

17th ANNUAL REPORT

2009-2010

SOFTECH INFINIUM SOLUTIONS LIMITED

**# 29, Precision Plaza,
New No.397, Anna Salai,
Near Vanavil, Teynampet
Chennai - 600 018.**

SOFTECH INFINIUM SOLUTIONS LIMITED

BOARD OF DIRECTORS : Mr.P.N.GOPINATHAN Chairman
Mr.M.MURALEEDHARAN Director
Mr. T.M.R.SATHIYAMURTHY Director
Dr. S.MADHANAKUMAR Director

AUDITORS : Mr.D.SHARATH KUMAR,
Chartered Accountants,
Chennai - 600 040.

REGISTERED OFFICE : # 29, Precision Plaza,
New No.397, Anna Salai,
Near Vanavil, Teynampet,
Chennai - 600 018.

E-GOVERNANCE : www.softechinfinium.com
softnet@eth.net
complianceofficer@softechinfinium.com
(For Investor grievance redressal)

BANKERS : ICICI BANK LIMITED

NOTICE

NOTICE is hereby given that the **SEVENTEENTH ANNUAL GENERAL MEETING** of “Softech Infinium Solutions Limited” will be held on Wednesday the 29th day of September, 2010 at 10.35 A.M at the *Softech’s* R&D Technology Centre, No. 1, Precision Plaza, New No.397, Anna Salai, Near Vanavil, Teynampet, Chennai – 600 018 to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors Report, Audited Balance Sheet and Profit and Loss Account for the year ending 31st March, 2010.
2. To appoint a Director in the place of Mr. M.MURALEEDHARAN who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION:**

“INCREASE IN AUTHORISED CAPITAL:

ORDINARY RESOLUTION:

RESOLVED THAT pursuant to section 97 and other applicable provisions, if any, of the Companies Act, 1956 the authorized capital of the company be and is hereby increased to Rs. 15 Crores (Rupees Fifteen Crores Only) divided into 1.5 crores Equity shares of Rs. 10 each from existing authorized capital of Rs. 4.5 Crores (Rupees Four and Half Crores only) divided into 45,00,000 Equity shares of Rs. 10 each.”

5. To consider and if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION:**

“AMENDMENT OF MEMORANDUM OF ASSOCIATION:

RESOLVED THAT: the existing Clause V of the Memorandum of Association of the company and is hereby substituted with the following:

“ V. The Share Capital of the Company is Rs. 15 Crores (Rupees Fifteen Crores Only) divided into One and Half Crores Equity shares of Rs. 10/- (Rupees Ten only) each with rights, privileges and condition attached thereto as are provided by the Articles of Association of the Company. The Company has the power to increase or reduce its capital and to issue any shares in the original or new capital as equity or Preference shares and to attach and / or vary, modify or abrogate to any class of shares such rights, privileges, restrictions or limitations as may from time to time be determined in accordance with the Articles of Association of the company. ”

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6. To consider and if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

“AMENDMENT OF ARTICLES OF ASSOCIATION:

RESOLVED THAT the existing Article 2 of the Articles of Association of the company be substituted with the following:

“2. The Authorised Share Capital of the Company is Rs. 15 Crores (Rupees Fifteen Crores Only) divided into One and Half Crores Equity shares of Rs. 10/- (Rupees Ten only) each with power to increase or decrease capital in accordance with the provisions of the Companies Act, 1956.” ”

7. To consider and if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

“FURTHER ISSUE OF CAPITAL:

RESOLVED THAT pursuant to the provisions of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment there to re-enactment thereof), (the “Act”) and any other law for the time being in force and the provisions in the Memorandum and Articles of Association of the Company, the guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Listing Agreements entered into by the Company with the Stock Exchanges and subject to the approval, permissions and sanctions of the lenders of the Company, SEBI, stock exchanges, Reserve Bank of India (“RBI”), the Foreign Investment Promotion Board (“FIPB”), Government of India and other concerned authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) consent of the shareholders is hereby accorded to create, offer and issue to the equity shareholders of the Company as on the record date (to be fixed by Board of Directors for the purpose), equity shares or such other securities of the Company for a sum up to Rs. 30,00,00,000/- (Rupees Thirty Crores Only) or such other sum as may be determined by the Board of Directors in this regard, in the ratio to be determined by the Board (the “Rights Issue”) and on such other terms and conditions including the premium amount thereon as may be mentioned in the draft Letter of Offer to be issued by the Company in respect of the Rights Issue.

