

# Silicon Valley Infotech Limited

## 26th Annual Report, 2009

**Certified to be true copy.**  
**FOR SILICON VALLEY INFOTECH LTD**

*[Signature]*

**Managing Director**

### **BOARD OF DIRECTORS**

SHRI SANTOSH KUMAR JAIN, *Managing Director*

SHRI B. P. JHUNJHUNWALA

SHRI TAPOSH KUMAR MULLICK

SHRI RAMEN CHATTERJEE

### **COMPANY SECRETARY**

SHRI SHIV KUMAR LAKKAR

### **AUDITORS**

P. K. AJITSARIA & CO.

*Chartered Accountants*

Report Junction.com

### **BANKERS**

CANARA BANK

CITI BANK

HDFC BANK

### **REGISTERED OFFICE**

10, PRINCEP STREET

2ND FLOOR

KOLKATA - 700 072

Phone : (033) 4002-2880

Fax : (033) 2237-9053

E-mail : info@siliconvalleyinfo.net

### **REGISTRAR & SHARE TRANSFER AGENTS**

MAHESHWARI DATAMATICS PRIVATE LIMITED

6, Mangoe Lane, 2nd Floor,

Kolkata - 700 001

Phone : (033) 2243-5029 / 5809

Fax : (033) 2248-4787

**Silicon Valley Infotech Limited****NOTICE**

**NOTICE** is hereby given that the 26th Annual General Meeting of the Members of Silicon Valley Infotech Limited will be held at "Somani Conference Hall", Merchants' Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 on Thursday, the 17th day of September, 2009 at 11.00 a.m. to transact the following businesses :-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri B. P. Jhunjunwala, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. P. K. Ajitsaria & Co., Chartered Accountants, the retiring Auditors of the Company, as Auditors, who shall hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**AS SPECIAL BUSINESS**

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

**"RESOLVED THAT** Mr. Ramen Chatterjee, who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 7th March, 2009 under Section 260 of the Companies Act, 1956 (the Act), to hold office only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director under Section 257 of the Act, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do and execute and delegate to the officers as it deemed fit, all such acts, deeds and things as may be necessary for giving effect to the above resolution.

**Registered Office :**

10, Princep Street,  
2nd Floor,  
Kolkata - 700 072

Dated : 29th June, 2009

By order of the Board  
For Silicon Valley Infotech Limited

**Shiv Kumar Lakkar**  
Company Secretary

**Certified to be true copy.**

( 2 )

For SILICON VALLEY INFOTECH LTD

*[Signature]*

Managing Director

# Silicon Valley Infotech Limited

## NOTES :

1. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote instead of himself/herself and the 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 at 10, Princep Street, 2nd Floor, Kolkata - 700 072, not less than forty-eight hours before the commencement of the Annual General Meeting.
2. Members/proxies should bring duly filled Attendance Slips along with copy of the Annual Report & Accounts to the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 10th September, 2009 to Thursday, 17th September, 2009 (both days inclusive).
4. The Register of Directors Shareholding maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the members at the Annual General Meeting.
5. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
6. Members are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited of 6, Mangoe Lane, 2nd Floor, Kolkata 700 001.
7. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
8. Additional information to be provided under Clause 49 of the Listing Agreement pertaining to the Directors being appointed/re-appointed, Members are requested to kindly refer Para 2 of the Report on Corporate Governance forming part of this Annual Report.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### Item No. 4

Shri Ramen Chatterjee was appointed as an Additional Director of the Company with effect from 7th March, 2009 and he holds office upto the date of the ensuing Annual General Meeting of the Company. The Company has received a notice in writing under Section 257 of the Companies Act, 1956 along with deposit of Rs. 500/- from a shareholder of the Company intimating his intention to propose Shri Ramen Chatterjee as a candidate for the office of Director of the Company. Shri Ramen Chatterjee has filed his consent pursuant to Section 264 of the Act, to act as a Director if appointed.

Shri Ramen Chatterjee has vast experience in the field of Corporate Finance and other related matters.

Considering the rich and varied experience of Shri Ramen Chatterjee, it will be in the interest of the Company to continue to avail of his contribution to the overall progress of the Company.

The Board is of the view that knowledge and experience of Shri Ramen Chatterjee will be of immense benefit and value to the Company and, therefore, recommends his appointment to the shareholders.

The Board recommends his appointment as an Ordinary Resolution.

