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# ANNUAL REPORT 2002-2003



**ABACUS COMPUTERS LIMITED**

**816, Dalamal Tower,  
Nariman Point, Mumbai - 400 021**

## 19th ANNUAL REPORT 2002 - 2003

<b>Board of Directors</b>	Pankaj B. Madia	Chairman & Managing Director
	U.J. Ghelani A. H. Mehta S.R. Karambelkar N. B. Kedia	} Directors
<b>Auditors</b>	Choudhary & Pansari Chartered Accountants Mumbai	
<b>Bankers</b>	The Zoroastrian Co-op. Bank Ltd., 16, Horniman Circle, Fort Mumbai - 400 023	
<b>Registered Office</b>	816, Dalamal Tower, Nariman Point Mumbai - 400 021	
<b>Share Transfer Agents</b>	Satellite Corporate Services Pvt. Ltd., A/60, 1223, Azad Nagar II, Veera Desai Road, Andheri (West), Mumbai - 400 053	

ABACUS COMPUTERS LIMITED

यह बैलेंसशीट अबैकस के ही मल्टीलिंगुअल सॉफ्टवेयर "MOSAIC" से बनी है

## 19th ANNUAL REPORT

2003-2004

**NOTICE**

NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of the Company will be held at the Kanika Hall, 1st floor, Kumaria Presidency Hotel, Andheri - Kurla Road, Andheri (East), Mumbai - 400 059 on Tuesday, the 30th December, 2003 at 4 p.m. to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 30th June, 2003 and the Profit and Loss Account for the year ended on that date and Directors and Auditors reports thereon.
2. To Appoint a Director in place of Shri U.J. Ghelani who retires by rotation and is eligible for re-appointment.
3. To Appoint a Director in place of Shri S.R. Karambelkar who retires by rotation and is eligible for re appointment.
4. To appoint Auditors and to fix their remuneration.

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday 27th December 2003 to Tuesday 30th December 2003 (both days Inclusive).

Registered Office :  
816, Dalamal Tower,  
Nariman Point,  
Mumbai - 400 021

By Order of the Board

**PANKAJ B. MADIA**  
Chairman & Managing Director

Date 24th November, 2003

**ABACUS COMPUTERS LIMITED****1**

यह बैलेन्सशीट अबैक्स के ही मल्टीलिंगुअल सॉफ्टवेयर "MOSAIC" से बनी है

**DIRECTORS REPORT TO THE MEMBERS**

Dear Members,

Your Directors submit nineteenth Annual report together with Audited Statement of Accounts for the year ended on 30th June, 2003.

**FINANCIAL RESULTS**

Income from sales and other sources during the year under review amounted to Rs.6.55 lacs. Loss after interest (Rs.14.37 lacs), depreciation (Rs.1.47 lacs) for the year under review is Rs.16.48 lacs as against Rs.12.62 lacs in the previous year. The accumulated loss of Rs.201.70 Lacs has been carried to balance sheet.

**REVIEW OF OPERATIONS**

The Company has been facing heavy resource crunch for last several years and remained the same even during the year under review. The Govt. of India has been very optimistic about the economic growth but smaller companies never felt so. Many small cap companies are wiped out but your company is braving to survive. While your company could not carry out full-fledged R&D, your management worked out and outsourced arrangement on revenue sharing basis to complete the most important Product for Publishing Industry, a page making software. Though the product is delayed by few years, it has very high local and International potential.

**CURRENT YEAR**

First half of the year has been used for testing the product through different end-users and management is hopeful to release the product by mid of January 2004. The general review has been very encouraging and few suggestions are getting incorporated. Your company shall release an International class product at reasonable and affordable price to fight the piracy.

**FUTURE**

Your management is also trying to outsource the marketing to ensure that the product gets spread over every nook and corner of India and also in the International market.

The product potential is great and it is expected to create a new history in the Indian IT and Publishing industry. The persistence of your management and your patience shall bring great rewards for the company.

The sales estimates are very encouraging and the management is confident to change the bottom lines and also to bring back the name, fame and glory.