For the purpose of giving effect to the foregoing and 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, the Board be and is hereby authorized for and on behalf of the Company:

- a) to dispose of and offered to any persons whether or not these persons are shareholders of the company, from time to time, such of the Securities as are not subscribed, in such manner, as the Board may deem fit in its absolute discretion;

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- b) to decide on the terms of the issue of Securities, including the form, timing, issue price, number of shares resulting from conversion, allottees under the issue;
- c) to enter into and execute all such agreements/arrangements as the case may be with any lead managers, underwriters, stabilising agents, anchor investors, bankers, escrow bankers, financial institutions, solicitors, advisors, guarantors, depositories, custodians and other intermediaries (the "Agencies") in relation to the Issue of Securities and to remunerate any of the Agencies for their services in any manner including payment of commission, brokerage, fee or the like, to enter into or execute all such agreements / arrangements / Memoranda of Understanding / documents with any authorities / agencies, listing of the shares / securities (including the resultant equity shares to be issued as per the terms of the issue of the said Securities) on any Indian or Overseas Exchange (s) as the Board may in its absolute discretion deem fit;
- d) to settle any questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit,
- e) to do all such acts, deeds, matters and things as the Board may in its absolute discretion deem necessary or desirable for such purpose, including without limitation the drafting, finalization, entering into and execution of any arrangements or agreements or documents;
- f) to delegate from time to time, all or any of the powers conferred herein upon the Board to any Committee of the Board or the Chairman or any other Director or any other Officer or Officers of the Company.”
8. To consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION:**

“BORROWING POWERS:

RESOLVED THAT: pursuant to section 293 and other applicable provisions if any, of the Companies Act, 1956, the Board of Directors be and is hereby authorised and shall be deemed to have always been so authorised to raise or borrow from time to time at its discretion either from the company's bankers or from the Directors or from elsewhere on such terms and conditions as to repayment, interest or otherwise as it thinks fit such sums as may be necessary for the purpose of the company up to a limit of Rs. 100 Crores (Rupees One Hundred Crore Only) (exclusive of temporary loans obtained or to be obtained by the company from the company's bankers in the ordinary course of business) outstanding at any time and to create such securities by way of mortgage, charges or otherwise as may be required to be created on all or any of the assets of the company.”

By order of the Board

Date : 02nd September 2010
Place: Chennai

P.N.Gopinathan
Chairman

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and on a poll to vote instead of himself. A proxy need not be a member. A proxy in order to be effective must be deposited at the Registered Office of the company **not less than forty eight hours before** the commencement of the meeting.
2. The Memorandum and Articles of Association of the Company is available for inspection at the Registered Office of the company during office hours and at the venue of meeting hall during meeting time.
3. The Register of Members and the Share Transfer Books of the Company will be closed from 16th September 2010 to 29th September 2010 (both days inclusive).

Explanatory Statement annexed to the NOTICE pursuant to Section 173 of the Companies Act,1956:

ITEM 4, 5 & 6:

The business of the company is steadily increasing. As there are visible signs of revival of Global Economy, the software business is likely to boom in the coming years. To cope up with the business growth, there is necessity to make capital expenditure for expansion and also increased requirement for working capital. Also, your company plans to make acquisitions of highly viable companies for a stable growth in the near future. The company proposes to increase it's paid up which required the increase in it's authorized capital. This requires passing of these resolutions to increase the authorized capital and to make consequent amendments in the Memorandum and Articles of Association of the Company.

None of the Directors is interested or concerned in the passing of these resolutions.

ITEM 7:

To cope up with the business growth, there is necessity to make capital expenditure for expansion and also increased requirement for working capital. Also, your company plans to make certain acquisitions of highly viable companies for a stable growth in the near future. The further issue of shares requires the passing of this resolution to enable the Board of Directors to make further issue of shares to the shareholders and also to persons other than the shareholders of the Company.

None of the Directors is interested or concerned in the passing of these resolutions.

ITEM 8:

There is necessity to make capital expenditure for expansion and also for increased requirement for working capital. Presently, the company is not having any bank borrowings and with entry into the export market there is greater need for Bank Facilities. Hence, this resolution is proposed to comply with the legal requirements.

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

By order of the Board

Date : 02nd September 2010
Place: Chennai

P.N.Gopinathan
Chairman

DIRECTORS REPORT

To

THE SHAREHOLDERS OF M/s SOFTECH INFINIUM SOLUTIONS LIMITED.

Yours Directors have great pleasure in presenting the SEVENTEENTH ANNUAL Report of your Company together with Audited statement of Accounts for the year 31st March, 2010.

