

15th Annual Report

2005-2006

Report



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Allsoft

CORPORATION LIMITED

ALLSOFT CORPORATION LIMITED

15TH ANNUAL REPORT

BOARD OF DIRECTORS

Sri WILLIAMS TEMPLE	Executive Director
Sri ANAND PENUMETI CHA	Director (Operations)
Sri I. RAJABABU	Director
Sri S.E. SHAM SUNDAR	Director
Sri N. ANIL KUMAR	Director
Sri P. KAMALAKAR RAO	Director

REGISTERED OFFICE

Sy. No. 231, 232 & 234,
Chinnathokatta,
New Bowenpally,
Secunderabad - 500 011.
Ph : 040-27952243

AUDITORS

Sri C. MARUTI NAGENDRAM
Chartered Accountant
1-1-298/2/B/3, 1st floor
Sowbhagya Avenue, Street No.1,
Ashoknagar, Hyderabad-20.

REGISTERS & SHARE TRANSFER AGENTS

M/s. CIL Securities Ltd.,
2nd Floor, Raghava Ratna Towers,
Abids, Hyderabad - 500 001.

BANKERS

Punjab & Sind Bank
UTI Bank Ltd.,

CONTENTS	Page No.
Notice to the Share holders	1
Director's Report	3
Annexure to Directors Report	6
Auditor Certificate	11
Auditor's Report	16
Balance Sheet	19
Profit and loss Account	20
Schedules to the Accounts	21
Notes on Accounts	25
Cash Flow Statement	28
Abstract of Balance Sheet	29

NOTICE

Notice is hereby given that the 15th Annual General Meeting of M/s Allsoft Corporation Limited will be held at State Gallery of Fine Arts, Road No.1, Kavuri Hills, Madhapur, Hyderabad-500 033 at 3.00 p.m. on Saturday, the 30th day of September 2006 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended 31st March, 2006 and the Balance Sheet as at 31st March, 2006 together with the Report of Auditors and the Report of Board of Directors.
2. To appoint a Director in the place of Sri P.Kamalakar Rao who retires by rotation and being eligible, offer himself for reappointment.
3. To appoint a Director in the place of Sri N.Anil Kumar who retires by rotation and being eligible, offer himself for reappointment.
4. To appoint Auditors and to fix their remuneration by Passing the following Resolution:-

"RESOLVED THAT Mr. C. Maruti Nagendram, Chartered Accountants, Hyderabad be and are hereby appointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Next Annual General Meeting of the company at a remuneration to be fixed by the Board of Directors."

By Order of the Board of Directors

Sd/-

(Anand Penumetcha)
Director (Operations)

Place : Hyderabad
Date : 30th June, 2006

ALLSOFT CORPORATION LIMITED

Notes :

1. An Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business Nil.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY STAMPED AND SIGNED MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 27/09/2006 to 30/09/2006 (Both Days Inclusive) to ascertain the list of members for 15th Annual General Meeting.
4. The attendance slip is annexed to the proxy form, Members/proxies are requested to duly fill in and affix their signatures at the space provided therein and hand over the same at the entrance of the place of the meeting.
5. Members desiring any information on accounts are requested to write to the company at least seven days before the meeting so as to enable to company to keep the information ready and the Members/Proxies are requested to bring the copies of the Annual Report to the Meeting and the same will not be distributed at the meeting.

**ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED
AS PER THE LISTING AGREEMENT.**

As required under the Listing Agreement, the particulars of Directors, who are proposed to be appointed / re-appointed, are given below:

1.	Name Age Qualifications Experience Other Directorships	Sri P.Kamalakar Rao 52 B.Com., FCA 28 years Nil
2.	Name Age Qualifications Experience Other Directorships	Sri N.Anil Kumar 40 Post Graduate 17 years 1

For and on behalf of the Board

Place : Hyderabad
Date : 30th June, 2006

Sd/-
(Anand Penumetcha)
Director (Operations)

ALLSOFT CORPORATION LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 15th Annual Report on the business of your company and the Audited Statements of Accounts for the year ended on 31st March, 2006 thereof. The Business and operations of the company over the last fiscal year are briefly encapsulated below:

Financial Results

(Rs.lakhs)

Particulars	Year Ended 31/03/2006	Previous ended on 31/03/2005
Gross Income	101.29	42.82
Expenditure	167.36	53.16
Gross Profit before Depreciation	(66.07)	(10.34)
Depreciation	30.35	30.35
Provision for Bad Debts	321.68	—
Provision for Taxes	0.38	0.13
Prior Period Adjustment	—	12.56
Profit/Loss after Tax	(418.48)	(53.38)
Add : Profit/Loss brought forward from last year	(40.92)	12.46
Balance carried forward to Balance Sheet	(459.40)	(40.92)

Business Performance Review

The company has put efforts to tap the business of education and training activity, has not given the fruitful results, as such the same has been discontinued with effect from 31st December, 2005.

