

SIXTH ANNUAL REPORT

1999-2000



ARCHANA SOFTWARE LIMITED

Regd. Office: 48, South Boag Road, T.Nagar, Chennai - 600 017.

Admn. Office : 9, Bishop Wallers Avenue (E), Mylapore, Chennai - 600 004.

Board of Directors:

D.Ravisankar
Director

S.Durai
Director

V.P.Ramanathan
Director

R.Rajasankar
Director

S.A. Krishnan
Director

Auditors

M/s. Krishnan & Sekaran
Chartered Accountants
43/GD, II MAIN Road,
Gandhi Nagar
Adyar, Chennai - 600 020.

Bankers

Tamilnad Mercantile Bank Ltd.
T.T.K. Road, Chennai - 600 014.

Punjab National Bank
Mylapore, Chennai - 600 004.

Lord Krishna Bank
Teynampet, Chennai - 600 018.

The HDFC Bank Ltd.
I.T.C Centre
Mount Raod, Chennai.

Registered Office

48, South Boag Road,
T.Nagar, Chennai - 600 017.

ARCHANA SOFTWARE LIMITED

NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of the Company ARCHANA SOFTWARE LIMITED will be held on Friday, the 29th September 2000 at 10.30 a.m. at THE HARMONIOUS HOMESCAPES, Mount Poonamallee Road, Kattupakkam, Porur, Chennai - 600 056 for transacting the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the profit and Loss Account of the Company for the year ended 31st March 2000 and the Balance Sheet as on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint a director in the place of Mr.V P Ramanathan, who retires at this Annual General Meeting and being eligible offers himself for reappointment.
3. To appoint a director in the place of Mr.D.Ravisanker, who retires at this Annual General Meeting and being eligible offers himself for reappointment.
4. To appoint Auditors and to authorise the Board to fix their remuneration. M/s. Krishnan & Sekaran, Chartered Accountants, who retire at this Annual General Meeting, being eligible offer themselves for reappointment.

SPECIAL BUSINESS:

To pass the following resolution with or without modification as special resolution.

"Resolution to amend the Articles of Association of the Company by modifying the following clause after the clause the following:

(A) FURTHER ISSUE OF SHARES:

1. Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the unissued capital or out of the increased share capital then:
 - (a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.

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- (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined.
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
- (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as they may think, in their sole discretion, fit.
2. Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of subclause (1) hereof) in any manner whatsoever.
- (a) if a special resolution to that effect is passed by the company in General Meeting, or
- (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the company.
3. Nothing in sub-clause (c) of (1) hereof shall be deemed:
- (a) To extend the time within which the offer should be accepted: or
- (b) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

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4. Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture issued or loans raised by the company.

- (i) To convert such debentures or loans into shares in the company: or
- (ii) To subscribe for shares in the company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, in any, made by that Government in this behalf; AND
- (b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in the General Meeting before the issue of the debentures or raising of the loans.

(B) SHARES AT THE DISPOSAL OF THE DIRECTORS:

Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted, may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

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(c) LIMITATION OF TIME FOR ISSUE OF CERTIFICATES:

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee as the Directors may from time to time determine to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder.

(D) ISSUE OF NEW CERTIFICATE IN PLACE OF ON DEFACED LOST OR DESTROYED:

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof, to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

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(E) DIRECTORS MAY REFUSE TO REGISTER TRANSFER:

Subject to the provision of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account whatsoever except when the company has a lien on the shares. Transfer of shares/ debentures in whatever lot shall not be refused.

(F) INSTRUMENT OF TRANSFER

The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

(G) NO FEE ON TRANSFER OR TRANSMISSION

No fee shall be charged for registration of transfer, transmission, probate, Succession Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

(H) PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST"

The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.