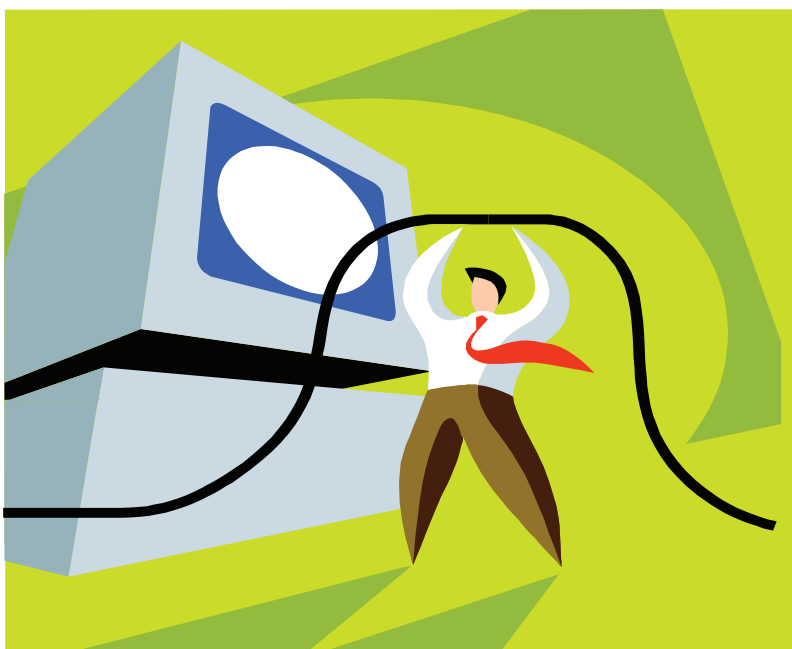


ARCHANA SOFTWARE LIMITED



21st ANNUAL REPORT

2014 – 2015

Boards of Directors

<u>Boards of Directors</u>	
Whole Time Director	Chikalpat Yogesh Pai
Non Executive Director	S.Vasanth Kumar
Independent Director	S.Sonaachalam. V.Paranthaman P. Parimala Women Director

<p><u>Auditors</u></p> <p>A. SARAVANAN. Chartered Accountant 191-G, Annai Gardens, T.T.P. Mill Road, AB Nagar, Gandhi Nagar (PO), Tirupur – 641 603</p>	<p><u>Secretarial Auditor</u></p> <p>P THIRUMALAIKUMAR, Company Secretary in Practice Flat No.S-2, II Floor, “Mahalakshmi” No.82/40, A P Kovil Street, Vadapalani, Chennai- 600026</p>
<p><u>Bankers</u></p> <p>Tamilnadu Mercantile Bank Ltd, Kamaraj Road, Tirupur.</p> <p>HDFC Bank Ltd I.T.C Centre, Anna Salai, Chennai.</p> <p>IDBI Ltd. 115, Annasalai, Saidapet, Chennai.</p>	<p><u>Registered Office</u></p> <p>'Land Marvel Nest' , 1st Floor, No.3, First Main Road, Indira Nagar, Adyar, Chennai – 600 020.</p> <p><u>Email id :</u> archanasoftware@gmail.com vasanth@archanasoftware.com</p> <p>Website : www.archanasoftware.com</p>
<p align="center">CIN:L65191TN1994PLC029226</p>	
<p align="center">Annual General Meeting on 29th September 2015</p> <p align="center">@</p> <p align="center">N.M.S.Marriage Hall, 61 F Main Road, Velachery, Chennai-600 042</p>	

<u>Listing</u> BSE Ltd Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai - 400 001	<u>Registrar & Share Transfer Agent</u> M/s. Sharex Dynamic (India) Pvt Ltd, Unit – 1, Luthra Ind. Premise, Safed Pool, Andheri Kurla Road , Andheri (E), Mumbai – 400 001. Phone: +91 22 – 2851 5606 Fax: +91 22 – 2851 2885 E-mail: sharexindia@vsnl.com
<u>Stock Code</u>	530565
<u>ISIN Number</u>	INE149B01015

ARCHANA SOFTWARE LIMITED

CIN:L65191TN1994PLC029226

Regd. Office: Land Marvel Nest, 1st Floor, No.3, 1st Main road,

Indira Nagar, Adyar, Chennai – 600020

Phone No. +91-44 6455 5955, Fax: +91-44 2440 5166

website: www.archanasoftware.com, email id : archanasoftware@gmail.com

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Company will be held on Tuesday, 29th September 2015 at 10.00 a.m. at N.M.S.Marriage Hall, 61 F Main Road, Velachery, Chennai-600 042 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 2015 and the Balance Sheet as on that date together with the Schedules and Notes attached thereto along with Directors' Report and Auditors' Report thereon.
2. To appoint a director in the place of Mr.Chikalpat Yogesh Pai (DIN 02896131) who retires by rotation and be eligible offers himself for reappointment.
3. To consider and if thought fit to pass with or without modification, the following resolution as an ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of the Section 139, 142 and other applicable provisions if any of the Companies Act,2013 and the rules framed there under, Mr. A. Saravanan, Chartered Accountant (Membership No:026101) be and is hereby appointed as Auditor of the Company for the period of 3 years from the conclusion of this Annual General Meeting till the conclusion of 24th Annual General Meeting of the Company (subject to ratification of appointment by the shareholders of the Company at subsequent Annual General Meeting) subject to the terms and conditions as may be mutually agreed and decided by the Board of Directors including fixation of remuneration payable to him exclusive of Service Tax, out of pocket expenses and travelling expenses etc”.

