

**18TH
ANNUAL REPORT
2009 - 2010**



SOFTWARE LTD.

SVAM SOFTWARE LIMITED

EIGHTEENTH ANNUAL REPORT 2009 – 2010**BOARD OF DIRECTORS**

Mr. Harshwardhan M. Koshal	Chairman
Mr. Rajeev Garg	MD
Mr. Sudhir Kumar Agarwal	Director
Mr. Neeraj Mishra	Director

BANKERS

HDFC Bank Ltd.
Indusland Bank

REGISTERED OFFICE & ADMINISTRATIVE OFFICE

906, New Delhi House
27, Barakhamba Road
Connaught Place,
New Delhi-110001

STATUTORY AUDITORS

Padam Dinesh & Co.
11/6-B, 2nd Floor, Shanti Chambers,
Pusa Road, New Delhi - 110 005

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
D-153A, Okhla Industrial Area
Phase-I, New Delhi - 110020

IMPORTANT

Share Holders may please note that
NO COUPONS / REFRESHMENTS
will be provided at the AGM

Visit our Website at [http : //www.svamssoftware.com](http://www.svamssoftware.com)

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Notice of the 18th Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting of the Members of the Company will be held on **Wednesday, 29th September, 2010** at 10:00 A.M at S-524, Vikas Marg, Shakarpur, Delhi-110092 to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2010 and the Auditors and Directors Report thereon.
2. To appoint a director in place of Shri Sudhir Kumar Agarwal who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution as ordinary resolution:

"RESOLVED THAT M/s SNMG & Co., Chartered Accountants, be and is hereby appointed as Auditors of the company to hold the office till the conclusion of the next Annual General Meeting of the company at a remuneration that may be determined by the Board of directors in consultation with the Auditors."

By the Order of the Board
for **SVAM SOFTWARE LIMITED**

Registered Office

906-New Delhi House, 27-Barakhamba Road,
Connaught Place, New Delhi-110001
Dated: 01/09/2010

Sd/-
RAJEEV GARG
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO 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 DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THAT MEETING.
2. REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS WILL BE CLOSED FROM 25/09/2010 TO 29/09/2010, BOTH THE DAYS INCLUSIVE.
3. MEMBERS ARE REQUESTED TO PLEASE NOTIFY IMMEDIATELY ANY CHANGE IN THEIR ADDRESSES TO THE COMPANY.
4. MEMBERS/PROXIES SHOULD BRING THE ATTENDANCE SLIP DULY FILLED IN FOR ATTENDING THE MEETING.
5. SHAREHOLDERS SEEKING ANY INFORMATION WITH REGARD TO ACCOUNTS ARE REQUESTED TO WRITE WELL IN ADVANCE SO AS TO REACH THE COMPANY AT LEAST 7 DAYS PRIOR TO THE ANNUAL GENERAL MEETING TO ENABLE THE MANAGEMENT TO KEEP THE INFORMATION READY AT THE AGM.
6. THE MEMBER ARE REQUESTED TO:-
 - a. INTIMATE CHANGES IF ANY IN THEIR ADDRESS TO THE COMPANY OR TO THE REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY, M/s SKYLINE FINANCIAL SERVICES (P) LTD. AT D-153A, OKHLA INDUSTRIAL AREA, PHASE-I, DELHI-110020.
 - b. QUOTE FOLIO NUMBER IN ALL THEIR CORRESPONDENCE WITH THE COMPANY.
 - c. BRING THEIR COPIES OF ANNUAL REPORT INCLUDING ATTENDANCE SLIP AT THE VENUE FOR THE AGM.
7. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO LODGE SHARE TRANSFER, TRANSMISSION AND INTIMATE CHANGES, IF ANY, IN THEIR REGISTERED ADDRESS, BANK ACCOUNT AND MANDATE DETAILS, RESIDENTIAL STATUS ETC. QUOTING THEIR FOLIO NUMBER(S) TO COMPANY'S SHARE TRANSFER AGENTS.

DIRECTORS REPORT

To The Members

Svam Software Ltd.

Your Directors have pleasure in presenting the 18th Annual Report on the business, operations and financial performance of the company during the financial year ended 31st March 2010.

FINANCIAL RESULTS

Rs. (In lacs)

Particulars	For The Year Ended	
	31 st March 2010	31 st March 2009
Sales/Operating Income	1104.70	955.50
Gross Profit/ (Loss) after interest but before depreciation & taxation	1129.36	973.97
Less: Depreciation	5.26	23.17
Less: Income Tax/ FBT	2.20	2.99
less: Decrease in Deferred tax assets during the year	4.36	9.15
Profit/(Loss) after tax	7.94	14.00
Transfer to General Reserve/ P & L	7.94	14.00

BUSINESS REVIEW

The performance of the company during the year under review has been encouraging. You will be pleased to note that during the year company has achieved turnover of Rs.1148.72 lacs and after tax profit of Rs. 7.94 lacs against turnover of Rs.1041.60 lacs and profit after tax of Rs.14.00 lacs in the corresponding previous year. The slow down in the sales is due to recessionary conditions in market.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance. Your Director adhere to the stipulations set out in the Listing Agreement with the Stock Exchanges and have implemented all the prescribed requirements.

A separate report on Corporate Governance as stipulated, under Clause 49 of the listing Agreement, with the Stock Exchanges and have implemented all the prescribed requirements.

A certificate from the auditors of the company M/s Padam Dinesh & Co. confirming compliance of conditions of Corporate Governance as stipulated in Clause 49 is annexed to this report.

DIRECTORS

During the year the following directors have resigned from board :-

1. Mr. Ghanshyam Das Binnani and;
2. Mr. Shalabh Mittal.

Your board has a Non-Executive Chairman and the number of Independent Directors is half of the total strength of Directors. The composition of the board is in conformity of Clause 49 of the Listing Agreement.

Your board of directors consist of the following four directors:

1. Mr. Harshwardhan Koshal (Chairman and Non-Executive Independent Director);
2. Mr. Rajeiv Garg (Managing Director and Executive Director);
3. Mr. Sudhir Kumar Agarwal (Non Executive Director) and;
4. Mr. Neeraj Mishra (Non- Executive Independent Director).

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of the companies ACT, 1956, it is hereby confirmed:

1. That in the preparation of the accounts for the financial year ended 31st March, 2010 the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. 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.
3. 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.
4. That the Directors have prepared the accounts for the financial year ended 31st March, 2010 on a going concern basis.

AUDITORS

M/s Padam Dinesh & Co., Chartered Accountants the existing auditors of the company has conveyed their unwillingness to continue as the statutory auditors of the company and the Company proposes to appoint **M/s SNMG & Co., Chartered Accountants** as Auditors of the company till the conclusion of the next Annual General Meeting of the Company.

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2. Mr. Rajeve Garg (Managing Director and Executive Director);
3. Mr. Sudhir Kumar Agarwal (Non Executive Director) and;
4. Mr. Neeraj Mishra (Non- Executive Independent Director).

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4. That the Directors have prepared the accounts for the financial year ended 31st March, 2010 on a going concern basis.

