



ASM TECHNOLOGIES LIMITED



INTERNET TECHNOLOGIES

NETWORKING

TELECOM

SAP

SYSTEM SOFTWARE

EMBEDDED SYSTEMS

ENTERPRISE APPLICATIONS

report  junction.com

**Annual Report
2004-05**

www.asmltd.com

Registered Office**India**

80/2, Lusanne Court
 Richmond Road
 Bangalore 560 025, India
 Phone +91 80 2227 4121, +91 80 2212 4854-57
 Fax +91 80 2227 3606
 Email : info@asm ltd.com

Branch / Subsidiary Others**USA**

1919, Midwest Road
 # 210, Oak Brook
 Illinois 60523
 USA
 Phone +1 630 629 4900
 Fax +1 630 629 1573

Singapore

The Comtech
 # 09-32, 60
 Alexandra Terrace
 Singapore 118 502
 Phone +65 6324 5343
 Fax +65 6324 5345

UK

Nutford Place
 # 24-25
 Marble Arch
 London W1H5YN, UK
 Phone +207 569 3285
 Fax +207 569 3001

Board of Directors

Dr. S. Srikantan	Chairman
Prof. B.S. Sonde	Director
Mr. M.R. Vikram	Director
Mr. Rabindra Srikantan	Managing Director

Legal Advisors

M/s. Michael A. Cotteleer & Associates
 # 207, N. Washington
 Wheaton, Illinois 60187, USA

Bankers

State Bank of India
 Bangalore City Branch
 # 22, J.C. Road
 Bangalore 560 027, India
 (from 12.08.2005)

State Bank of India
 Industrial Finance Branch
 Residency Road
 Bangalore 560 025, India
 (upto 11.08.2005)

State Bank of India
 # 19, La Salle Street,
 Chicago, Illinois 60603, USA

Indian Bank
 Bharat Building
 # 3, Raffles Place
 Singapore 048 617

Audit Committee

Mr. M.R. Vikram
 Prof. B.S. Sonde
 Dr. S. Srikantan

Compensation Committee

Prof. B.S. Sonde
 Mr. M.R. Vikram
 Mr. Rabindra Srikantan

Share Transfer & Investor Grievance Committee

Prof. B.S. Sonde
 Mr. Rabindra Srikantan

Company Secretary

Ms. P.N. Lakshmi

Auditors**M/s. Sudhakar Pai Associates**

Chartered Accountants
 C-4, Unity Buildings
 J.C. Road
 Bangalore 560 002, India

M/s. Mallesh B. Hullatti & Co.

68/155/4B, 'Shivasiri'
 Harinagar Cross, Kathanur, Anjanapura Post
 Bangalore 560 062, India

M/s. N. Rajan Associates

10, Jalan Besar,
 # 10-12, Sim Lim Tower
 Singapore 208 787

Jack Iyer CPA

39120 Argonaut Way No.684
 Fremont, CA 94538
 USA

Company Law Advisor

Mr. M.R. Gopinath
 "Rukmini", # 252/B, 2nd "C" Main,
 1st Phase, Girinagar,
 Bangalore 560 085

Stock Exchanges

(Where the shares of the company are listed)

The Stock Exchange, Mumbai
 Phiroze Jeejeebhoy Towers
 25th Floor, Dalal Street
 Mumbai 400 001, India

Bangalore Stock Exchange Limited

51, Stock Exchange Towers
 1st Cross, J.C. Road
 Bangalore 560 027, India

Stock Code

BgSE - ADVSYNER
 BSE - 526433

Demat ISIN No. in NSDL & CDSL for Equity Shares

INE867C01010

Investor Relation Cell

Secretarial Department
 # 80/2, Lusanne Court
 Richmond Road
 Bangalore 560 025, India
 Phone +91 80 2227 4121

