

ADVENT

**26th
ANNUAL REPORT
2011**

ADVENT COMPUTER SERVICES LIMITED

BOARD OF DIRECTORS

Shri Michael Arul

Chairman & Managing Director

Shri R.Mohanlal

Director (Independent)

Shri Shaji John Abraham

Director (Independent)

Shri Suvash Biswas

Director (Independent)

Shri Madhavaraj Suresh

Director (Independent)

AUDITORS

VIVEKANANDAN ASSOCIATES

Chartered Accountants

Ground Floor, Murugesanicker Office Complex,
81, Greaves Road, Chennai - 600 006.

BANKERS

Canara Bank, G.P. Road, Chennai

HSBC Ltd., Adyar, Chennai.

REGD. OFFICE & WORKS

New No.121. Old No.347

Pantheon Road, Egmore

Chennai - 600 008.

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 Sixth Annual General Meeting of the members of Advent Computer Services Limited will be held on Friday, the 30th September, 2011 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 31st March, 2011 and the Reports of Directors' and Auditors' thereon.
- 2 To appoint a Director in place of Shri Shaji John Abraham who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company

“RESOLVED THAT M/s Vivekanandan Chartered Accountants, 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.”

Place: Chennai
Date: 5th September, 2011

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 23rd September 2011 to 30th September 2011 (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 Shaji John Abraham retires by rotation and being eligible, offer himself for re-appointment.

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

Shri. Shaji John Abraham is aged 57 Years . He is B.E. He is having rich experience and having his own business. He is not in the Board of any other company. He was Chairman of Share /Investors grievances Committee of Advent Computer Services Limited. He is not holding any shares of the company .

For and on behalf of the Board of Directors

MICHAELARUL
Chairman & Managing Director

DIRECTORS' REPORT

To The Members,

Your directors are pleased to present the 26th Annual Report and the Audited Accounts for the financial year ended 31st March, 2011.

FINANCIAL RESULTS

	CURRENT YEAR	PREVIOUS YEAR
	2011	2010
	(Rs. In Lacs)	(Rs. In Lacs)
Sales & Services	26.15	23.18
Other Income	0.40	0.25
Total Income	26.55	23.43
Total Expenditure	33.61	38.33
Profit / (Loss) for the year	(7.06)	(14.90)
Balance Carried Forward	(7.06)	(14.90)

DIVIDEND

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

BUSINESS OUTLOOK OF THE COMPANY

The company's business outlook depends on its ability to acquire existing companies in the two domains of mobile banking and remote health monitoring. These acquisitions will give the company a quick entry into these two domains which coupled with the technologies that our company has identified will help the company to generate higher profits than its competitors. The company is currently negotiating with two such companies for acquiring them and several strategic international investors have shown keen interest in investing in our company to support such acquisitions. The management is optimistic about the future outlook if these acquisitions are successful.

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. Shaji John Abraham, who retire by rotation and being eligible, offer themselves 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 period ended 31st March, 2011; 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 31st March, 2011, 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 period from conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting. M/s Vivekanandan Associates, 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 Vivekanandan Associates. 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 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

For and on behalf of the Board of Directors

Date: 5th September, 2011

MICHAEL ARUL
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

The company is well poised to enter the very lucrative market space of providing remote monitoring of patient's health parameters. This is an opportunity that provides major benefits to hospitals, doctors, patients and the payers such as insurance companies. The company is planning to launch this service in India, South East Asia and the Middle East.

The company is also working to support the Government's initiatives to achieve financial inclusion in rural India by providing a mobile banking platform that is secure for financial transactions and can be used by cooperative and other rural banks. This is a long gestation project but has tremendous potential in the long term.

Both these services would leverage the telecom infrastructure in India and would derive its competitive advantage from advanced telecom technology sourced from Germany.

However these initiatives would depend upon the availability of resources to implement the same.

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. As and when any such opportunities are materialized, the company would plan to raise their resources for the business.

OUTLOOK

The management is optimistic about the business outlook of the company subject to availability of funds and unforeseen circumstances.

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 31st March, 2011 were Rs. 6.95 lakhs as against sale of Rs. 26.15 lakhs for the year ended 31st March, 2011.

5. Financial Performance:

The net loss for the year was Rs. (7.06)lakhs as compared to net loss of Rs (14.90) lakhs in the previous year.

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 endeavor 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.