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M/s Padam Dinesh & Co., Chartered Accountants the existing auditors of the company has conveyed their unwillingness to continue as the statutory auditors of the company and the Company proposes to appoint **M/s SNMG & Co., Chartered Accountants** as Auditors of the company till the conclusion of the next Annual General Meeting of the Company.

The company has received certificate from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and they are not disqualified for such appointment within the meaning of Section 226 of the said Act.

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

a. AUDIT COMMITTEE

As per the provisions of the Listing Agreement and pursuant to Section 292A of the Companies Act, 1956, the Audit Committee has been set up to review the internal audit reports and financial statements at periodic intervals.

The Audit Committee comprises following three members having strong background in financial management:-

Mr. Harshwardhan Koshal	Chairman (Independent & Non-Executive)
Mr. Neeraj Mishra	Member (Independent & Non- Executive)
Mr. Sudhir K. Agarwal.	Member (Non-Independent & Non-Executive)

b. INVESTORS/SHAREHOLDERS' GRIEVANCE COMMITTEE

In pursuance of the provisions of the Listing Agreement, the company has also set up a Shareholders/ Investor's Grievance Committee to ensure maximum security to the concern of the shareholders. The committee consists of a Non Executive Chairman and other two members of the names as follows:

Mr. Neeraj Mishra	Chairman (Independent & Non Executive)
Mr. Harshwardhan Koshal	Member
Mr. Sudhir kumar Agarwal	Member

PARTICULARS OF EMPLOYEES

As required by the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules, 1975, as amended, no employee was in receipt of remuneration exceeding Rs. 24,00,000/- per annum or Rs. 2,00,000/- per month for any part thereof.

PUBLIC DEPOSITS

The company has not accepted any deposit from public within the meaning of section 58-A of the companies ACT, 1956 read with the companies (Acceptance of Deposits) rules, 1975.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO

Particulars with respect to conservation of energy, Technology absorption, Foreign Exchange Earnings & outgo as required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure forming part of this report.

APPRECIATION

The Company places on record its deep appreciation of the devoted services of executives and other staff of the company who have contributed in the performance and the Company's inherent strength. Grateful thanks are also due to the investors, the bankers, business associates & all other stakeholders for their continued support to the company from time to time.

By the Order of the Board
For SVAM SOFTWARE LIMITED

Place : Delhi
Dated : 30/08/2010

Sd/-
RAJEEV GARG
Managing Director

Sd/-
NEERAJ MISHRA
Director

ANNEXURE TO THE DIRECTORS REPORT

A. CONSERVATION OF ENERGY

The operations of your Company do not consume high levels of energy. Adequate measures have been taken to conserve by using energy, efficient computers and equipment.

B. TECHNOLOGY ABSORPTION

1. Specific areas in which R & D carried out are as follows:

- Review of the existing courses and evaluation of feasibility of the new courses to be launched and estimating the costing thereof.
- Providing technical support on existing products.

2. Benefits derived as a result of the above R & D:

As a result the organization is being able to implement current courses.

3. Future Plan of action:

R & D plans to enter the client server areas, as this is a major thrust area in the IT industry.

4. Expenditure on R & D: NIL

C. FOREIGN EXCHANGE EARNINGS

There were no foreign exchange earnings as well as outgo of the company during the year under report.

Report On Corporate Governance

(As required by clause 49 of the Listing Agreement of the Stock Exchanges)

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your company possesses an ethical mindset about the values of good Corporate Governance. For Svam, Corporate Governance stands for responsible and value creating management and control of the Company. The company's policies and practice are not only consistent with the statutory requirement but also underline its commitment to operate in the best interest of its stakeholders. Svam is committed to maintain highest standards of ethical behaviour and makes an honest endeavour to uphold the attributes of transparency, independence, accountability, responsibility and growth in all aspects of its operations.

II. BOARD OF DIRECTOR

Your board has a Non-Executive Chairman and the number of Independent Directors is half of the total strength of Directors. The composition of the board is in conformity of Clause 49 of the Listing Agreement.

The management of the company is entrusted in the hand of the key management personnel of company and is headed by the Managing Director, who functions under the supervision and control of the board. The board reviews and approves strategy and oversees the action and result of management.

None of the Independent Director has any other material pecuniary relationship or transaction with the company, its promoters and its directors which, in their judgement would affect their independence.

As on year ended 31st March 2010, the Board had strength of four directors.

The composition of board is as follows:

S.No.	Name of the director	Status
1	Mr. Harshwardhan M.Koshal	Non-Executive and Independent Chairman
2	Mr. Sudhir Kumar Agarwal	Non Executive and Non-Independent
3	Mr. Neeraj Mishra	Non Executive and Independent
4	Mr. Rajeev Garg	Executive and Non-Independent

In furtherance of its Corporate Governance policy the Company ensures that all statutory, significant material information are placed before the board/committee of directors for their approval to enable them to discharge their responsibilities as trustees.

Attendance of each director at Board Meetings and the last AGM

During the year the board of directors met 8 times on the attendance and composition and category of directors are as follows:

Name of the Director	Attendance Particulars			Committee memberships/ Chairmanships in our Company		Number of other Directorships & Committee memberships
	BOARD MEETING		Last AGM	Memberships	Chairmanships	Directorships
	Held	Present				
Mr Sudhir Kumar Agarwal	8	8	Yes	2	Nil	3
Mr Neeraj Mishra	8	8	Yes	2	1	Nil
Mr H M Koshal	8	8	Yes	2	1	1
Mr. Rajeev Garg	8	8	Yes	Nil	Nil	Nil
*Mr. Ghanshyam Das Binnani	8	6	Yes	Nil	Nil	Nil
*Mr. Shalabh Mittal	8	6	Yes	Nil	Nil	Nil

* Mr. Ghanshyam Das Binnani and Mr. Shalabh Mittal resigned from their directorship on 13th January, 2010.

III. COMMITTEES OF THE BOARD**a) Audit Committee**

As per the provisions of the Listing Agreement and pursuant to Section 292A of the Companies Act, 1956, the Audit Committee has been set up to review the internal audit reports and financial statements at periodic intervals.

The Audit Committee comprises following three members having strong background in financial management:-

Mr. H.M. Koshal	Chairman (Independent & Non-Executive)
Mr. Neeraj Mishra	Member
Mr. Sudhir K. Agarwal	Member

Meetings of the Audit Committee:

Four meetings of committee were held during the year on 28/4/2009, 22/07/2009, 25/10/2009, and on 27/01/2010. All the members of the committee were present in the meetings held during there respective tenure.

