

# **ADVENT**



**ADVENT COMPUTER SERVICES LIMITED**

**BOARD OF DIRECTORS****Shri Michael Arul**

Chairman &amp; Managing Director

**Shri R.Mohanlal**

Director (Independent)

**Shri Shaji John Abraham**

Director (Independent)

**Shri Suvash Biswas**

Director (Independent)

**Shri Madhavaraj Suresh**

Additional Director

**AUDITORS**

Pratapkarani Paul &amp; Co.

Chartered Accountants

63, Kamaraj Avenue, First Street

Adyar,

Chennai-600 020

**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 &amp; 3, Ansa Industrial Estate, Sakivihar Road,

Sakinaka, Andheri(E),

Mumbai - 400 072

## ADVENT COMPUTER SERVICES LIMITED

**NOTICE**

Notice is hereby given that the Twenty Fifth Annual General Meeting of the members of Advent Computer Services Limited will be held on Thursday, the 30<sup>th</sup> September, 2010 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 31<sup>st</sup> March, 2010 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 appoint Auditors of the Company

The retiring Auditors, M/s. Pratapkaran Paul & Co., have expressed their desire not be reappointed. A Special Notice has been received by the Company from a Member, signifying his intention to appoint Mr. N .Subramanian, Chartered Accountant, as the Auditors of the Company. Mr. N. Subramanian has confirmed his eligibility for appointment.

**SPECIAL BUSINESS**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

'RESOLVED THAT Mr. M. Suresh , who was appointed an Additional Director of the Company by the Board of Directors in May, 2010 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a Notice in writing proposing his candidature for the office of the Director under Section-257 of the Companies Act, 1956, be and is hereby appointed a Director of the Company, liable to retire by rotation.

**Place: Chennai**  
**Date : 31st May 2010**

**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 NEED NOT 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 21<sup>st</sup> September 2010 to 30<sup>th</sup> September 2010 (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-380015

The 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.

The brief background of the Directors proposed for reappointment/appointment are given below;

1. Shri R. Mohanlal is aged 66 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.

**Explanatory Statement****AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956**

Mr. M. Suresh was appointed as Additional Director of the Company by the Board of Directors on 31<sup>st</sup> May 2010. According to the provisions of the Section-260 of the Companies Act, 1956, he holds office of the Director only upto the date of the ensuing Annual General Meeting.

A notice has been received from a Member along with deposit of Rs.500/- as required under Section-257 of the Companies Act, 1956, proposing Mr. M. Suresh as candidate for the office of the Director.

## ADVENT COMPUTER SERVICES LIMITED

Mr. M. Suresh, aged 43 years, is an eminent lawyer. He is Bachelor of Law from Madras Law College and M.A (Political Science) from Madras University. He has a Post Graduate Diploma in Computer Application and also Diploma in Business and Managerial Psychology. Mr. M. Suresh has got very wide experience in all aspects of legal matters. He has been practicing in High Court, Madras, since 1996.

The Board is of the opinion that his appointment would be immense benefit to the Company.

The Board recommends the passing of the Ordinary Resolution as set out in Item No.4 of the accompanied notice.

Mr. M. Suresh, being concerned, is interested in the resolution. None of the other Directors is concerned or interest in the resolution.

**For and on behalf of the Board of Directors**

**MICHAEL ARUL**

**Chairman & Managing Director**



## DIRECTORS' REPORT

To The Members,

Your directors are pleased to present the 25<sup>th</sup> Annual Report and the Audited Accounts for the financial year ended 31<sup>st</sup> March , 2010..

### FINANCIAL RESULTS (STANDALONE)

	CURRENT YEAR	PREVIOUS PERIOD
	2010 ( 12 months)	2009( 6 Months)
	(Rs. In Lacs)	(Rs. In Lacs)
Sales & Services	23.18	9.50
Other Income	0.25	0.10
Total Income	23.43	9.60
Total Expenditure	38.33	28.35
Profit / (Loss) for the period	(14.90)	(18.75)
Balance Carried Forward	(14.90)	(18.75)

### DIVIDEND

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

### BUSINESS OUTLOOK OF THE COMPANY

Due the worldwide economic recession all the projects that the company was pursuing have been delayed. The company is actively engaged in discussions with Companies in India and Overseas that have business synergy with our company for the purpose of acquisitions / mergers.

These target companies have advanced technologies in automated speech recognition, digital pens and telecom applications.

We see significant business potential in these areas both in India and Overseas and with the acquisition/merger of these companies. We expect our company to achieve higher turnover and profits.

The Business Outlook for the company is good for the coming year subject to general economic situation and provided that any one of the above opportunities are realized.

### 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 retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting. In order to broad base the Board, Mr. M. Suresh was appointed as Additional Director.

## ADVENT COMPUTER SERVICES LIMITED

**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 31<sup>st</sup> 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 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 31<sup>st</sup> March, 2010, 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. Since, all the dues from Debtors are collectable, Hence there is no necessity of making provision for Bad and Doubtful debts. 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 year 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 have expressed their desire not to be reappointed. A Special Notice has been received by the Company from a Member, signifying his intention to appoint Mr.N.Subramanian, Chartered Accountant, as the Auditors of the Company. Mr. N.Subramanian has confirmed his eligibility for appointment. The requisite resolution is being placed for the shareholders' approval.

**DEPOSITS**

During the year 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)(e) 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: 31<sup>st</sup> May 2010

For and on behalf of the Board of Directors

**MICHAEL ARUL**  
**Chairman & Managing Director**



**MANAGEMENT DISCUSSION AND ANALYSIS**

The global economic meltdown has impacted business situation adversely. The recovery has started in a slow pace. The Company is confident of implementing the new projects through a process of mergers/acquisitions.

**OPPORTUNITIES AND THREATS**

The Company is able to see opportunities in the areas of advanced technologies, which will be exploited for the company's growth.

**OUTLOOK**

The Business Outlook for the company is good for the coming year subject to general economic situation and provided that any one of the above opportunities are realized.

**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 31 March, 2010 were Rs.7.93 lakhs as against sale of Rs. 23.17 lakhs for the year ended 31<sup>st</sup> March, 2010.

**5. Financial Performance:**

The net loss for the year was Rs. 14.90 lakhs as compared to net loss of Rs 18.75 lakhs in the previous period. (6 Months).

**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.