**DIRECTORATE**

Shri U.J. Ghelani & Shri S. R. Karambelkar, Directors would retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

**AUDITORS OBSERVATIONS**

The notes in schedule 'L' and in particular notes 1(d), 1(e), 2,8,9 and 11 (ii) which form part of Accounts provide adequate explanation on matter referred to in the Auditors Report to the members namely, non-provision of bonus, gratuity liability, doubtful debts, doubtful advances an managerial remuneration. Steps are being taken to settle PF & ESIC and Sales Tax with the concerned authorities.

**PARTICULARS OF EMPLOYEES**

The Company does not have any employee, whose particulars are required to be given pursuant to the provision of Section 217 (2A) of the Companies Act, 1956 read with the Companies (particular of employees) Rules 1975.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO.**

- (a) Your company is conscious of the need for conservation of energy in line with national objective. The Company's operations involve low energy consumption. Wherever practicable, the necessary measures have been already implemented and in fact there are no major areas where further measures can be taken. However, efforts to conserve and optimise the use of energy will continue.
- (b) Foreign Exchange Earnings & Outgo were NIL

**PERSONNEL**

Your directors wish to place on record their appreciation of the efficient services rendered by all the employees of the Company.

**AUDITORS**

M/s. Choudhary & Pansari, Company's Auditors retire at the Annual General Meeting and are eligible for re-appointment. You are requested to appoint Auditors & to fix their remuneration.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Your Directors confirm :

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed :
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 financial year ended 30th June, 2001 and of the loss of the Company for that year;
3. That the Directors had 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 annual accounts on a going concern basis.

MUMBAI :

Date 24th November, 2003

For and on behalf of Board

**PANKAJ B. MADIA**

Chairman & Managing Director

**AUDITORS' REPORT****TO THE MEMBERS OF ABACUS COMPUTERS LIMITED.**

We have audited the attached Balance Sheet of **ABACUS COMPUTERS LIMITED**, as at 30th June 2003 and also the Profit & Loss Account for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Manufacturing and other companies (Auditor's Report) Order, 1988 issued by the company Law Board in terms of Section 227 (4A) of the companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable to the company.
3. Attention is invited to Note No. 2 in Schedule "K" regarding non-receipt of accounts and other details from the Branches. We are unable to express our opinion in respect of the items detailed in the said note and included in the accounts of the company.
4. Further to our comments in the paragraph 2 and 3 above:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, subject to note no. 1(d) & (e) in Schedule "K" regarding accounting of bonus and Gratuity on cash basis, proper books of account as required by law have been kept by the company so far as it appears from our examination of the Books and as mentioned in note no. 2 of Schedule "K" no vouchers and other details required for the purpose of audit have been received from the branches;
  - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the Books of account.
  - d) In our opinion, as per the information and explanation given to us, subject to note no. 1(e) in Schedule "K" regarding accounting of gratuity on cash basis, the Company has complied with all the mandatory Accounting Standards as prescribed under section 211(3C) of the Companies Act, 1956.
  - e) On the basis of the written representation as on 30th June, 2003 and taken on record by the Board of Directors, we report that as on 30th June 2003, none of the directors is disqualified, from being appointed as a director, in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the accounts, read together with notes ( particularly note no. 10 ) , there on in Schedule "K", and subject to note no. 12 regarding amount payable to Small Scale Industrial Undertaking, give the information required by the Companies Act, 1956, in the manner so required and subject to our remark in Para 3 above and
    - i) Note No. 1(d) in Schedule "K" regarding accounting of Bonus on cash basis Amount not ascertained.
    - ii) Note No. 1(e) in Schedule "K" regarding non-provision of accrued gratuity liability, amount not ascertained.
    - iii) Note No 8 in Schedule "K" regarding non-provision of managerial remuneration upto 30/06/99 Rs. 935,000/-.
    - iv) Note No. 9 in Schedule "K" regarding non provision for; doubtful debts amounting to Rs. 1,08,82,102/- and doubtful advances amounting to Rs. 74,86,795/-

Give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of the Balance Sheet of the state of affairs of the company as at 30th June 2003.
- ii) In the Case of the Profit & Loss Account of the loss for the year ended on that date.

**FOR CHOUDHARY & PANSARI**  
Chartered Accountants

**MUMBAI.**

**(S. R. SINGRODIA)**  
**PARTNER**

**DATED :- 24th November, 2003.**

**ABACUS COMPUTERS LIMITED**

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