SPECIAL BUSINESS :

4. To consider and if thought fit , to pass with or without modification , if any, the following resolution as an **SPECIAL** Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded to re-appointment of Mr. Chikalpat Yogesh Pai (DIN 02896131) as Whole Time Director of the Company for a period of three years with effect from September 29, 2015.

FURTHER RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, approval of the Company be and is hereby accorded to pay a remuneration upto Rs. 6,00,000/- (Rupees Six Lakhs Only) per annum to Mr. Chikalpat Yogesh Pai (DIN 02896131), Whole Time Director of the Company, the details of which are given in the Explanatory Statement annexed hereto.

FURTHER RESOLVED THAT the consent of the shareholders of the Company be and is hereby also accorded that where in any financial year the Company has no profits or inadequate profits then remuneration as decided above be paid with the prior approval of the Central Government.

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard.

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Mr. Chikalpat Yogesh Pai (DIN 02896131), Whole Time Director, including the components of the above mentioned remuneration payable to him subject to the overall cap of 6,00,000/- (Rupees Six Lakhs Only) per annum.”

By Order of the board

Sd/-

CHIKALPAT YOGESH PAI
Whole Time Director

PLACE: CHENNAI,
DATE : 28.08.2015

Notice to Shareholders:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 % of the total share capital of the company carrying voting rights. A member holding more than 10 % of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their representatives to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representative to attend and vote on behalf at the Meeting.
3. The details of director in respect of Items 2 pursuant to clause 49 of the listing agreement with the Bombay Stock Exchange limited are annexed hereto.
4. The Register of beneficial owners, Register of Members and Share Transfer books of the Company will remain closed from **Wednesday 23rd September 2015 to Tuesday 29th September 2015** (both days inclusive).
5. Members are requested to bring their copies of the Annual Report to the meeting. Please bring the Attendance slip with you duly filled in and handover the same at the entrance of the Meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
6. Members are requested to notify immediately any change in their address to the Company in case their shares held in dematerialized form; this information should be passed so that the information required can be made readily available at the meeting.
7. Members holding shares in physical form are requested to de-materialize the shares in electronic form to facilitate faster transfer and avoid rejections for bad deliveries. The Share Certificates may be sent to the Registrar & Share Transfer Agent i.e., M/s. Sharex Dynamic India (P) Ltd, Unit No.1 Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri East, Mumbai- 400072 Tel: 2851 5606/ 5644/ 6338. Email : sharexindia@vsnl.com
8. Members seeking any information or clarifications on the Annual Report are requested to send in their written queries to the company at least one week before the meeting to enable the company compile the information and provide replies at the meeting.

9. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following :

archanasoftware@gmail.com & sharexindia@vsnl.com

Members may also note that the aforesaid documents can be downloaded from the company website :- www.archanasoftware.com

10. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014, the company is pleased to offer e-voting facilities to the members to cast their votes electronically on all resolutions set forth in this notice. Members who do not have e-voting facility can take the benefit of ballot form enclosed herewith. Complete instructions on e-voting and ballot are annexed herewith and forms part of this notice.

Instructions for e-voting

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on Shareholders.
3. Now Enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
4. Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
7. If you are a first time user follow the steps given below:

PAN	<p>For Members holding shares in Demat Form and Physical Form</p> <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB Dividend Bank Details	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p> <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</p>

8. After entering these details appropriately, click on “SUBMIT” tab.
9. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN for the relevant “ARCHANA SOFTWARE LIMITED” on which you choose to vote.
12. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
13. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
14. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
15. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
17. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
18. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
19. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
20. Evoting Period begins on **Saturday the 26th September 2015 at 10.00 am and ends on Monday the 28th September 2015 at 5.00 pm.**
21. During this period, shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut off date (record date **Tuesday 22nd September 2015**), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
22. Members have an option to vote either electronically (availing services provided by CDSL) or by using the poll slips to be distributed at the meeting. If the members have cast their vote electronically, then they should not cast their vote at the meeting. However if a member has voted electronically and has again voted at the meeting, then the voting done through evoting shall prevail and voting done at the meeting shall be treated as invalid.
23. Shri. P ThirumalaiKumar, Company Secretary in Practice (Membership No: ACS No 13376, CP No 9919) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
24. The Results shall be declared on or after the Annual General Meeting (AGM). The results declared along with the scrutinizers report shall be placed on the company’s website www.archanasoftware.com and on the website of CDSL within two(2) working days of passing the resolutions at the AGM of the company and communicated to the Bombay Stock Exchange Limited on which the shares of the company are listed.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No 4

Mr. ChikalPat Yogesh Pai is Forty Seven (47) years old who has around 24 years of rich experience in the marketing arena. He is performing an effective strategic role in marketing portfolio and an expert in deliverance of the offerings that have high value for the customers. Equipped with an M.B.A. education, he has an ability to develop appropriate structures, systems, competencies and values in order to meet and exceed the goals of the Marketing Plan consistently.

