

20th

ANNUAL REPORT 2003-2004



ABACUS COMPUTERS LIMITED

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

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

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of the Company will be held at H/ 210, Ansa Indl. Est., Sakli Vihar Road, Sakli Naka, Andher(E), Mumbai-400 072 on Thursday, the 30th December, 2004 at 4 p.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 30th June, 2004 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 Pankaj B. Madia who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To consideration and if thought fit to pass with or without modifications, the following Resolution as an Ordinary Resolution.

* RESOLVED THAT Shri S.R. Karambelkar, who was appointed as an CMD of the Company by the Board of Directors and who holds this Office upto the date of this Annual General Meeting under the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retire by rotation.

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 OF THE COMPANY. PROXY FORM IN ORDER TO BE EFFECTIVE, MUST BE SUBMITTED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN FOURTY-EIGHT HOURS BEFORE THE TIME OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday 27th December 2004 to Thursday 30th December 2004 (both days inclusive).
3. Members are requested to bring thier copy of Annual Report at the Meeting.
4. Members are requested to intimate any change in thier address at the Registered Office of the Company.
5. Members desirous of getting any information about the Accounts and Operations of the Company are requested to address their queries to the Company well in advance so that the same are relieved atleast 7 days before the date of the Meeting to keep the information readily available at the Meeting.
6. An explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Item no.4 of the Notice is given in Annexure.

ANNEXURE :**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.**

Shri S.R. Karambelkar was appointment as an CMD of the Company by the Board of Director of the Company with effect from 22nd July 2004. As per the provision of Section 260 of the Companies Act , 1956 he holds

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this office upto the date of the ensuing Annual General Meeting and therefore requires reappointment. The resolution at Item No. 4 of the Notice is meant for this purpose. As required under Section 257 of Companies Act, 1956. The Directors recommend this Resolution for your approval.

None of the Directors of the Company are concerned or interested in this Resolution

Registered Office :

By Order of the Board

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

S.R. Karambelkar
Chairman & Managing Director

COPY OF RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD ON 22nd JULY 2004 AT H/210, ANSA INDL. EST., SAKI VIHAR ROAD, SAKI NAKA, ANDHER(E), MUMBAI-400 072 AT 5 P.M.

* RESOLVED THAT pursuant to section 260 of the Companies Act, 1956 and in accordance with Article 122 of the Articles of Association of the Company Shri S.R.Karambelkar be and is hereby appointed as an CMD of the Company with effect from 22nd July 2004 to hold this office upto the conclusion of the ensuing Annual General Meeting of the Company.

CERTIFIED TRUE COPY
For Abacus Computers Limited

Report Junction.com

(Director

Place : Mumbai

Date 24th November, 2004

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DIRECTORS REPORT TO THE MEMBERS

Dear Members,

Your Directors submit Twentieth Annual report together with Audited Statement of Accounts for the year ended on 30th June, 2004

FINANCIAL RESULTS:

Income from sales & other sources during the year under review amounted to Rs. 2.90 lacs. Loss after interest (Rs. 16.95 lacs.) depreciation (Rs. 1.48 lacs.) for the year under review is Rs. 18.43 lacs as against Rs. 16.48 lacs in the previous year. The accumulated loss of Rs. 220.14 Lacs has been carried to balance sheet.

REVIEW OF OPERATIONS:

Your management finds it difficult to generate the operational fund required to organize the marketing of its precious Indian Language products. All possible efforts are tried including outsourcing but yet not successfully clicked. Due to heavy resource crunch, management has suspended all R & D activities and shall try to generate funds from internal accruals only.

CURRENT YEAR:

First half of the year faced a very unusual problem. The earlier CMD Mr. Pankaj Madia was detected with an oral cancer and hence he had to resign as CMD. He was one of the main Technical person and hence company will certainly miss his guidance till he recovers. The board has decided to appoint technical consultant as and when required. The management is working hard to sell the existing products.

FUTURE:

All the efforts under the new CMD to market the products should bring better results. The persistence of the management and your patience should change the course of the company with an improved bottom lines.

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. Pankaj B. Madia, Director would retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITORS OBSERVATIONS:

The notes in schedule '13' and in particular notes 1(d), 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 financial year ended 30th June, 2004 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 Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis.

For and on behalf of Board

MUMBAI :

Date 24th November, 2004

S.R. Karambelkar
Chairman & Managing Director

ABACUS COMPUTERS LIMITED

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

We have audited the attached Balance Sheet of ABACUS COMPUTERS LIMITED as at 30th June 2004 and also the Profit & Loss Account for the year ended on that date annexed thereto and cash flow statement for the year ended on that date. 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 Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure 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 written representation from the directors, as on 30th June, 2004 and taken on record by the Board of Directors, we report that as on 30th June, 2004, 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 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 2004.
- ii) In the Case of the Profit & Loss Account of the Loss for the year ended on that date.
- iii) In the case of cash flow statement, the cash flows for the year ended on that date.

FOR CHOUDHARY & PANSARI
Chartered Accountants

MUMBAI

(S. R. SINGRODIA)
PARTNER

DATED :- November 24, 2004