Management Discussions and Analysis Report

Current year out look was explained in details in the management Discussion and Analysis report, which forms part of the Annual Report is given in Annexure - B.

ALLSOFT CORPORATION LIMITED

**ADDITIONAL INFORMATION AS REQUIRED
U/S 217(1)(E) OF THE COMPANIES ACT, 1956**

Conservation of Energy and Technology Absorption

The company is not engaged in manufacturing activities, and as such the particulars relating to conservation of energy and technology absorption are not applicable. The company makes every effort to conserve energy as far as possible in its editing facilities, Production Floors, Office etc.

Foreign Exchange Earnings and Outgoings. NIL**Particulars of Employee's Remuneration and Industrial Relations**

There are no employees whose particulars, pursuant to Section 217(2A) of the Companies Act 1956, read with Companies (Particulars of Employees) Rules, 1975, are to be disclosed. Industrial relations in the company were very cordial and stable.

Public Deposits

Your company has not accepted any deposits from the public during the year under review and there are no outstanding deposits as on 31st March, 2006.

DIRECTORS:

Sri P. Kamalakar Rao and Sri N. Anil Kumar, Directors of the Company retire by rotation and being eligible, offer themselves for reappointment.

AUDITORS

Sri C. Maruti Nagendram, Chartered Accountants retire at the conclusion of the Annual General Meeting and are eligible for re-appointment. The Board recommends the appointment of C. Maruti Nagendram, Chartered Accountant as Auditors for the year 2006-2007 on remuneration to be fixed by the Board of Directors.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement executed with the stock exchanges the Company has complied with all the provisions of the corporate governance. A certificate from the Auditors of the company regarding compliance of conditions of Corporate Governance is attached to this report. The detailed note in this regard is provided in this annual report in Annexure - A.

TRADING OF SECURITIES AT STOCK EXCHANGES

Your management has pursued to revoke the suspension of trading of shares of the company at Mumbai Stock Exchange.

HUMAN RESOURCE

The Board of Directors would like to place on record its deep appreciation to all the employees for their dedicated services to the company. Our organizational culture and work environment is central to our ability to complete effectively.

ALLSOFT CORPORATION LIMITED

Management is in the process of identifying to appoint a suitable candidate as Company Secretary, and to comply the provisions of listing agreement and Companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT

We the Directors confirm.

- a. That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same:
- b. That we 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 at the end of the financial year and of the profit of the company for that period
- c. That we 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 and for preventing and detecting fraud and other irregularities.
- d. That we have prepared the annual accounts on a Going concern basis.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their thanks to various departments of Central and State Governments, financial institutions, Banks, the Suppliers, Customers and Shareholders of the Company for their continued assistance, support and guidance.

By Order of the Board of Directors

Place : Hydearbad
Date : 30th June, 2006

Sd/-
(P.Kamalakar Rao)
Director (Operations)

Sd/-
(Anand Penumetcha)
Director

ALLSOFT CORPORATION LIMITED

ANNEXURE - 'A' REPORT ON CORPORATE GOVERNANCE

ALLSOFT CORPORATION LIMITED is committed to the standards of corporate governance in all activities.

Pursuant to Clause 49 of the Listing Agreement, your directors present below a detailed Report on Corporate Governance.

1. Company's Philosophy on code of Governance

Your company believes in providing highest transparency and ethical value in Corporate Governance. Your Company also believes in taking into confidence all the stakeholders viz., Shareholders, Employees, Creditors, Customers etc. Your company is committed to take the torch of Corporate Governance forward, so that every stakeholder of the company synchronize and synergize their efforts in their growth of their company.