Role of Audit Committee:

The Audit Committee of the Company, *inter-alia*, provides assurance to the Board on the existence and adequacy of effective internal control systems. Brief description of the terms of reference to the Audit Committee: -

- Oversight of the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment of any other services.
- Reviewing and recommending the appointment and removal of managerial personnel, fixation of remuneration and also approval for payment for any other services as recommended by the Remuneration Committee.
- Reviewing with management of the annual financial statements before submission to the board, focusing primarily on:
- Any changes in accounting policies and practice.
- Major accounting entries based on exercise of judgment by management.
- Qualifications in draft audit report.
- Significant adjustments arising out of audit.
- The going concern assumption.
- Compliance with accounting standard.
- Any related party transactions of the company of material nature, with Promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- Reviewing the adequacy of internal audit functions.
- Discussion with internal auditors on any significant findings and follow-up there on.
- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion, with external auditors before the audit commences, of nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management Policies.
- To look into the reasons for substantial defaults in the payment to the creditors.
- To consider and review any other matter as may be directed by the Board.

b) INVESTORS /SHAREHOLDERS GRIEVANCE COMMITTEE

The Company has formed the Shareholders Grievances/ Share Transfer Committee, constituted by the Board, to approve inter- alias transfer/ transmission of shares, issue of duplicate share certificates, approving the split and consolidation requests and other matter including Shareholders complaints and grievances. The Committee also reviews the periodicity and effectiveness of the Share transfer process, statutory certifications.

The composition of the Shareholders Grievances / Share Transfer Committee is as under:

Mr. Neeraj Mishra	Chairman
Mr. Harshwardhan Koshal	Member
Mr. Rajeiv Garg	Member

The Committee meets atleast twice a month to approve transfer requests received from the investor during the previous week to ensure prompt delivery of securities to the shareholders.

The Minutes of the Committee Meeting are placed at the Board meeting from time to time. The Board has authorized the Share transfer Committee and the Company Secretary severally to approve the transfer of shares. During the year, all the Complaints of the Shareholders were resolved to the satisfaction of the shareholders.

IV. COMPLIANCE OFFICER OF THE COMPANY

Mr. Rajeev Garg, **Managing director** is the Compliance Officer for complying with the requirements of the Listing Agreement with the Stock Exchanges.

V. GENERAL BODY MEETING:

a) GENERAL MEETINGS

DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS

AGM	Financial Year	Date	Time	Location
17 th AGM	2008-2009	30.09.2009	11:00AM	S-524, Vikas Marg, Shakarpur, Delhi-110092
16 th AGM	2007-2008	29.09.2008	10.00AM	IPEX Bhawan, I.P. Extension, Delhi-110092
15 th AGM	2006-2007	29.09.2007	10.00AM	Community Center, Khera Garhi, Alipur Block, Delhi -110082

b) POSTAL BALLOT

No resolutions were passed by postal ballot during the year ended 31st March 2010.

c) SPECIAL RESOLUTION:

No special resolution was passed.

VI. CODE OF CONDUCT

The Company is committed to conduct business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems commensurate with risks involved.

The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

VII. DISCLOSURES

Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in Annexure to the Notes to Accounts. These are not in conflict with the interest of the Company in view of the following:

- All details relating to financial and commercial transactions wherein Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion nor do they vote on such matters.
- These are at prices which are reasonable, having regard to the prevailing market prices at the relevant time.

The Company has complied with all the requirements of the Listing Agreements with the Stock Exchanges. There has not been any non-compliance and penalty; structure has been imposed on the company during the last three years by SEBI or Stock Exchanges and fully complied with all the mandatory requirements of Clause 49.

VIII. MEANS OF COMMUNICATION

Quarterly Results are published in prominent daily newspaper Hari Bhomi (Hindi) and The Pioneer/The Financial Express (English) in Delhi editions. Management Discussions and Analysis Forms part of the Annual Report in a separate section. The Company has not made any formal presentation to the Institutional Investors during the year.

IX. GENERAL SHAREHOLDER INFORMATION

Financial Year 1st April 2009 to 31st March 2010
18th Annual General Meeting On Wednesday 29th September, 2010
at 10:00 AM at S-524, Vikas Marg, Shakarpur, Delhi-110092

Financial Calendar

Financial Year 1st April to 31st March
1st Quarterly Results End July 2009
2nd Quarterly Results End October 2009
3rd Quarterly Results End January 2010
4th Quarterly Results End April 2010

Date of Book Closure 25th September, 2010 to 29th September, 2010 (both days inclusive)

Dividend Date Not Applicable

Listing on Stock Exchange

The company is listed in following exchanges:

- 1) **Bombay Stock Exchange**
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 023
- 2) **Ahmedabad Stock Exchange**
Kamdhenu Complex, Opp. Sahajanand College, Panjarapole Ambawadi, Ahmedabad-380001
- 3) **Kolkata Stock Exchange**
7 Lyonsrange, Kolkata, West Bengal-700001

The Equity shares of the company are actively traded at BSE with Scrip code- (523722) in the 'B' Group.

STOCK MARKET DATA (YEAR 2009-2010)

Month	High	Low
April, 2009	2.57	1.81
May, 2009	2.50	2.12
June, 2009	3.49	2.25
July, 2009	3.30	1.90
August, 2009	2.88	2.27
September, 2009	3.25	2.30
October, 2009	3.25	3.09
November, 2009	3.23	2.00
December, 2009	2.99	2.11
January, 2010	3.32	2.36
February, 2010	2.96	2.29
March, 2010	2.88	1.86

X. REGISTRAR AND SHARE TRANSFER AGENT**M/s SKYLINE FINANCIAL SERVICES LIMITED**

Unit: Svam Software Ltd

D-153A, Okhla Industrial Area, Phase-I, New Delhi-110020

Telephone No: 011-30857575

E-mail Address: agarwalp7@hotmail.com

XI. SHARE TRANSFER SYSTEM

M/s Skyline Financial Services (P) Ltd. act as Registrar and Transfer Agent for the company. M/s Skyline Financial Services has a dedicated management team comprising professional qualified managers who are possessing vast experience in handling the share transfer work. The organization has a proven track record and is committed to maintain quality to service of the highest standards and also handling capacity with a commendable flexibility to quickly upgrade the capacity at shorter notice.

Share transfers are registered within maximum of 30 days from the date of lodgement of the documents which are complete in all respects. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

The company obtains from the Company Secretary in Practice a half yearly certificate of compliance for compliance of the share transfer formalities, as required under Clause 47 of the Listing Agreement and file copy of the certificate with stock exchanges.

XII. SHAREHOLDING PATTERN AS ON 31st MARCH, 2010.**a. Distribution of Shareholding as on March 31, 2010.**

No of Shares	No of Shareholders	% to total	No of Shares held	% to total
0-500	29641	89.28	5073105	30.04
501-1000	2123	6.39	1740224	10.30
1001-2000	737	2.22	1151715	6.82
2001-3000	243	0.73	624378	3.70
3001-4000	94	0.28	337725	2.00
4001- 5000	102	0.31	486819	2.88
5001-10000	153	0.46	1190793	7.05
10001 & above	106	0.32	6284241	37.21

a. Category of shareholders as on March 31, 2010

Category	No. of Shares	Percentage of holdings
A. Promoters Holding		
i) Promoters		
a. Indian-individual	24,42,600	14.47%
b. Foreign	Nil	Nil
ii) Persons acting in concert		
a. Directors	Nil	Nil
b. Director's Relatives	Nil	Nil
Sub Total (A)	24,42,600	14.47%
B. Public Holding		
i) Institutional Investor		
a) Mutual Fund	4000	0.02%
b) Financial institutions/Banks	3100	0.02%
c) Central Govt./State Govt.(s)	Nil	Nil
d) Venture capital fund/Ins.Cos,	Nil	Nil
e) FII Etc	Nil	Nil
Sub Total (B)(i)	7100	0.04%
ii) Non-Institutions Investors		
a) Bodies Corporate	1547819	9.16%
b) Individuals		
i) shareholding < Rs.1.00 Lac	9651742	57.15%
ii) shareholding > Rs.1.00 Lac	2569539	15.21%
c) NRI	662600	3.92%
i) Clearing House	1000	0.01%
ii) Corporate Body- OCB	6600	0.04%
iii) Intermediary/Other Depository A/c	0.00	
Sub Total (B)(ii)	14439300	85.50%
Sub Total (B)	14446400	85.53%
Grand Total (A+B)	16889000	100%
Shares held by custodian and against which		
Depository Receipt is issued	NIL	NIL

DEMATRIALISATION OF SHARES

The Company's shares are tradable compulsorily in electronic form. The Company has established through its Registrar and Share Transfer Agents, connectivity with National Securities Depository Ltd (NSDL) and Central Depository Services (I) Ltd (CDSL). As on 31st March, 2010 the equity shares have been dematerialized are 73.28%.