None of the Directors except Shri Ramen Chatterjee, in any way, are concerned or interested in the above resolution.

### Registered Office :

10, Princep Street,  
2nd Floor,  
Kolkata - 700 072

Dated : 29th June, 2009

By order of the Board

For Silicon Valley Infotech Limited

**Shiv Kumar Lakkar**  
Company Secretary

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**FOR SILICON VALLEY INFOTECH LTD**

*[Signature]*

Managing Director

( 3 )

# Silicon Valley Infotech Limited

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 26th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2009.

### 1. FINANCIAL HIGHLIGHTS

The working results of the Company for the year under review are given below :

Particulars	(Rs.) Year ended 31.03.2009	(Rs.) Year ended 31.03.2008
Profit/(Loss) before Taxation	(1,84,14,976.57)	18,06,291.92
Less : Provision for Tax - Current	—	—
- Deferred	—	—
- FBT	30,004.00	24,000.00
Profit/(Loss) after Taxation	(1,84,44,980.57)	17,82,291.92
Less : Securities Transaction Tax	4,05,444.93	16,28,858.76
Less : Income Tax for earlier year	3,952.00	—
Balance brought forward from previous year	(76,09,750.89)	(77,63,184.05)
Balance carried to Balance Sheet	(2,64,64,128.39)	(76,09,750.89)

### 2. DIVIDEND

In order to conserve the resources of the Company for future expansion plans, the Board have decided not to recommend any dividend for the year under review.

### 3. PERFORMANCE REVIEW

The performance of the Company during the year has seen a quantum leap but not up to the expectation due to high volatility in the market. Your Directors are making all efforts to improve the performance of the Company in the current year.

### 4. LISTING OF EQUITY SHARES

The Equity Shares of your Company are presently listed on three Indian Stock Exchnages viz. National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Calcutta Stock Exchange (CSE).

Listing fees upto the financial year 2009-10 have been paid to NSE, BSE & CSE.

### 5. FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

**Certified to be true copy.**

For SILICON VALLEY INFOTECH LTD

*Manoj Kumar*

Managing Director

## 6. DIRECTORS

### (i) Re-appointment :

As per the provisions of the Articles of Association of the Company, Shri B. P. Jhunjhunwala, retires by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment for consideration of the shareholders.

### (ii) Appointment :

As per the provisions of the Articles of Association of the Company, Mr. Ramen Chatterjee was appointed as an Additional Director of the Company w.e.f. 7th March, 2009, to hold office only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a Director under Section 257 of the Act. The Board recommends his appointment for consideration of the shareholders.

### (iii) Resignation :

Mr. Hari Ram Agarwal has resigned from the Board of Directors of the Company w.e.f. 7th March, 2009. The Board place on record its gratitude to Mr. Agarwal for his contribution to the Company and the Board and wishes him good luck for his future endeavors.

## 7. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed :

- That in the preparation of the accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- That the Directors have taken proper and sufficient care 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;
- That the Directors have prepared the annual accounts for the financial year ended 31st March, 2009 on a going concern basis.

## 8. AUDITORS' REPORT

There are no items on which Auditors have commented which need further explanation from the Board of Directors.

## 9. AUDITORS

Messrs. P.K. Ajitsaria & Co., Chartered Accountants, Auditors of the Company, who retire at the conclusion of the forthcoming Annual General Meeting, have consented to continue in office, if appointed. They have confirmed that their appointment, if made, will be in accordance with the limits specified in Section 224(1B) of the Companies Act, 1956.

**Certified to be true copy.**

**For SILICON VALLEY INFOTECH LTD**

*[Signature]*

**Managing Director**

**Silicon Valley Infotech Limited****10. EMPLOYEES**

None of the employees were in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read along with Companies (Particulars of Employees) Rules, 1975.

**11. STATUTORY INFORMATION**

The Company being basically in the financial sector, requirement regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules is not applicable.

**12. FOREIGN EXCHANGE**

The Company had no foreign exchange inflow or outflow during the year under review.

**13. CORPORATE GOVERNANCE**

As per the Listing Agreement with the Stock Exchange, the Company has implemented the Code on Corporate Governance. The Corporate Governance compliance certificate obtained from the Auditors of the Company is attached to this report.

The Management Discussion and Analysis Report and the Report on Corporate Governance are given in the annexure attached to this report. The Code of Conduct is available on the Company's website [www.siliconvalleyinfo.net](http://www.siliconvalleyinfo.net) The Board members and Senior management personnel have confirmed compliance with the said code.