2. Board of Directors**a. Composition of the Board**

The Number of the Directors is 6 with 2 Executive and 4 Non Executive Directors. The Executive Director is from the promoter category and the remaining Non-Executive Directors are independent. The independent Directors are drawn from persons with experience in Business, Finance, Management, Marketing and Industry.

b. Other Directorship / Committee Memberships held :-

S.No.	Name of the Director	Category of Directorship	Directorship held in other Companies	
			Director	Committee Member
1	Sri Williams Temple Nelapati	Executive Director	Nil	Nil
2	Sri Anand Penumetcha	Director (Operations)	Nil	Nil
3	Sri I. Raja Babu	Independent Director	1	Nil
4	Sri E. S. Syam suder	Independent Director	1	Nil
5	Sri N. Anil Kumar	Independent Director	1	Nil
6	Sri P. Kamalakar rao	Independent Director	Nil	Nil

c. Board Meetings held During the Year

S.No	Date of Board Meeting
1	30/04/2005
2	31/07/2005
3	29/08/2005
4	31/10/2005
5	31/01/2006

ALLSOFT CORPORATION LIMITED

d. Attendance of Directors at board Meetings and Last Annual General Meeting:

Name of the Director	No. of Board Meetings Attendance	Attended at Last AGM
Sri Williams Temple Nelapati	5	Yes
Sri Anand Penumetcha	5	Yes
Sri I. Raja Babu	3	No
Sri E.S. Syam Sunder	4	No
Sri N. Anil Kumar	0	No
Sri P. Kamalakar Rao	5	Yes

3. Audit Committee**a) Terms of Reference**

The Audit Committee Provides the Board with additional Assurance as to the adequacy of the Company's internal control systems and financial disclosures. The Audit committee acts as a link between the Management, Statutory Auditors, Internal Auditors, and the Board of Directors. The composition, powers and functions of the Audit committee meet the requirements of the Listing Agreement and Section 292 A of the Companies Act, 1956. The Broad terms of reference of the Audit committee are to review with the Management and/or Internal Auditors and/or Statutory Auditors in the following areas.

- I. Overview of Company's financial reporting process and financial disclosures.
- II. Review with Management, external and internal audits, the adequacy of internal control systems.
- III. Review the adequacy and effectiveness of accounting and financial controls of the company, compliance with the company's policies and applicable laws and regulations.
- IV. Review with Management, the Annual financial statement before submission to the Board.
- V. Recommending the appointment/removal of external and internal auditors, fixation of Audit fees.

b) Composition, names of the members and chairman

The Audit Committee of the Company re-constituted during the year comprises three members; all are "Independent" Non-Executive Directors. Audit Committee constituted as below.

Sri P. Kamalakar Rao	-	Chairman
Sri N. Anil Kumar	-	Member
Sri S.E. Sham Sunder	-	Member

ALLSOFT CORPORATION LIMITED

c) Meetings and Attendance during the year

Name of the Director	No. of Meetings held	No. of Meetings Attended
Sri P. Kamalakar rao	4	4
Sri S.E. Shyam Sunder	4	4
Sri N. Anil Kumar	4	0

4. Remuneration Policy

The Remuneration Committee recommends the company policy on all elements of remuneration of Executive Directors.

The Company has a Remuneration Committee comprises as follows

Sri P. Kamalakar Rao	- Chairman
Sri S.E. Shyam Sunder	- Member
Sri Anand Pemunetcha	- Member

Details of Remuneration to the Executive Directors paid/ payable for the financial year 2005-06 is as follows

Particulars	Williams Temple Nelepati Executive Director	Anand Pemunetcha Director (Operations)
Salary	1.80	1.80

Non Executive Directors have been paid sitting fees for attending Board and Committee Meetings.

5. Share Holders /Investors Grievance Committee

As a measurement of Good Corporate Governance and to focus on the shareholder's grievance and towards strengthening investor relations, an Investor's Grievance Committee has been constituted as sub committee of the Board.

In Pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Duty Amended), the Board has approved the "Code of Conduct for Prevention of Insider Trading" and authorized the Committee to implement and monitor the various requirements as set out in the code.

The Board has designated the Executive director, as the Compliance Officer.

a) The function of the Committee include:

To specifically look into redressing investor's grievance pertaining to:

1. Transfer of shares
2. Dividend
3. Dematerialisation of Shares
4. Replacement of lost/stolen/mutilated share certificates.
5. Non-receipt of rights/bonus/split shares certificates
6. Any other related issues