II. INVESTORS CORRESPONDENCE

Investors may address any correspondence to:

Svam Software Ltd

906- New Delhi House, 27-Barakhamba Road

Connaught Place, Delhi-110001.

Ph: 011-43536459, 43536460

E-mail: info@svamsoftware.com

CERTIFICATE IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT

In terms of clause 49 of the Listing Agreement, it is certified as under that:

- (a) The financial statements and the cash flow statement for the year have been reviewed and that to the best of our knowledge and belief :
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the years which are fraudulent, illegal or violative of the Company.
- (c) We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We had indicated to the Auditors and the Audit Committee :
 - (i) Significant changes in internal control during the year;
 - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place : Delhi
Dated : 30/08/2010

Sd/-
RAJEEV GARG
Managing Director

Sd/-
NEERAJ MISHRA
Director

AUDITORS CERTIFICATION ON CORPORATE GOVERNANCE**TO THE MEMBERS OF SVAM SOFTWARE LIMITED**

We have examined the compliance of conditions of Corporate Governance by Svam Software Limited, for the year ended on March, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.. it is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **PADAM DINESH & CO.**
Chartered Accountants

Sd/-
C.A. DINESH CHANDRA AGGARWAL
(Partner)
Membership No.86138

Place : Delhi
Date : 30/08/2010

CERTIFICATION BY CHIEF EXECUTIVE OFFICER

To the best of knowledge and belief, we certify that:

- 1) We have reviewed financial statement and the cash flow statement for the period ended 31.03.2010 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transaction entered into by the company during the period, which is fraudulent, illegal or violative of the company's code of conduct.
- 3) Further, we accept responsibility to establish and maintain internal controls for financial reporting and Accordingly, we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit committee, wherever applicable:
 - a) Deficiencies in the design or operation of the internal controls, if any of which we are aware and the steps have been taken or propose to take rectify these deficiencies.
 - b) Significant changes in the internal control over the financial reporting during the period;
 - c) Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements;
 - d) Instances of significant fraud of which we came to know and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For and On behalf of the Board of Directors

Place : Delhi
Dated : 30/08/2010

Sd/-
RAJEEV GARG
Managing Director

DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO)

I, Rajeev Garg, Managing Director of **Svam Software Limited** hereby declare that all the board members and senior managerial personnel have affirmed for the year ended 31st March, 2010 compliance with the code of conduct of the company laid down by them.

For and On behalf of the Board of Directors

Place : Delhi
Dated : 30/08/2010

Sd/-
RAJEEV GARG
Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS SCENARIO

The Business segment in which your Company operate is software development and software trade. The said business is very unpredictable. Despite the recent slowdown in the software sector, this remains a fast growing area of the Indian economy. The Company is also endeavouring to expand the area of its business of software as well as of infrastructure.

Today IT touches every aspect of business, connecting customers, suppliers, and partners around the globe. Your Company is mainly into software Trade and software development. Your Company is focusing on software trade as prime area for future sustainability and growth.

SEGEMENT WISE PERFORMANCE

The performance of the Company during the year under review has been encouraging. You will be pleased to note that during the year Company has achieved turnover of Rs. 1148.72 and after tax profits of Rs 7.94 lakhs as Against Turnover of Rs. 1041.60 lakhs and after tax profits of Rs. 14.00 lakhs in the corresponding previous year.

MANAGEMENT OF RISK

Management of risk to the business is continuous challenge for any organization growing in size and enhancing its purpose. The traditional risk factors like client risks, industry segment risks and economic risk are well understood and the means to handle them are also fairly established.

INTERNAL CONTROLS & SYSTEMS

The company ensures existence of adequate internal control through policy and procedures to be followed by the executives at various levels in the company. The operating managers ensure compliance within their areas. The Company has internal Audit system to carry out extensive checking and test and report non-compliance/weakness, if any through internal Audit Reports on the respective areas. These reports along with reports on compliance made thereafter are reviewed by the Audit Committee of the Board.

HUMAN RESOURCE

Management relation with the employees remains cordial. The Company's Human Resources philosophy is to establish and build a strong performance and competency drive culture with greater senses of accountability and responsibility. The industrial relations scenario remained peaceful and harmonious.

For and On behalf of the Board of Directors

Place : Delhi
Dated : 30/08/2010

Sd/-
RAJEEV GARG
Managing Director

AUDITORS' REPORT

To
The Shareholders
SVAM SOFTWARE LIMITED

Sub: Auditors Report Year Ended on 31.03.2010

Sirs,

We have audited the attached Balance Sheet of SVAM SOFTWARE LIMITED as at 31st March 2010 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto and report that these financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes as-sessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- 1) As required by the Companies (Auditors' Report) order 2003, issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we **enclose** in the annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order.
- 2) Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purpose of our audit:
 - b) In our opinion, proper books of account, as required by law have been kept by the Company so far as appears from our examination of such books:
 - c) The Company's Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by the report are in agreement with the books of accounts and returns.

In our opinion, the profit & loss account and balance sheet comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of companies Act, 1956.

 - e) On the basis of our examination of books and according to the information and explanations given to us, no material observations have been noticed during our audit which have any adverse effect on the functioning of the company as referred to in section 227(3)(e) of the companies act.
 - f) On the basis of written representation received from the directors of the company as on 31.03.2010, we report that none of the directors of the company is disqualified from being appointed as director under clause (g) of sub section 1 of section 274 of the companies act as referred to in section 227(3)(f) of the companies act, 1956.
3. In our opinion, and to the best of our information and according to the explanations given to us, the said balance sheet and profit and loss account read together with the significant accounting policies and other notes thereon give the information required by the companies act, 1956 in the manner so required and give true and fair view: -
 - i) In so far as it relates to the Balance Sheet, of the state of affairs of the company as at 31st March, 2010 and ;
 - ii) In so far as it relates to the Profit & Loss Account, of the **profit** of the company for the year ended on that date.
 - iii) In so far as it relates to the Cash Flow Statement, of the cash flow for the year ended on that date.