Registrars & Share Transfer Agents

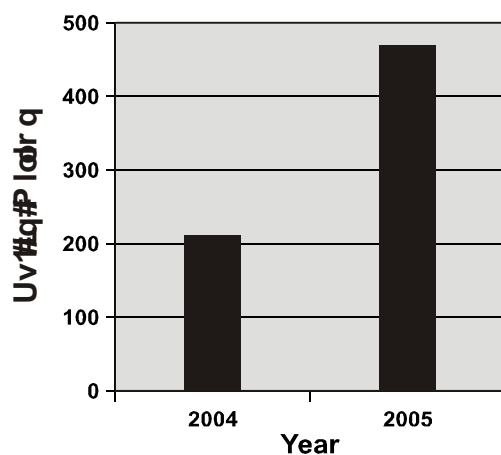
Karvy Computershare Private Limited
 # 51/2, TKN Complex, Vanivilas Road
 Opp. National College, Basavanagudi
 Bangalore 560 004, India
 Phone +91 80 2662 1192

Corporate Vision

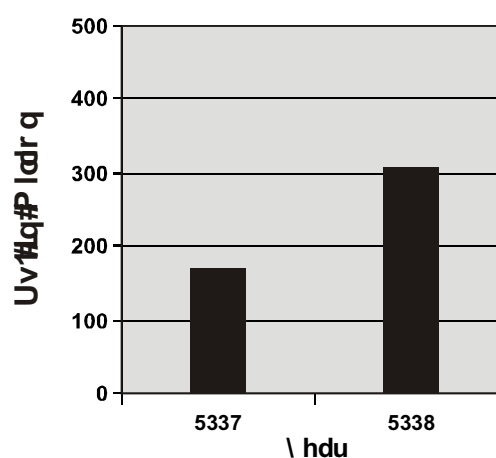
“To be a global leader, committed to the customer
in providing technology solutions with
the highest degree of excellence, quality and value
by an agile team using efficient processes”

ASM GROUP INFORMATION

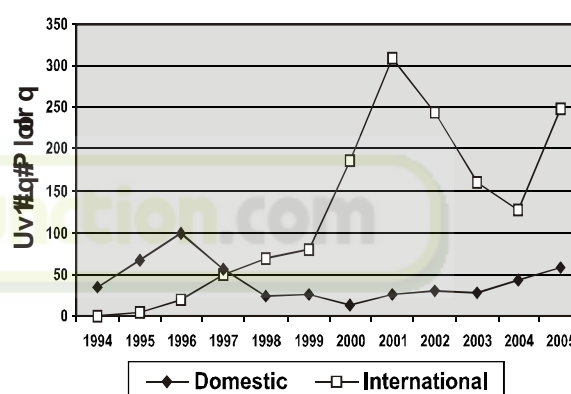
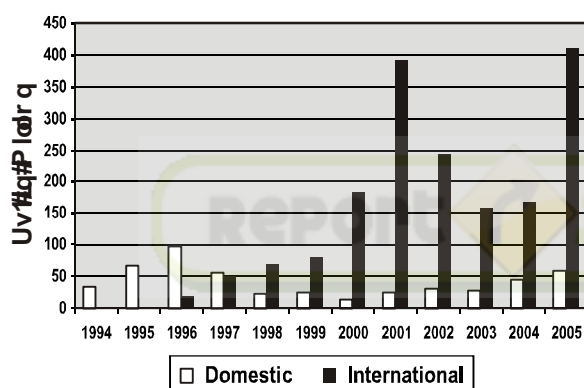
ASM Group Revenue



ASM Group Revenue (Net of Intercompany Sales)

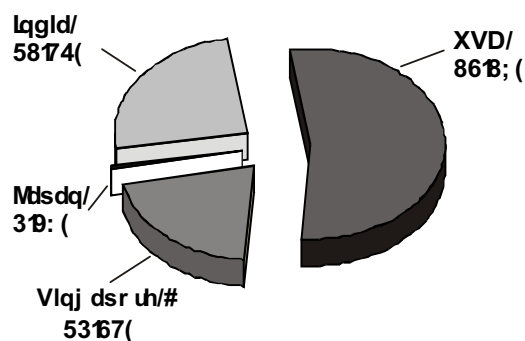


Domestic and International Revenue Trends

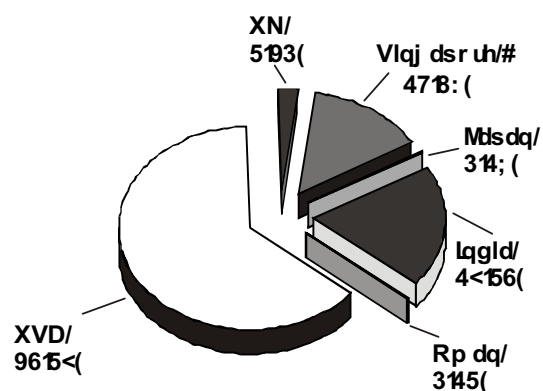


Geographical Distribution of Revenue

5336#5337



5337#5338



NOTE : Group consists of :

