful as the company is setting the floor for achieving its targets

Public Deposits

Your Directors report that the Company has not accepted any deposits from public during the year under review.

Insurance

All the fixed assets and movable assets of the Company are adequately insured.