FINANCIAL RESULTS:

The Financial results of the Company are as follows

	Rs. in lakhs 2009-2010	Rs. in lakhs 2008-2009
Sales and other Income	672.13	309.88
Gross Profit before Depreciation and Tax	74.11	19.69
Depreciation	22.96	17.42
Profit/Loss before Tax	51.15	2.27
Provision for Tax	8.03	0.62
Profit after Tax	43.12	1.65
Proposed Dividend	-	-
Surplus brought forward from previous year	1.94	0.29
Profit and Loss Account Carried over	45.06	1.94

OPERATIONS AND PROSPECTS:

During the period under report, the Company concentrated more into the software area in addition to continuing its web technologies and dot com business. In view of the Global recovery the scope for software business is very good. The Sales and other Income of the company rose to Rs. 672.13 Lakhs as against Rs. 309.88 Lakhs in the previous year. Also, the profit after tax was Rs. 43.12 Lakhs as against Rs. 1.65 Lakhs previous year.

DIRECTORS:

Mr. Mr. M.MURALEEDHARAN retires by rotation and his reappointment is proposed. Mr. KAMALA KANNAN resigned from the Board from 01/07/2010. Mr. S.MADHANAKUMAR was co-opted as Additional Director with effect from 30/07/2010.

The directors had not drawn sitting fee for attending Board Meetings during the year under report.

AUDITORS:

M/s. D.Sharath Kumar, Chartered Accountants retires at the conclusion of this Annual General Meeting and a Certificate under section 224(1B) of the Companies Act, 1956 has been received from them for reappointment.

CONSERVATION OF ENERGY:

The Company continues efforts to conserve energy by economizing use of electricity.

RESEARCH AND DEVELOPMENT:

-----Nil-----

PARTICULARS OF EMPLOYEES U/S 217 (2A):

-----Nil-----

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors states that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the directors had selected such accounting policies applied by them consistently and 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 at the end of the financial year and of the profit or loss of the company for that period;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- iv) the directors had prepared the annual accounts on a going concern basis.

REPORT ON CORPORATE GOVERNANCE:

During the year under report, your Company is having Two Independent directors out of the total of four directors constituting 50% of the Board with Independent directors. Your company is complying with all the Listing requirements of Corporate Governance.

1. A brief statement on company's philosophy on code of governance:

The Company is truly a professionally managed company and Fifty (50) percent of directors are independent directors.

2. Board of Directors:

(i) Composition and category of directors:

Promoter Professional Non Executive Chairman – 1 (One)

Promoter Group Non Executive Director – 1 (One)

Independent Non Executive Director – 2 (Two)

NAME OF DIRECTOR	NATURE OF DIRECTOR	NUMBER OF BOARD MEETINGS ATTENDED. TOTAL TWELVE (12)
P.N.Gopinathan	Chairman – Non Executive (Promoter)	TWELVE (12)
T.M.R.Sathiyamurthy	Director – Non Executive Independent	TWELVE (12)
M.Muraleedharan	Director-Non Executive (Relative)	TWELVE (12)
S.Kamala Kannan (upto 1/7/2010)	Director – Non Executive Independent	ELEVEN (11)

(ii) Attendance of each director at the BOD meetings and the last AGM.

Sl. No.	DATE OF BOARD MEETING/ GENERAL MEETINGS	ATTENDANCE OF DIRECTORS TOTAL TWELVE (12) BOARD MEETINGS AND ONE (1) AGM
1.	03-04-2009	THREE (3)
2.	14-07-2009	FOUR (4)
3.	31-07-2009	FOUR (4)
4.	15-09-2009	FOUR (4)

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5.	05-10-2009	FOUR (4)
6.	05-01-2010	FOUR (4)
7.	06-01-2010	FOUR (4)
8.	19-01-2010	FOUR (4)
9.	26-02-2010	FOUR (4)
10.	15-03-2010	FOUR (4)
11.	19-03-2010	FOUR (4)
12.	23-03-2010	FOUR (4)
13.	23-09-2009 (AGM)	FOUR (4)

(iii) Number of other BODs or Board Committees in which he/she is a member or Chairperson:

Name of the Director	Name of Company	BOD or Committees
P.N.Gopinathan	GREEN WINSUN POWER PRIVATE LIMITED	BOD
	YADAVA DAIRY BEST PRIVATE LIMITED	BOD
S.Kamala kannan	VARISOFT INDIA PRIVATE LIMITED	BOD
	V-SYS TECHNOLOGIES PRIVATE LIMITED	BOD

Number of BOD meetings held, dates on which held.

NAME OF DIRECTOR	NAME OF COMPANY	DATES OF BOD
P.N.Gopinathan	GREEN WINSUN POWER PRIVATE LIMITED	14-05-2009, 29-09-2009, 25-11-2009, 25-03-2010.
	YADAVA DAIRY BEST PRIVATE LIMITED	14-05-2009, 29-09-2009, 25-11-2009, 25-03-2010.
S.Kamala kannan	VARISOFT INDIA PRIVATE LIMITED	18-06-2009, 29-09-2009, 25-11-2009, 25-03-2010.
	V-SYS TECHNOLOGIES PRIVATE LIMITED	18-06-2009, 29-09-2009, 25-11-2009, 25-03-2010.