ASM Technologies Ltd. (India) • Pinnacle Talent Inc (USA) • Advanced Synergic Pte Ltd. (Singapore)

Fellow shareholders

The year 2004-2005 has been significant to ASM reporting promising growth in its business operations from that of the previous year with total employee strength being close to 300 as on date. The changing economic business conditions, rapid technological innovation, proliferation of Internet and increasing globalization are creating an increasingly competitive market environment. Outsourcing the development, management and ongoing maintenance of enterprise solutions and technology platforms has become increasingly important. Corporations are increasingly turning to offshore technology service providers to meet their need for high quality cost competitive technology solutions. India is recognized as the premier destination for offshore outsourcing.

The Consolidated ASM group total revenue for the year under review amounted to Rs. 307.43 million compared to Rs. 174.96 million the previous year, a growth of 75.71%. Similarly the group registered a post tax profit of Rs. 11.34 million for the year ended 31st March 2005 as against the loss of Rs. 13.98 million the previous year. ASM Group includes - ASM Technologies Ltd., India, Pinnacle Talent Inc. USA & Advanced Synergic Pte Ltd., Singapore.

For ASM Technologies Ltd., the total revenue for the year under review amounted to Rs. 180.17 million compared to Rs. 76.59 million, the previous year, signifying a growth of 135%. The post tax profit was Rs. 5.54 million for the year ended 31st March 2005 as against the loss of Rs. 12.97 million the previous year. With the industry continuing to exhibit robust growth, based on proven cost savings through outsourcing, the Company envisages huge potential for sustained growth. During the year your Company repaid its Term Loan with Industrial Development Bank of India resulting in a considerable reduction to its interest commitments.

This year has been rewarding to your Company with the initiatives taken in the last year and a strong foundation laid to surge ahead with exponential growth.

The Company continues to strengthen its operation in the area of presence, viz US, Asia Pacific and India. During the year the Company commenced its operation in the UK with a representative office and have a firm contract in place. This year the growth in Europe region is expected to significantly contribute towards the growth plans for the Company. Your Company has continued to execute projects in the regions of Japan, Malaysia, Thailand and Middle - East. In the following years the Company will be moving aggressively in the other Asia-Pacific regions and South Africa.

This year the company has strengthened its core areas of

1. Enterprise Application - Packaged ERP implementation, Support and Maintenance, Add-ons and Application development Integration.
2. Technology Service & Product Engineering Services - System Software, Embedded Software and Firmware continues to be the growth area.

Future Expansion Areas include

1. **Enterprise Infrastructure Management** : With the outsourcing gaining momentum, the focus area will be remote management of the Enterprise Infrastructure - Application, Database, Operating Systems and Management of Servers. Initiatives have already been taken in this direction.
2. **R & D Services, Testing & Validation** : Product Engineering and Testing Services for overseas software product companies has been initiated.

Engagement Models

Various Client Engagement Models to meet the requirement of the sound delivery system with a distinct cost advantage has been effected. Blended Onsite - Offshore model, Offsite support and Development Center and Offshore Development Center (ODC) are the current trends which will continue with more volumes in the coming years.

Technology

The Company will continue to focus on Enterprise Applications and Technology Solutions. The future will be to further strengthen these areas of focus and build competency around them apart from building competent technical teams for the Enterprise Infrastructure and R & D Services Testing / Validation.

Human Resources

It is proposed to double the headcount of the Technical Resources (comprising of Project Managers, Business Analysts, Functional Experts, Team Leaders and Software Engineers) Further, as a continuous process all the Technical Staff will be upgraded and trained with suitable technologies as required by the business needs. The Business Development Team is also being increased to bring in more clients and account manage the existing clients. Business Managers will also be posted to new overseas locations for generating new client base.