**14. EMPLOYER EMPLOYEE RELATIONSHIP**

The Company has maintained a cordial relationship with its employees, which resulted in smooth flow of business operations during the year under review.

**15. ACKNOWLEDGEMENTS**

Your Directors acknowledge the support and owe a debt of gratitude to the Shareholders, Investors & Bankers. Your Directors are also thankful to its clients for their continued faith and support reposed in them. Last but not the least, your Directors' place on record their sense of appreciation of the valuable contribution made by the employees of the Company.

**Registered Office :**

10, Princep Street  
2nd Floor  
Kolkata - 700 072

Dated : 29th June, 2009

For Silicon Valley Infotech Limited

Santosh Kumar Jain  
Managing Director

B. P. Jhunhunwala  
Director

**Certified to be true copy.**

For SILICON VALLEY INFOTECH LTD

*Santosh Kumar Jain*

Managing Director



## REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance as per the guidelines prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is as follows :-

### Para 1. CORPORATE GOVERNANCE PHILOSOPHY

Effective Corporate Governance has always been an integral part of the Company's business philosophy. The Company believes that maximum transparency and disclosure in all transactions beside complying with all applicable laws, rules and regulations in letter and spirit increases the standard of Corporate Governance which in turn enhance the stake holders value in any organization. The Company, by providing maximum level of disclosure and compliance, strives to maintain and increase its Corporate Governance Standard.

### Para 2. BOARD OF DIRECTORS

#### (i) Composition of the Board :

The Composition of the Board of Directors of the Company consists of qualified executive and non-executive Directors. The Board comprises of persons who have excelled in their respective areas and have good standing.

The composition of the Board of Directors as on 31st March, 2009 is given below :

Sr. No.	Name of the Director	Executive/ Non-Executive	No. of other		
			Directorships(+)	Committee(++)	
				Chairman	Member
1	Shri Santosh Kumar Jain - Managing Director	Executive	7	2	4
2	Shri B. P. Jhunjunwala	Non-Executive & Independent	—	—	—
3	Shri Ramen Chatterjee	Non-Executive & Independent	6	—	—
4	Shri Taposh Kumar Mullik	Non-Executive & Independent	—	—	—

(+) Excluding directorship held in private limited/foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.

(++) Represents Chairmanship / Membership of the Audit Committee and Shareholder's/ Investors' Grievance Committee of other companies, in which they are Director.

#### (ii) The attendance of the Directors at the Board meetings and the last AGM held are given below :

Name of the Director	No. of Meetings		Attendance at last AGM - Held on 25th September, 2008
	Held	Attended	
Shri Santosh Kumar Jain - Managing Director	7	7	Yes
Shri B. P. Jhunjunwala	7	6	No
Shri Ramen Chatterjee	7	6	No
Shri Taposh Kumar Mullik	7	5	Yes
Shri Hari Ram Agarwal	7	5	No

## Silicon Valley Infotech Limited

**Particulars of the Directors to be appointed/re-appointed at the ensuing Annual General Meeting pursuant to revised Clause 49 of the Listing Agreement :**

<b>Name of the Director</b>	<b>Shri B. P. Jhunjhunwala (Re-Appointment)</b>
<b>Date of Birth</b>	29th April, 1960
<b>Date of Appointment</b>	26th August, 2005
<b>Qualification</b>	B. Com, FCA, ACS, MIIA
<b>Expertise in specific functional area</b>	Shri B. P. Jhunjhunwala is having vast knowledge and experience in the field of Corporate Finance, Accounts, Audit and Taxation.
<b>Directorship of other Companies (*)</b>	One
<b>Chairman/Membership in the Committees</b>	None
<b>Shareholding in Equity Shares of the Company and % of holding</b>	Nil

(\*) Excludes directorships in private limited companies and organisations other than public limited companies.

**(iii) Directors' membership in board/committees of other companies :**

In terms of the Listing Agreement, none of the directors of your Company were Members in more than 10 (ten) committees nor acted as chairman of more than 5 (five) committees across all companies in which they were Directors. Details of other directorships/committee membership/chairmanship held by them are given in Para 2(i) above.

**(iv) Number of Board meetings held, dates on which held :**

As per the Listing Agreement, the Board of Directors must meet at least four times a year, with a maximum gap of four months between any two meetings.