His interest in Business Quiz Program keeps him updated with latest developments in various industries and thus helps value addition in his role as a Director of the Company i.e., M/s. Archana Software Ltd. His specialisation includes researching and instilling a marketing led ethos throughout the business, reporting on external opportunities and understanding current and potential customers. His knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the considered opinion that for smooth and efficient running of the business, the services of Mr. Chikalpat Yogesh Pai should be available to the Company for a further period of three years with effect from September 29, 2015.

In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on August 28, 2015, reappointed him as Whole Time Director of the Company for a further period of three years with effect from September 29, 2015 on a remuneration of upto Rs.6,00,000/- (Rupees Six Lakhs Only) per annum. In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him with the prior approval of the Central Government or in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. ChikalPat Yogesh Pai is concerned or interested in the resolution.

Accordingly the Board recommends the passing of the special resolution as set out in the item no.4 of the Notice.

By Order of the Board

Sd/-
Chikalpat Yogesh Pai
Whole Time Director

PLACE: CHENNAI
DATE : 28.08.2015.

**Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting
(In pursuance of Clause 49 of the Listing Agreement)**

Name of the Director	Mr. ChikalPat Yogesh Pai
Age	47
Date of Appointment	03/08/2010
Qualifications	Master of Business Administration
Number of Shares held	NIL
Expertise in specific functional areas	<p>Mr. Pai, as he is known in the business circles, has around 24 years of rich experience in the marketing arena. He is performing an effective strategic role in marketing portfolio and an expert in deliverance of the offerings that have high value for the customers. Equipped with an M.B.A. education, he has an ability to develop appropriate structures, systems, competencies and values in order to meet and exceed the goals of the Marketing Plan consistently.</p> <p>His interest in Business Quiz Program keeps him updated with latest developments in various industries and thus helps value addition in his role as a Director of the Company i.e., M/s. Archana Software Ltd. His specialisation includes researching and instilling a marketing led ethos throughout the business, reporting on external opportunities and understanding current and potential customers.</p>
Other Directorships	1. Shakthi Knitting Limited
Committee positions in other Public companies	Nil
Relationship between Directors inter-se	Nil

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twentieth Annual Report on the working of the Company along with the audited Balance Sheet and Profit Loss Account for the year ended 31st March 2015.

FINANCIAL RESULTS

Rs. in Lacs

Particulars	2014-2015	2013-2014
Sales Income	549.10	547.37
Profit / (Loss) before Tax	(0.46)	2.02
Profit / (Loss) after Tax	2.42	1.88
Balance carried to Balance Sheet	(648.26)	(650.68)

DIVIDEND

No dividend has been recommended for the year.

OPERATIONS

The efforts taken by the company have resulted into an increase of turnover from Rs.547.37 Lakhs in the previous year to Rs.549.10 Lakhs in the current year. However, the net profit has taken a dip with the adoption of revised depreciation calculation methodology as stipulated by The Companies Act 2013. Your directors are confident of registering substantial increase in turnover and profits in the coming years.

FUTURE PLAN

Relationship with the customers in the textile business has opened up a new business avenue for the company. Your directors are exploring the opportunities to venture into textile products to increase the business volume.

A.CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Since the Company is engaged in the Computer Software Development, the question of conservation of Energy and Technology Absorption does not arise.

B. FOREIGN EXCHANGE EARNING AND OUTGO

There was no foreign exchange expenses and income during the year.

C. PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956.

During the year, no employee was paid more than Rs.5,00,000/- per month or Rs.60,00,000/- per annum.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

- i. That in the preparation of Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same.
- ii. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for that period.
- ii. That they 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 preventing and detecting fraud and other irregularities.
- iv. That they have prepared the annual accounts on the 'going concern' basis

CORPORATE GOVERNANCE:

A report on Corporate Governance, pursuant to clause 49, is annexed hereto and forms part of this report. A certificate from Mr. A. Saravanan, Chartered Accountants, Tirupur, Statutory Auditors of the Company regarding compliance of conditions of corporate governance stipulated by the stock exchanges is annexed to this report.

ANNUAL RETURN

An extract of Annual Return as on 31 March 2015 pursuant to Section 92 (3) of the Companies Act, 2013 and forming part of the report is attached separately as **Annexure-A**

CODE OF CONDUCT

The Company has adopted a code of conduct for the Board of Directors and senior management of the Company and all of them have affirmed compliance of the same.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

In accordance with the listing agreement, the Management Discussion and Analysis Report is annexed hereto and forms part of this report.