Corporate Governance today is a universal language. Your Company is committed to building long term shareholder value with full emphasis on corporate Governance. It shall continue its efforts for fulfilling the aspirations of its stakeholders. Early this year, the government introduced the BSE IndoNext platform, a new segment, in order to provide depth to the small cap stocks and enhance their liquidity. Based on your Company's meeting certain eligibility and the increased average daily turnover of stock your Company's shares and now being traded in the IndoNext segment.

It is a well recognized fact that Human Resources are the most valuable assets, deployed -and valued by an organization. Your Company believes that people are the primary drivers in the success of an organization and hence people and HRD remain at the forefront of its mission.

On behalf of the management of the Company and on my behalf, I take this opportunity to thank

- * Our esteemed customers, shareholders, vendors, business partners, advisors and consultants for their support.
- * Staff of the Company for their valuable contribution, efforts and spirit of dedication.
- * State Bank of India (Industrial Finance Branch - Software Division) for their support and guidance.
- * Industrial Development Bank of India for their support.
- * Central and State Government, Customs, Reserve Bank of India, Software Technology Parks (STPI) and NASSCOM.



Bangalore
24th June 2005

RABINDRA SRIKANTAN
Managing Director

Our Board of Directors

Dr. S. Srikantan

Dr. S. Srikantan holds a Ph.D. in Electrical Engineering from Moore School, University of Pennsylvania, USA. He is a recipient of 'Vikram Sarabhai Research Award' for his outstanding work in the field of Electronics and telecommunications. Dr. Srikantan is one of the founders of Computer Industry in India. As Managing Director of Karnataka State Electronics Development Corporation (KEONICS), he was instrumental in initiating the Software / IT / Telecom industries in the state and also in the successful development of Software Tech Park / Industrial Park for electronic industries (Electronic City) near the city of Bangalore.

Prof. B.S. Sonde

Prof. B.S. Sonde holds a Degree in Engineering from the University of Pune, M.Sc. Engg. from the University of Pune and Ph.D. from the Indian Institute of Science (IISc) Bangalore. His field of academic and research interest encompass Microelectronics, Instrumentation, Digital Technology and its applications in Electronics and Communication Engg. Prof. B.S. Sonde has been associated with IISc. Bangalore for more than three decades holding various senior positions including Dean, Faculty of Engineering, was appointed as the Vice Chancellor of Goa University between Feb. 1997 - Feb. 2002, been on the Advisory / Review Committees of several Universities and also visiting professor at Stanford University, California, USA and other foreign universities. He is a distinguished fellow of Institution of Electronics and Telecommunication Engineers and was also on the Board of Syndicate Bank for a period of 3 years until end of Feb. 2003.

Mr. M.R. Vikram

Mr. M.R. Vikram is a leading Chartered Accountant and Financial Services consultant, partner in M. Anandam & Co., in Secunderabad. M. Anandam & Co. is one of the auditors for conducting a study for re-designing the accounting policies and procedures of Reserve Bank of India and many private and public sector companies. He is on the Board of Directors of Glochem Industries Limited, Wings Infonet Limited, Raasi Enterprise Solutions Limited and other private companies.

Mr. Rabindra Srikantan

Mr. Rabindra Srikantan holds M.S. degree in Computer Engineering and Computer Science from the University of Louisiana, USA. He has professional experience in a wide range of software systems in the areas of Engineering, Enterprise Applications and System Software.

Our Assets – Our Employees

At ASM Technologies, human resources are the most valued assets. We are proud of every one of our employees as it is their dedication and commitment which has helped us to achieve our goals of being the chosen provider of end-to-end solutions. ASM invests in its employees, supports them with training facilities and enables them to work independently, so that they can grow as individuals and shape their careers.

Our Core Business

ASM Technologies Ltd., established in 1992 is a pioneer in software development and enterprise application services.

Since the day of inception ASMTL has been meeting the requirements of global clientele in the enterprise space. ASMTL from its very beginning has worked extensively in the area of system and application software developments to its global clients. ASMTL offers a broad spectrum of services such as configuration, implementation, customization, end user training and documentation across leading commercial off-the-shelf products like SAP, Oracle Apps and Peoplesoft.