For **M/s PADAM DINESH & CO.**
Chartered Accountants
FRN:009061N

Sd/-
CA. DINESH CHANDRA AGGARWAL
Partner
M. No' 86138

Place : Delhi
Date : 30.08.2010

ANNEXURE: (Referred to in paragraph 3 of our audit report of even date)

- (i) (a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
Fixed Assets Register was not made available to us
- (b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;
Records not made available to us
- (c) If a substantial part of fixed assets have been disposed of during the year whether it has affected the going concern; -No-
- (ii) (a) Whether the physical verification of inventory has been conducted at reasonable intervals by the management. -Yes-
- (b) Are the procedure of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of business - If not, the inadequacies in such procedures should be reported;
-Yes-, No inadequacies Noticed
- (c) Whether the company is maintaining proper records of inventory and whether any material discrepancies were noticed on physical verification and if so, whether the same have been properly dealt with in the books of account;
-Yes-, No material discrepancies noticed
- (iii) (a) has the company either granted any loans, secured or unsecured to companies firms or other parties covered in the register maintained under section 301 of the Act, if so, give the number of parties and amount involved in the transaction;
-No-
- (b) Whether the rate of interest and other terms and conditions of loans given by the company, secured or unsecured are prima facie prejudicial to the interest of the company;
-No-
- (c) Whether payment of the principal amount and interest are also regular;
-N.A.-
- (d) If overdue amount is more than one lakh whether reasonable steps have been taken by the company for recovery / payment of the principal and interest;
-N.A.-
- (e) Has the company either **taken** any loans, secured or unsecured from companies firms or other parties covered in the register maintained under section 301 of the Act, if so, give the number of parties and amount involved in the transaction;
-No-
- (f) Whether the rate of interest and other terms and conditions of loans taken by the company, secured or unsecured are prima facie prejudicial to the interest of the company;
-N.A.-
- (g) Whether payment of the principal amount and interest are also regular.
-N.A.-
- (iv) Is there an adequate internal control procedure commensurate with the size of the company and nature of its business, for the purpose of the inventory and fixed assets and for the sale of goods. Whether there is a continuing failure to correct major weakness in internal control;
-Yes, No major weakness(For the Purpose of Inventory only)-
- (v) (a) Whether transactions that need to be entered into a register in pursuance of section 301 of the Act have been so entered;
-YES-
- (b) Whether each of these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time;
-Yes Wherever Applicable-
- (This information is required only in case of transactions exceeding the value of five lakh rupees in respect of any party and in any one financial year);

- (vi) In case the company has accepted deposits from the public, whether the directives issued by the Reserve bank of India and provision section 58A and 58AA of the Act and the rules framed there under, where applicable, have been complied with. If not, the nature of contraventions should be stated; If an order has been passed by the company Law Board whether the same has been complied with or not?

—No public deposit accepted—

- (vii) In the case of listed companies and or other companies having a paid up capital and reserves exceeding Rs. 50 lakhs as at the commencement of the financial year concerned, or having an average annual turnover exceeding five crore rupees for a period of three consecutive financial year immediately preceding the financial year concerned, whether by the company has as internal audit system commensurate with its size and nature of its business;

—YES—

- (viii) Where maintenance of cost record has been prescribed by the central government under clause (d) of sub section (1) of section 209 of the Act, whether such account and records have been made and maintenance

—N.A.—

- (ix) (a) Is the company regular in depositing undisputed statutory dues including Provident Fund, investor Education and Protection Fund, Employee's State insurance, Income Tax, Sale Tax, Wealth Tax, Custom Duty, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six month from the date they become payable, shall be indicated by the auditor;

—Yes—, No arrears of undisputed statutory dues—

- (b) In case dues of sales tax, Income Tax, Sale Tax, Wealth Tax, Excise Duty / cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending may please be mentioned.

—N.A.—

(A mere representation to the department shall not constitute the dispute);

- (x) Whether in case of a company which has been registered for a period not less than five years, its accumulated losses at the end of the financial year are not less than fifty percent of its net worth and whether it has incurred cash losses in such financial year and in the financial year immediately preceding such financial year.

—Accumulated losses of the company are not more than 50% of its net worth.

—No Cash losses incurred in current financial year and in the preceding financial year.

- (xi) Whether the company has defaulted of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;

—NO—

- (xii) Whether adequate documents and records are maintained in cases where the company has granted loans and advance on the basis of security by way of shares, debentures and other securities; if not, the deficiencies to be pointed out.

—Yes Wherever applicable—

- (xiii) Whether the provision of any special statute applicable to chit fund has been duly complied with? In respect of nidhi / mutual benefit fund / societies:

—N.A.—

- (a) Whether the Net – owned funds to deposit liability ratio is more than 1:20 as on the date of balance sheet;

- (b) Whether the company has complied with the prudential norms on income recognition and provisioning against sub standard/ default/ loss assets;

- (c) Whether the company has adequate procedures for appraisal of credit proposals/ requests, repayment capacity of the borrower and would be conducive to recovery of the loan amount;

- (d) Whether the repayment schedule of various loans granted by the nidhi is based on the repayment capacity of the borrower.

- (xiv) If the company is dealing or trading in shares, securities, debentures and other investments, whether proper records have been maintained of the transactions and contracts and whether timely entries have been made therein; also Whether the shares, securities, debentures and other securities have been held by the company, in its own name except to the extent of the exemption, if any, granted under section 49 of the Act;

—N.A.—

- (xv) Whether the company has given any guarantee for loan taken by others from bank or financial institutions, the terms and condition where of are prejudicial to the interest of the company;
-N.A.-
- (xvi) Whether term loans were applied for the purpose for which the loans where obtained;
-NA.-
- (xvii) Whether the funds raised on short terms basis have been used for long term investment and vice versa, the nature and amount is to be indicated;
-N.A.-
- (xviii) Whether the company has made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act, and if so whether the prices at which shares have been issued is prejudicial to the interest of the company;
-N.A.-
- (xix) Whether securities have been created in respect of debentures issued?
-N.A.-
- (xx) Whether the management has disclosed on the end use of money raised by the public issued and the same has been verified;
-N.A.-
- (xxi) Whether any fraud on or by the company has been noticed or reported during the year; if yes, the nature and the amount involved is to be indicated.
-No fraud noticed or reported-

For M/S PADAM DINESH & CO.
Chartered Accountants
FRN:009061N

Sd/-
CA. DINESH CHANDRA AGGARWAL
Partner
M. No' 86138

Place : Delhi
Date : 30.08.2010

BALANCE SHEET AS AT 31ST MARCH 2010

	Schedule	As At 31st March, 2010 (Rs.)	As At 31st March, 2009 (Rs.)
SOURCES OF FUNDS			
Shareholders Funds			
Capital	1	168,890,000	168,890,000
Reserve & Surplus	2	37,548,000	37,548,000
Loan Funds			
Secured Loans		Nil	Nil
Unsecured Loans		Nil	Nil
TOTAL		206,438,000	206,438,000
APPLICATION OF FUNDS			
Fixed Assets	4		
Gross Block		25,082,174	25,082,174
Less: Depreciation		24,594,531	24,068,372
Net Block		487,643	1,013,802
Investments	5	7,310	7,310
Current Assets, Loans & Advances			
Stock in hand	6	5,665,099	6,743,100
Sundry Debtors	7	104,938,853	63,934,533
Cash & Bank Balances	8	18,080,992	4,008,286
Loans & Advances	9	119,479,760	129,755,746
		248,164,704	204,441,665
Less: Current Liabilities & Provisions	3	56,128,032	14,161,063
Net Current Assets		192,036,673	190,280,603
Deferred Tax Assets (Net)		1,731,331	2,166,873
Miscellaneous Expenditure (To the extent not w/off or adjusted)			
Profit & Loss Account	10	12,175,043	12,969,412
TOTAL		206,438,000	206,438,000
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	13	-	-