During the financial year 2008-09, Board met Seven (7) times on 28.04.2008, 10.06.2008, 30.06.2008, 31.07.2008, 27.08.2008, 27.01.2009 and 07.03.2009.

The gap between any two Board Meetings did not exceed four months.

**Para 3. AUDIT COMMITTEE**

**(i) Brief description of the terms of reference :**

The terms of reference of the Audit Committee cover the matters specified under revised Clause 49 of the Listing Agreement with Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Audit Committee reviews, acts and reports to the Board of Directors with respect to :

- a. the appointment of statutory auditors of the Company,



## Silicon Valley Infotech Limited

- b. provide Board with additional assurance as to reliability of financial information and statutory financial statements and as to the adequacy of internal accounting and control systems,
- c. it acts as a link between the management, statutory auditors and the Board of Directors, Company's compliance with the statutory requirements.

### (ii) Composition and name of members :

The Audit Committee, presently, consists of 3 (three) Independent Members. The following directors are the present members of the Committee :

Name of the Members	Designation	Nature of Membership
Shri Bhagwati Prasad Jhunjunwala	Chairman	Independent & Non Executive
Shri Santosh Kumar Jain	Member	Executive
Shri Ramen Chatterjee	Member	Independent & Non Executive

All the Members of the Audit Committee are financially literate and Shri B. P. Jhunjunwala, Chairman possesses financial /accounting expertise.

### (iii) Meetings held and attendance during the year :

During the financial year 2008-09, the Audit Committee met 5 (Five) times on 27.04.2008, 30.06.2008, 30.07.2008, 29.10.2008 and 29.01.2009.

Sr. No.	Members of Audit Committee	No. of meetings held	No. of meetings attended
1.	Shri Bhagwati Prasad Jhunjunwala	5	5
2.	Shri Santosh Kumar Jain	5	5
3.	Shri Ramen Chatterjee	5	4

### Para 4. REMUNERATION COMMITTEE

#### Details of sitting fees, remuneration etc. paid to Directors :

Remuneration of Rs.12.00 lakh has been paid to Shri Santosh Kumar Jain, Managing Director of the Company, whose appointment and remuneration has been fixed by the Board of Directors.

In view of this, no Remuneration Committee has been constituted.

### Para 5. SHARETRANSFER AND INVESTORS' GRIEVANCE COMMITTEE

#### Brief description of the terms of reference :

The Share Transfer & Investors' Grievance Committee administers the following :

- a. Transfer of shares
- b. Transmission of shares
- c. Issuance of duplicate share certificates as and when required
- d. Shareholders' queries / complaints and its redressal as and when received
- e. Dematerialisation / Rematerialisation of shares

f. Split / consolidation of shares

g. Such other matters resulting from statutory amendments / modifications from time to time.

**(I) Composition and name of the Chairman :**

The Committee comprises of the following persons :

Name of the Members	Designation	Nature of Membership
Sri Santosh Kumar Jain	Chairman	Executive
Sri Ramen Chatterjee *	Member	Independent & Non Executive
Sri Taposh Kumar Mullick	Member	Independent & NonExecutive

\* Appointed as a Member of the Board w.e.f. 7th March, 2009

During the financial year 2008-09, the Share Transfer and Investors Grievance Committee met 3 (Three) times on 30.04.2008, 31.05.2008 and 17.01.2009.

Sr. No.	Members of Share Transfer and Investors' Grievance Committee	No. of meetings held	No. of meetings attended
1	Sri Santosh Kumar Jain	3	3
2	Sri Ramen Chatterjee	3	—
3	Sri Taposh Kumar Mullik	3	3

**(ii) Name and designation of compliance officer :**

As per the requirements of the Listing Agreement, Shri Shiv Kumar Lakkar acts as the Compliance Officer.

**(iii) to (iv) Details of the shareholders' complaints received and resolved during the year 2008-09 :**

No. of complaints received	No. of complaints resolved	Pending
Nil	Nil	Nil

There have been no material grievances raised and all items referred have been dealt with. All the complaints were resolved to the satisfaction of shareholders.

As on 31st March, 2009, there were no pending complaints and no pending share transfers.

**Para 6. GENERAL BODY MEETINGS**

**(i) Location and Time of last three Annual General Meeting (AGM) :**

The location and time of the last three AGMs are as follows :

Year	Date	Location	Time
2007-08	25.09.2008	"Somani Conference Hall" Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001	11.00 a.m.