HIGHLIGHTS :

- ◆ Company Promoted by Technocrats
- ◆ 200 plus employees deployed worldwide
- ◆ Office in UK (London)
- ◆ A global client base.
- ◆ IPO in the year 1994, listed in Mumbai & Bangalore Stock Exchanges
- ◆ Development centers in India (Bangalore), Singapore and USA (Chicago)
- ◆ Initiatives to setup ODC in China / Malaysia

OUR MISSION :

ASM Technologies Limited mission statement is to understand and empower client organizations through world-class consulting services in the area of enterprise solutions, in the context of turnkey development and commercial off the shelf packages and also in the area of technology solutions covering embedded systems and system software.

ASMTL OFFERINGS :

- 1) Enterprise Applications
- 2) Technology Solutions

1. ENTERPRISE APPLICATION AREAS ARE

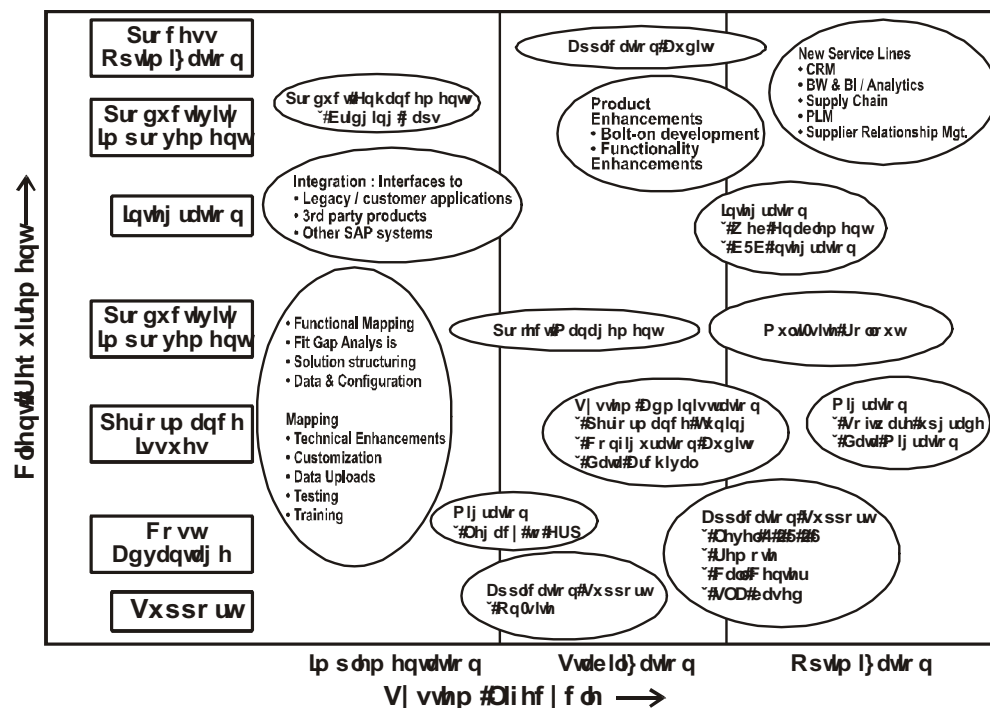
1.1 Service Offerings focus areas

- ◆ SAP, ◆ Oracle Apps, ◆ Peoplesoft, ◆ JDEdwards

1.2 Verticals in Enterprise Applications

DOMAIN	PROCESS KNOWLEDGE
Pdqxidfwxulqj	Frqvxphu#Jrrgv/#KlOWnfk#/#lqjghulqj/#Lqgxwuldo#Surgxfwv/#Sdshu#/#Sxos/#Skdupdfhxwfdov/#Dxwrprwlyh
Rlo#/#Jdv	Xswuuhdp#/#Grzqvwuhdp#/#-l{sorudwlrq#/#Jhwldo
Vhohfrp	Vhuylfh#/#Surylghuv
Jurzwk#Lqgxwulhv	Hqhuj#/#Xwolvhv#/#Jhwldo#/#Orjvwf#/#Vudqvsruwdwlrq#/#Dyldwlrq#/#Kndowkfduh