IN TERMS OF OUR SEPARATE
REPORT OF EVEN DATE ATTACHED

For **M/S PADAM DINESH & CO.**
Chartered Accountants

for and on behalf of the Board

Sd-
CA. DINESH CHANDRA AGGARWAL
Partner
Membership No. 86138
FRN:009061N

Sd/-
RAJEEV GARG
Managing Director

Sd/-
NEERAJ MISHRA
Director

Place : New Delhi
Dated : 30.08.2010

Sd/-
RICHA GOYAL
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	For the Year Ended 31st March, 2010 (Rs.)	For the Year Ended 31st March, 2009 (Rs.)
INCOME			
SALES		110,469,937	95,550,000
SOFTWARE DEVELOPMENT & SERVICES		-	4,500,000
INTEREST RECD. & OTHER INCOME		4,402,225	4,110,080
		<u>114,872,162</u>	<u>104,160,080</u>
EXPENDITURE			
COST OF SALES		107,698,241	90,396,900
COST OF SOFTWARE DEVELOPMENT & SERVICES		-	4,200,000
MANUFACTURING & ADMINISTRATIVE EXP	11	5,136,367	2,770,715
SELLING & DISTRIBUTION EXPENSES	12	96,273	21,083
INTEREST & BANK CHARGES		5,604	8,290
		<u>112,936,485</u>	<u>97,396,988</u>
PROFIT BEFORE DEPR., TAX & EXTRAORDINARY ITEMS		1,935,677	6,763,092
LESS: LOSS ON DISCARDED ASSETS		-	1,831,378
LESS: DEPRECIATION		526,159	2,317,340
PROFIT BEFORE TAX		1,409,518	2,614,374
ADD: INCOME TAX ADJ. OF EARLIER YEARS		40,393	-
LESS: PROVISION FOR FBT		-	33,200
LESS: PROVISION FOR I.TAX		220,000	266,000
LESS: DECREASE IN DEFERRED TAX ASSETS		435,542	914,859
PROFIT AFTER TAX		794,369	1,400,315
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	13	-	-

IN TERMS OF OUR SEPARATE
REPORT OF EVEN DATE ATTACHED

For **M/S PADAM DINESH & CO.**
Chartered Accountants

Sd/-
CA. DINESH CHANDRA AGGARWAL
Partner
Membership No. 86138
FRN:009061N

Place : New Delhi
Dated : 30.08.2010

for and on behalf of the Board

Sd/-
RAJEEV GARG
Managing Director

Sd/-
NEERAJ MISHRA
Director

Sd/-
RICHA GOYAL
Company Secretary

**SCHEDULE ANNEXED TO & FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS
ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

Particulars	As At 31st March, 2010 (Rs.)	As At 31st March, 2010 (Rs.)
<u>SCHEDULE 1: SHARE CAPITAL</u>		
<u>Authorised Capital</u>		
3,00,00,000 EQUITY SHARES OF RS.10/- EACH (Last Year 3,00,00,000 Equity Shares of Rs.10/-Each)	<u>300,000,000</u>	<u>300,000,000</u>
<u>Issued, Subscribed and paid up Capital</u>		
Equity Shares 1,68,89,000 of Rs. 10/- each fully paid up in cash (Last year 1,68,89,000 Equity Shares of Rs.10/-)	<u>168,890,000</u>	<u>168,890,000</u>
	<u><u>168,890,000</u></u>	<u><u>168,890,000</u></u>
<u>SCHEDULE 2: RESERVE & SURPLUS</u>		
CAPITAL RESERVE	233,000	233,000
SHARE PREMIUM	<u>37,315,000</u>	<u>37,315,000</u>
	<u><u>37,548,000</u></u>	<u><u>37,548,000</u></u>
<u>SCHEDULE 3 : CURRENT LIABILITIES & PROVISIONS</u>		
SUNDRY CREDITORS	53,237,096	13,653,015
OTHER LIABILITIES	2,652,958	45,940
PROVISION FOR FRINGE BENEFIT TAX	17,978	33,200
PROVISION FOR INCOME TAX	220,000	266,000
SERVICE TAX PAYABLE	-	162,908
	<u><u>56,128,032</u></u>	<u><u>14,161,063</u></u>

SCHEDULE 4: FIXED ASSETS & DEPRECIATION AS PER BOOKS (COMPANIES ACT) AS N 31.03.2010.

S. No.	PARTICULARS	RATE	GROSS BLOCK				DEPRECIATION				NET BLOCK		
			As on 1.04.2009	Addition	Discarded	Dep. Revised	Total As on 31.03.2010	Upto 01.04.2009	During the year	Dep. Revised	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
1	FURNITURE & FIXTURE	6.33%	4,848,296	-	-	-	4,848,296	4,287,394	306,896	-	4,594,290	254,006	560,902
2	OFFICE EQUIPMENTS	4.75%	1,062,505	-	-	-	1,062,505	778,402	50,469	-	828,871	233,634	284,103
3	VEHICLES	9.50%	3,800,060	-	-	-	3,800,060	3,631,265	168,794	-	3,800,059	1	168,795
4	COMPUTER & PRINTERS	16.21%	12,746,686	-	-	-	12,746,686	12,746,685	-	-	12,746,685	1	1
5	COMPUTERS SOFTWARE	16.21%	2,624,627	-	-	-	2,624,627	2,624,626	-	-	2,624,626	1	1
TOTAL			25,082,174 30,184,252	- 1,831,378	0 3,270,700	0 3,270,700	25,082,174 25,082,174	24,068,372 25,021,732	526,150 2,317,340	0 3,270,700	24,594,531 24,068,372	487,643 1,013,802	1,013,802 5,162,520

	As At 31st March, 2010 (Rs.)	As At 31st March, 2009 (Rs.)
<u>SCHEDULE 5 : INVESTMENTS</u>		
QUOTED AT COST		
27EQUITY SHARES RELIANCE POWER (L/Y 17 EQUITY SHARES)	7,310	7,310
	<u>7,310</u>	<u>7,310</u>
<u>SCHEDULE 6 : CURRENT ASSETS, LOANS & ADVANCES</u>		
STOCK IN TRADES		
(VALUED AT COST OR NET REALISABLE VALUE WHICHEVER IS LESS)	5,665,099	6,743,100
	<u>5,665,099</u>	<u>6,743,100</u>
<u>SCHEDULE 7 : SUNDRY DEBTORS</u>		
(i) MORE THAN 6 MONTHS	64,842,126	44,879,413
(ii) OTHERS	40,096,727	19,055,120
	<u>104,938,853</u>	<u>63,934,533</u>
<u>SCHEDULE 8 : CASH & BANK BALANCES</u>		
CASH IN HAND	713,270	233,630
BALANCE IN CURRENT ACCOUNTS WITH :		
SCH. BANKS IN CURRENT ACCOUNTs	-	-
OTHER BANKS IN CURRENT ACCOUNTs	17,245,850	3,660,284
IN FIXED DEPOSITS	121,872	114,372
	<u>18,080,992</u>	<u>4,008,286</u>
<u>SCHEDULE 9 : LOANS & ADVANCES</u>		
(UNSECURED CONSIDERED GOOD)		
a. ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR THE VALUE TO BE RECEIVED)	116,846,792	124,264,863
b. TAX DEDUCTED AT SOURCE	2,600,475	5,402,243
c. VAT REFUNDABLE	32,493	88,640
	<u>119,479,760</u>	<u>129,755,746</u>

