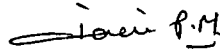


ADVENT

CERTIFIED TRUE COPY
FOR ADVENT COMPUTER SERVICES LTD



SR. MANAGER
CORPORATE AFFAIRS



23rd
ANNUAL REPORT
2008

ADVENT COMPUTER SERVICES LIMITED

BOARD OF DIRECTORS**Shri Michael Arul****Shri R.Mohanlal****Shri Shaji John Abraham****Shri Suvash Biswas****Chairman & Managing Director****Director (Independent)****Director (Independent)****Director (Independent)****COMPANY SECRETARY****Ulka V Panchal****AUDITORS****Pratapkarani Paul & Co.****Chartered Accountants****63, Kamraj Avenue, First Street****Adyar,****Chennai-600020****BANKERS****Canara Bank, G.P. Road, Chennai****HSBC Ltd., Adyar, Chennai.****REGD. OFFICE & WORKS****No.5, 1st Cross Street, R. K. Nagar,****Mandaveli,****Chennai-600028****REGISTRAR & SHARE TRANSFER AGENT****Bigshare Services Pvt. Ltd.****E-2&3, Ansa Industrial Estate, Sakivihar Road,****Sakinaka, Andheri(E),****Mumbai - 400 072**

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the members of Advent Computer Services Limited will be held on Monday, the 30th March, 2009 at 10.00 a.m. at Selva Rajeswari Hall, D.K.Complex, Villivakkam, Chennai - 600 099 to transact the following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Account for the year ended 30th September, 2008 and the Reports of Directors' and Auditors' thereon.
- 2 To appoint a Director in place of Shri R.Mohanlal who retires by rotation and being eligible, offers himself for re-appointment.
- 3.. To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s Pratakaran Paul & Co., Chartered Accountant, be and are hereby appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting, on such remuneration plus service tax and out-of-pocket expenses and travelling expenses, as may be determined by the Board of Directors on the recommendation of the Audit Committee of the Board."

Report  junction.com

Place: Chennai

Date: 31st December, 2008

For and on behalf of the Board of Directors

MICHAEL ARUL
Chairman & Managing Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEEDNOT BE A MEMBER OF THE COMPANY.**
2. The instrument appointing proxy should be deposited at the Registered Office of the company not less than forty eight hours before the commencement of the meeting.
3. The Register of Members and Transfer Books of the company will remain closed from 24th March, 2009 to 30th March, 2009 (both days inclusive).
4. Members desiring any information regarding accounts are requested to write to the company at least seven days in advance of the Annual General Meeting so as to enable the Management to keep the information ready.
5. The Members are requested to bring their copies of the Annual Report to the meeting.
6. The equity shares of the company are listed on the following stock exchanges:
 - a. The Bombay Stock Exchange Ltd., P.J. Towers, Dalal Street, Mumbai - 400 001.
 - b. Madras Stock Exchange Ltd. 11, Second Line Beach, Chennai - 600 001.
 - c. The Ahmedabad Stock Exchange, Kamdhenu Complex Panjarapole, Ahmedabad-380015The Listing fee is paid upto date to The Stock Exchanges, Mumbai, Chennai and Ahmedabad

7. Re-appointment of Director:

At this Annual General Meeting Shri R.Mohanlal retires by rotation and being eligible, offer himself for re-appointment. Shri R.Mohanlal is aged 65 years. He is a Diploma holder in Automobile Engineering. He has got 27 years experience in Sales and Administration. He is not on the Board of any other Company. He is a member of Audit Committee, Remuneration Committee, Shares/Investor Grievances Committee and Share Transfer Committee of Advent Computer Services Limited. He is holding 120 equity shares of the Company.

DIRECTORS' REPORT

To The Members,

Your directors are pleased to present the 23rd Annual Report and the Audited Accounts for the financial year ended 30th September, 2008.

FINANCIAL RESULTS (STANDALONE)

	CURRENT YEAR	PREVIOUS PERIOD
	2008	2007
	12 Months	15 Months
	(Rs. In Lacs)	(Rs. In Lacs)
Sales & Services	100.90	40.18
Other Income	1.20	-
Total Income	102.10	40.18
Total Expenditure	105.40	44.10
Profit / (Loss) for the period	(3.30)	(3.92)
Balance Carried Forward	(3.30)	(3.92)

DIVIDEND

In view of losses, your Directors do not recommend any dividend for the year under review.

BUSINESS OUTLOOK OF THE COMPANY

As mentioned in the last year's report, the Company's efforts to implement a mobile banking project are moving in the right direction. The Company has reached an understanding with an international company for being the implementation partner for the project. This project is likely to be initiated in 2009-10. Yours Directors expect good returns after the said project is fully implemented and stabilized.

The year 2008 has been very difficult and challenging due to global economic meltdown. There seems to be no clear indications of an upturn in business situation. The Company, therefore, is not in a position to go for any expansion that was anticipated earlier. However, this kind of environment offers very attractive opportunities for acquiring companies at very reasonable acquisition prices.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION ANALYSIS

A separate report on the Corporate Governance and Management Discussion Analysis for the year under review, as stipulated in Clause-49 of the Listing Agreement with the Stock Exchanges, has been attached as part of this annual report.

DIRECTORS

Mr. R. Mohanlal, who retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- 1) That in the preparation of the accounts for the financial year ended 30th September, 2008; 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 judgements 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 year and of the loss 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 year ended 30th September, 2008, on a going concern basis.

OBSERVATIONS OF AUDITORS

As regards the observations of Auditors, in Item No.3(d) of their Report regarding amortization of technology fees, the Board wish to state that in view of inadequacy of profits and meltdown in business situation all over world, the technology fees have not been amortized and the same would be done as soon as adequate profits are available in future.