1.3 Enterprise Applications Expertise



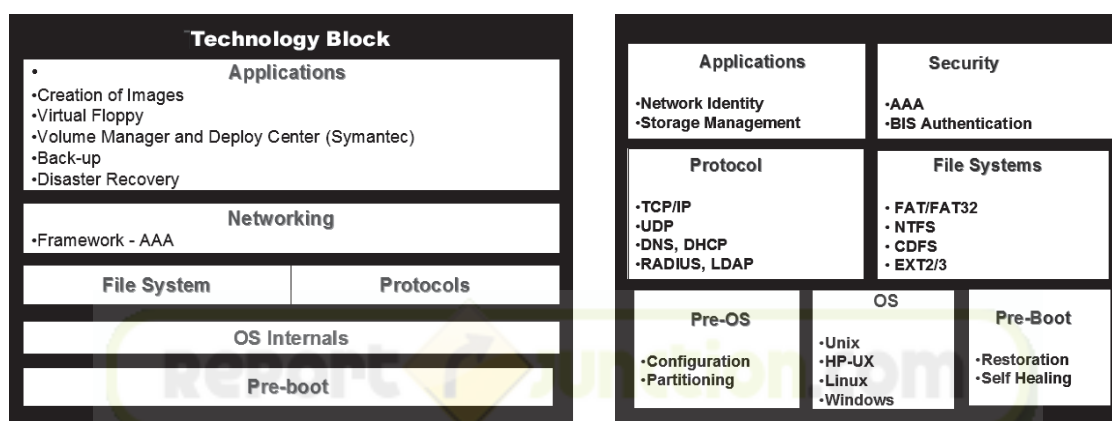
2. TECHNOLOGY SOLUTIONS AREA ARE

2.1 SYSTEM SOFTWARE

2.1.1 TECHNOLOGY CAPABILITIES

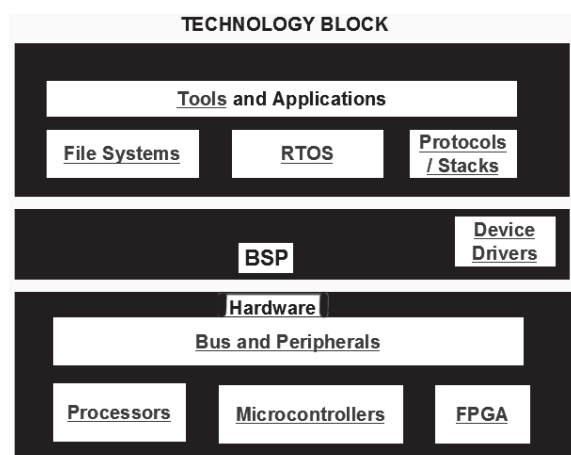
- ◆ Over 100 Person - Years of System Software Experience providing
- ◆ Product Engineering
- ◆ Testing & QA Services
- ◆ Test Automation Services
- ◆ Product Support Services
- ◆ Extensive Experience and Expertise in the areas of
- ◆ Storage Management
- ◆ PC Disaster Recovery
- ◆ Network Identity Appliances
- ◆ Application Deployment

2.1.2 TECHNICAL EXPERTISE



2.2 EMBEDDED SYSTEMS

- ◆ Integrated Real time Solutions and Turnkey development.
- ◆ Embedded Software - RTOS, Protocols, Firmware, BSP, Device driver Development and Porting services.
- ◆ Board Level Hardware and FPGA design and development services.
- ◆ Porting & Testing Security Protocols, Encryption & Decryption Algorithms.
- ◆ Extensive work on Embedded File Systems.



Partial Client List

ASMTL has delivered several successful projects all over the world.

A representative list of satisfied customers is provided below.



Accenture



Bharat Petroleum Corporation Limited



CINCOM



Citi Power



DACG



Danone



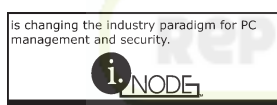
Deloitte



FUJITSU



Hewlett Packard



iNODE



IBM



Linde Aga Mholox



ONGC



Owens Corning

Owens Corning



Pacific Coast



PowerQuest



SAP



Sogeti



Sony



Therma Tru