	As At 31st March, 2010 (Rs.)	As At 31st March, 2009 (Rs.)
<u>SCHEDULE 10 : PROFIT & LOSS ACCOUNT</u>		
ACCUMULATED LOSSES	12,969,412	14,369,727
LESS : NET PROFIT DURING THE YEAR	794,369	1,400,315
	<u>12,175,043</u>	<u>12,969,412</u>

SCHEDULE 11 : MANUFACTURING AND ADMINISTRATIVE EXPENSES

FEE & SUBSCRIPTION	124,293	99,520
PERSONNEL EXPENSES	2,134,032	1,638,566
PRINTING & STATIONERY	409,470	356,945
COURIER, POSTAGE & TELEPHONE	235,726	226,534
TRAVELLING & CONVEYANCE	92,848	65,420
CAR RUNNING & MAINT. EXP.	58,990	48,700
RENT,RATES & INSURANCE	10,200	79,200
AUDITOR'S REMUNERATION	44,120	44,120
ELECTRICITY EXPENSES	48,955	42,525
WEBSITE MAINT. EXP.	215,280	-
GENERAL EXPENSES	19,329	18,535
AGM/EGM& SHARES TRANSFER EXPENSES	255,830	150,650
BAD DEBTS W/OFF	1,487,294	-
	<u>5,136,367</u>	<u>2,770,715</u>

SCHEDULE 12 : SELLING & DISTRIBUTION EXPENSES

ADVERTISEMENT EXPENSES	96,273	21,083
	<u>96,273</u>	<u>21,083</u>

SCHEDULE-13 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS Y.E. 31.03.2010**ACCOUNTING POLICIES:****1. Basis of preparation of Financial statements:**

- (i) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company. There is no change in the accounting policies as compared to the preceding year.
- (ii) The Company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis, if determinable.

2 (i) Fixed Assets:

Fixed Assets are stated at their original cost less depreciation. Cost includes duties, taxes and expenses incidental to acquisition and installation.

(ii) Depreciation:

In respect of Fixed Assets, depreciation is provided Block wise on Straight Line Method in accordance with the provisions of schedule XIV of the Companies Act, 1956. The assets purchased up to 30th September of the year are charged full year depreciation and those purchased after 30th September are charged half year depreciation.

3. Inventory:

Inventory of closing stocks held by the concern is valued at lower of the cost price or net realizable value. Cost is determined on FIFO-Method. Cost comprises all cost of conversion and other costs incurred in bringing the inventories to their present location & condition.

4. Cash Flow Statement :

- a) The statement has been prepared under indirect method except in case of dividends, sale / purchase of investments and taxes which have been considered on the basis of actual movement of case, with corresponding adjustments in assets and liabilities as set out in the according standard 3 issued by ICAI.
- b) Cash and Cash equivalents represent cash and bank balances only.

7. Foreign Currency Transactions

Foreign currency transactions have been translated at exchange rate prevailing on the date of transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are reported using the closing rates.

Exchange differences arises on foreign currency transaction are recognized as income or expense in the profit & loss account.

8. Provisions and Contingencies

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

9. Revenue Recognition :

- (i) The company recognizes sale of product when they are invoiced to customer excluding sale tax / Vat and trade discount .
- (ii) Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exists.

10. Retirement Benefits

There is no amount of gratuity liability or leave encashment or any other retirement benefits for which the company may be made liable to pay. Hence no provision for the same has been made as on the date of Balance sheet.

11. Impairment of Asset

Wherever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, the company subjects such assets to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the company recognizes an impairment loss as a difference between the carrying value and fair value net of cost of sale in accordance with AS-28 "Impairment of Assets", issued by the Institute of Chartered Accountants Of India. None of the company's fixed assets are considered for impairment as on the balance sheet date.

12. Prior Period expenses, if any significant, are charged to prior period ex-pense Account. Similarly extraordinary items, if any significant, are shown separately in the accounts statements.

13. Borrowing Costs:

- (i) Borrowing costs are recognized as an expense in the period in which they are incurred.
- (ii) The concern does not have any qualifying asset from the viewpoint of capitalization of borrowing costs. Hence no borrowing cost is capitalized.

14. Intangible Assets:

- (i) The concern does not have an intangible asset from which any probable future economic benefit will flow to it.
- (ii) Expenditure on an intangible item other than in (i) above is recognized as an expense when it is incurred.

15. Other Accounting Policies

Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

ACCOUNTING NOTES:

1. The Company is engaged in the business of trading & development of Software packages.

2. Deferred Tax:

- a) The company has accounted for deferred tax in accordance with the Accounting Standard 22 "Accounting for taxes on income" issued by Council of ICAI. Accordingly, deferred tax for the year is recognized on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- b) Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.
- c) Tax on income for the current period is determined on the basis of taxable income and applicable tax rate computed in accordance with the provisions of the Income Tax Act, 1961.
- d) Deferred Tax assets are recognized and carried forward only if there is a reasonable/virtual certainty of its realization.
- e) (i) **Deferred Tax Statement:**

S.No.	PARTICULARS	Current Year	Previous Year
1.	WDV of Fixed Assets as per books of accounts	487643	1013802
	WDV of Fixed Assets as per Income Tax Act	3613501	4062765
	Excess WDV in Books of Accounts	(3125859)	(3048963)
	Deferred Tax Asset/Liability @30.90% (A)	(965890)	(942130)
2.	Brought forward business losses and allowances	2477154	3963569
	Deferred Tax Assets @ 30.90% (B)	765441	1224742
3.	Net Deferred Tax Assets (B)-(A)	1731331	2166873
4.	Deferred Tax Assets for the year (Being DR)	435542	914859

3. Segment Reporting:

The Companies core activity is to develop and trades in computer software. This is the only business segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India.

4. Earning Per Share (In Rs.):

PARTICULARS	Current Year	Previous Year
Net Profit/Loss after tax	794369	1400315
Number of Equity Shares held	16889000	16889000
Basic and Diluted Earning per share	0.05	0.08

SVAM SOFTWARE LIMITED
5. Provision, Contingent Liabilities, Contingent Assets:

- (i) Any reimbursement against a provision expected from an insurance or other indemnity clause is not recognized unless there is its virtual certainty.
- (ii) A contingent liability is not recognized in the financial statements. It is only disclosed in the notes.
- (iii) A contingent assets is neither recognized in the financial statement nor disclosed in the notes.