As regards Item No.3(f) of their Report regarding confirmation of account balances of customers and suppliers, the Management has taken necessary steps to obtain the confirmations. The Board is of the view that this would not have any material impact on the financial statement of the Company.

AUDITORS

The members are requested to appoint Auditors for the period from conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting. M/s Pratapkaran Paul & Co., Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for reappointment. The Audit Committee of the Board has recommended their reappointment. M/s Pratapkaran Paul & Co. have furnished the Certificate of their eligibility for reappointment under Section-224(1) of the Companies Act, 1956. The requisite resolution is being placed for the shareholders' approval.

DEPOSITS

During the period under review, the Company has not accepted any fixed deposits from the public.

PERSONNEL

None of the employees of the was in receipt of remuneration in excess of the limits specified in Section-217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

ACKNOWLEDGEMENT

Your Directors would like to take this opportunity to express sincere gratitude for the assistance and co-operation from the employees, Bankers, Customers, Vendors and Shareholders during the year under review.

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS REQUIRED UNDER SECTION 217(1)(c) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY

The activities of the Company require minimal consumption of energy and every effort has been made to ensure the optimal use of energy. All possible measures have been taken to conserve energy.

B. TECHNICAL ABSORPTION

The Company has developed expertise for technology required for its business and the same has been fully absorbed.

C. DETAILS OF POWER AND FUEL CONSUMPTION

Not applicable due to nature of business

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earnings	NIL
Foreign Exchange outgo	NIL

Place: Chennai

Date: 31st December, 2008

For and on behalf of the Board of Directors

MICHAELARUL

Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

The global economic meltdown has impacted business situation adversely. The Management is taking steps to implement the mobile banking project. However, it is expected to be delayed due to difficult business situation.

OPPORTUNITIES AND THREATS

Although there are business opportunities in software section, the economic slow down has impacted overall business.

OUTLOOK

Although the business situation is difficult, the Company is depending on the proposed business model of rural mobile banking to turnaround performance of the Company.

INTERNAL CONTROL SYSTEM

The company has in place adequate internal control systems commensurate with the size and nature of operations of the company.

FINANCIAL PERFORMANCE**1. Financial Statements**

The financial statement have been prepared in compliance with the requirements of the Companies Act, 1956 and generally accepted accounting principles in India.

2. Fixed Assets

During the year company has not incurred any capital expenditure.

3. Inventories:

Not applicable

4. Sundry Debtors:

The sundry debtors as on 30th September, 2008 were Rs.17.21 lakhs as against sale of Rs. 102.10 lakhs for the year ended 30th September, 2008.

5. Financial Performance:

The net loss for the year was Rs.3.30 lacs as compared to net loss of Rs3.92 lacs in the previous period.

6. Risks and concern:

As is well known, the business of software is associated with various risks and competition. The fast obsolescence of technologies and the availability of advanced technologies at reasonable costs are also areas of concern. However, the Management would endeavour to overcome these risks and concerns with suitable steps at appropriate time.

7. Human Resources:

The company is outsourcing required manpower and hence the employees strength is negligible. The company is not facing any human relationship problem.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates or expectations may be "forward looking" within the meaning of the applicable securities, laws and regulations. Actual results could differ substantially or materially from those expressed or implied. Important factors that would make a difference to the Company's operations include a downtrend in the global markets, changes in government policies and regulations, tax regimes, litigation and significant changes in the political and economic environment and such other factors.

CORPORATE GOVERNANCE REPORT

In line with the requirement for providing "Report on Corporate Governance" as per clause 49 of the revised Listing Agreement of the Stock Exchanges applicable for the year ended 30th September, 2008 given below is a report on the Company's Corporate Governance norms

1. ADVENT'S PHILOSOPHY ON CORPORATE GOVERNANCE

Transparency in all dealings, effective control and management of organization, investor friendly attitude towards shareholders has been the basic objective of the Corporate Governance of the Company.

2. BOARD OF DIRECTORS

At present the Board consists of 4 members, comprising of 3 Non Executive and 1 Executive Director. Five Board Meetings were held during the year 1st October, 2007 to 30th September, 2008 on the following dates:

31st December, 2007, 5th February, 2008, 29th February, 2008, 30th April, 2008, 30th September, 2008.

The Twenty Second Annual General Meeting was held on 31st March, 2008.

The Composition of the Board of Directors and their attendance at the Board Meetings during the period and at last Annual General Meeting as also the number of other directorships and committee memberships are given below:

Name of the Director	Category of Director	No. of Board Meetings Attended	Attendance at last AGM	No. of Director ships **	Committee member ships +	Committee chairman ship +
Mr. Michael Arul	Executive Director-MD	5	Yes	1	-	1
Mr. R. Mohanlal.	Non-Executive	5	Yes	1	4	1
Mr. Shaji John Abraham	Non-Executive	5	-	1	3	2
Mr. Suvash Biswas	Non-Executive	-	-	1	-	-

** including Directorships in Advent Computer Services Limited and excluding directorships of private Companies.

+ Committees considered are Shareholders/Investor's Grievances committee, Audit committee, Remuneration Committee, Share Transfer committee including in Advent Computer Services Limited.

3. COMMITTEES OF THE BOARD

Audit Committee

The Audit Committee consists of 2 Non-Executive Directors namely Shri Shaji John Abraham and Shri R. Mohanlal, (being independent Directors). Shri R. Mohanlal is appointed as Chairman of the Committee. Five meetings were held during the period. The Audit Committee has been mandated with the terms of reference as are specified in Clause-49 of the Listing Agreement with the Stock Exchanges.