- (iv) **Contingent Liabilities:** As on 31.03.10 As on 31.03.09
 -On a/c of Rent Pending Litigation in Court 694800.00 694800.00

6. Additional Information Pursuant to Part II, Schedule VI of the Companies Act, 1956

Particulars	Quantity	Amount (Rs.) As at 31.03.2010	Quantity	Amount (Rs.) As at 31.03.2009
(i) Sales				
Software Packages Consumables	2752 Nil	110469937 Nil	207 Nil	95550000 Nil
(ii) Purchases				
Software Packages	2758	106348759	232	92190000
Consumables	1870	271481	Nil	Nil
(iii) Opening Stock				
- Finished Goods (Software Pack.)	28	4950000	3	4950000
(iv) Closing Stock				
- Finished Goods(Software Pack.)	34	5393618	28	6743100
- Finished Goods(Consumables)	1870	271481		
(v) Licensed Capacity	N.A.	N.A.	N.A.	N.A.
(vi) Installed Capacity(per annum)	N.A.	N.A.	N.A.	N.A.
(vii) CIF Value of Imports	-	NIL	-	NIL
(viii) Expenditure in foreign currency	-	NIL	-	NIL
(ix) Value of Material Consumed				
-Indigenous Material, Spare Parts & Components	-	NIL	-	NIL
-Imported Raw Materials etc.	-	NIL	-	NIL
(x) Dividend Remitted in Foreign currency	-	NIL	-	NIL
(xi) Earning in foreign exchange	-	NIL	-	NIL

* Sales & purchase include development of software, the quantitative details whereof are not possible.

7. REMUNERATION TO AUDITORS: As required under item 4B of schedule VI of Companies Act, following amounts have been paid to auditors:

	2009-10	2008-09
a) Audit	40000.00	40000.00
b) As Advisor, or in any other capacity in respect of		
i) Taxation Matters	NIL	NIL
ii) Company Law matters & certificate	NIL	NIL

8. Paise have been rounded off to the nearest rupee.

9. Previous year's figures have been regrouped/ rearranged wherever necessary.

For **M/S PADAM DINESH & CO.**
Chartered Accountants

For & On behalf of the Board

Sd/-
CA. DINESH CHANDRA AGGARWAL
Partner
Membership No. 86138
FRN:009061N

Sd/-
RAJEEV GARG
Managing Director

Sd/-
NEERAJ MISHRA
Director

Sd/-
RICHA GOYAL
Company Secretary

Place : New Delhi
Dated : 30.08.2010

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**I. REGISTRATION DETAILS**

Registration No.	47327	State Code	55
Balance Sheet Date	31/03/2010		

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSAND)

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSAND)

Total Liabilities	206,438,000	Total Assets	206,438,000
Source of Funds			
Paid-Up Capital	168,890,000	Reserves & Surplus	37,548,000
Application of Funds			
Net Fixed Assets	487,643	Investments	7,310
Net Current Assets	192,036,673	Deferred Tax Assets (Net)	1,731,331
Profit & Loss Account	12,175,043		

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSAND)

Turnover including other Income	114,872,162	Total Expenditure	113,462,644
Profit Before Tax	1,409,518	Income Tax	179,607
Deferred Tax Assets	435,542	Profit After Tax	794,369

V. GENERAL NAMES OF PRINCIPAL PRODUCTS/SERVICES OF COMPANY

Item Code No.	:	Not Applicable
(ITC) Product Description	:	SOFTWARE DEVELOPMENT & EXPORT, MARKETING OF SOFTWARE PACKAGES

As per Our report of even date attached

 For **M/S PADAM DINESH & CO.**
 Chartered Accountants

 Sd/-
CA. DINESH CHANDRA AGGARWAL
 Partner
 Membership No. 86138
 FRN:009061N

 Place : New Delhi
 Dated : 30.08.2010

For & On behalf of the Board

 Sd/-
RAJEEV GARG
 Managing Director

 Sd/-
NEERAJ MISHRA
 Director

 Sd/-
RICHA GOYAL
 Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2010

PARTICULARS	AMOUNT 2010	AMOUNT 2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation, and extraordinary items	1,409,518	4,445,752
Adjustment for :		
Depreciation	526,159	2,317,340
Interest & Finance Charges	5,604	8,290
Operating Profit Before Working Capital Changes	1,941,281	6,771,382
Adjustment for :		
Inventories	1,078,001	(1,793,100)
Sundry Creditors, Others Liabilities & Provisions	41,966,969	(2,435,664)
Sundry Debtors	(41,004,320)	(15,934,069)
Loan & Advances	7,292,521	14,471,481
Cash Generated from Operations	11,274,452	1,080,030
Interest paid	(5,604)	(8,290)
Direct Taxes	2,803,858	(1,256,472)
Net Cash From Operating Activities (A)	14,072,706	(184,732)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-	-
Investment in Shares	-	-
Net Cash used in Investing Activities (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short Term Borrowings	-	-
Net Cash used in Financing Activities (C)	-	-
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	14,072,706	(184,732)
Cash & Cash Equivalents as at beginning of the yr.	4,008,286	4,193,018
Cash & Cash Equivalents as at Closing of the yr.	18,080,992	4,008,286
IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE ATTACHED	18,080,992 0	4,008,286 -

For M/S PADAM DINESH & CO.
Chartered Accountants

Sd-
CA. DINESH CHANDRA AGGARWAL
Partner
Membership No. 86138
FRN:009061N

Place : New Delhi
Dated : 30.08.2010

For & On behalf of the Board

Sd/-
RAJEEV GARG
Managing Director

Sd/-
NEERAJ MISHRA
Director

Sd/-
RICHIA GOYAL
Company Secretary



SVAM SOFTWARE LIMITED

906-New Delhi House, 27-Barakhamba Road, Connaught Place, NewDelhi-110001

ATTENDANCE SLIP

Name of the attending Member.....
(In Block Letters)

Member's Folio Number/ DP A/c. No.....

Name of Proxy.....
(in block letters, to be filled in, if the proxy attends instead of member)

No. of Shares held.....

I hereby record my presence at the 18th Annual General Meeting at S-524, Vikas Marg, Shakarpur, Delhi - 110 092 at 10.00 A.M. on Wednesday, 29th September, 2010.

Member's/ Proxy Signature

The Attendance Slip, duly filled in is to be handed over at the Registration Counter.

-----Tear Here-----



SVAM SOFTWARE LIMITED

906-New Delhi House, 27-Barakhamba Road, Connaught Place, NewDelhi-110001

PROXY FORM

I/We.....of.....
being a Members of the above-named Company hereby appoint.....of.....
.....as my/our proxy to attend
and vote for me/us and on my/our behalf at the 18th Annual General Meeting of the Company to be held on Wednesday, 29th September, 2010 and at any adjournment thereof.

Ledger Folio No/ DP A/c No.....Number of Shares held.....

Affix
Revenue
Stamp

Signed this.....day of.....2010.

Signature.....

N.B. : This proxy must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.



BOOK POST

If undelivered, please return to :-

SVAM SOFTWARE LIMITED

906-New Delhi House, 27-Barakhamba Road
Connaught Place, NewDelhi-110001

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