


18th Annual Report

2008 - 09



|| CERTIFIED TRUE COPY ||

For Allsoft Corporation Limited


Managing Director

Allsoft

CORPORATION LIMITED

Board of Directors:

Mr. I. Raja Babu	Managing Director
Mr. Ajay Chauhan	Director
Mr. Anand Penumetcha	Director
Mr. Williams Temple	Director
Mr. S E Sham Sunder	Director
Mr. N Anil Kumar	Independent Director
Mr. P Kamalakar Rao	Independent Director
Dr. M.G.G Naidu	Independent Director

Audit Committee:

Dr. M G G Naidu	Chairman
Mr. N. Anil Kumar	Member
Mr. P. Kamalakar Rao	Member

Remuneration Committee:

Mr. P. Kamalakar Rao	Chairman
Mr. S.E. Sham Sunder	Member
Mr. Anand Penumetcha	Member

Shareholders / Investor Grievance Committee:

Mr. P. Kamalakar Rao	Chairman
Mr. Williams Temple .N	Member
Mr. Anand Penumetcha	Member

Auditors:

M/s. P. Murali & Co.,
Chartered Accountants,
6-3-655/2/3, Somajiguda,
Hyderabad – 500 082

Registered Office:

94, S D Road,
Minerva Complex,
Secunderabad – 500 003

Bankers:

Axis Bank Ltd, Greenlands, Hyderabad
UCO Bank, S D Road, Secunderabad
UCO Bank, M G Road Secunderabad

Registrars & Share Transfers Agents:

M/s. CIL Securities Limited
214, Raghava Ratna Towers,
Chirag Ali Lane, Abids,
Hyderabad – 500 001.
Phone: 040 – 2320 2465 / 3155
Fax: 040 – 2320 3028

NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the members of the Company, M/s. ALLSOFT CORPORATION LIMITED will be held on Friday, the 25th day of September' 2009 at 11.00 A.M. at 91, Bhuvana Towers, S D Road, Secunderabad – 500 003 to transact the following business items:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March' 2009, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Ajay Chauhan, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Dr. M.G.G.Naidu, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. P. Murali & Co., Chartered Accountants, 6-3-655/2/3, Somajiguda, Hyderabad – 500 082, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors of the Company."

By Order of the Board of Directors

Sd/-

**I. RAJA BABU
MANAGING DIRECTOR**

Place: Secunderabad
Date: 28th August 2009

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. 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 24.09.2009 to 25.09.2009 (both days inclusive) to ascertain the list of members for 18th 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 atleast seven days before the meeting so as to enable the 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	Mr. Ajay Chauhan
	Age	40 years
	Qualification	Graduation
	Experience	15 years
	Other Directorships	2
2.	Name	Dr. M G G Naidu
	Age	70 years
	Qualification	M. Tech. IAS.
	Experience	35 years
	Other Directorships	Nil

By Order of the Board of Directors

Sd/-

**I. RAJA BABU
MANAGING DIRECTOR**

Place: Secunderabad
Date: 28th August 2009

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 18th Annual Report on the business of your Company together with the Audited Accounts for the financial year 2008-09 comprising of twelve months from 01.04.2008 to 31.03.2009.

Company's Performance:**(Rupees in Lakhs)**

Particulars	(2008 - 09)	(2007-08)
	12 Months	12 Months
Gross Income	3188.60	1093.56
Expenditure	3156.05	930.23
Gross Profit before Depreciation	32.54	163.33
Depreciation	10.47	10.42
Provision for Bad Debts	-	-
Provision for Taxes	7.34	9.93
Prior Period Adjustments	-	0.87
Profit/Loss after Tax	14.74	141.04
Add: Profit/Loss brought forward from last year	(14.41)	(472.55)
Balance carried forward to Balance Sheet	3.22	0.16

Operational Review:

During the year, your Company has achieved a turnover of Rs.3131.72 Lakhs earning profit after tax of Rs.14.74 Lakhs. The gross block as on 31st March, 2009 is at Rs.484.62 Lakhs and the net block as on 31st March, 2009 stood at Rs.272.80 Lakhs.

Industrial Relations:

Your Directors are happy to report that the Industrial Relations have been extremely cordial at all levels throughout the year.

Directors:

Mr. Ajay Chauhan and Dr. M G G Naidu, Directors of the Company are liable to retire by rotation in the forthcoming Annual General Meeting of the members of the Company and offer themselves for re-appointment.

Directors' Responsibility Statement:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors based on the representations received from the operating management, 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 they have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as 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 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 and for preventing and detecting Fraud and other irregularities.
- d. that they have prepared the annual accounts on a Going concern basis.

Auditor:

M/s. P. Murali & Co., Chartered Accountants, Hyderabad retires as Auditors at the forthcoming Annual General Meeting and being eligible have expressed their willingness to be re-appointed.

Particulars of Employee's Remuneration:

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.

Human Resource Management:

The Board of Directors would like to place on record its deep appreciation to all the employees for their dedicated services to the Company. Your Company has been able to create a favorable work environment that encourages innovation and meritocracy. The Company has put in place scalable recruitment and human resource management.

Listing of Securities at Stock Exchanges:

Your Company's shares are currently listed on Bombay, Madras, Pune and Ahmedabad Stock Exchanges.

The management of your Company has been pursuing very hard to revoke the suspension of trading of equity shares of the Company at Bombay Stock Exchange Limited, Mumbai (BSE). The Company has already received a positive sign from the BSE vide their letter No.: DCS/COMP/OT/AJ/114/2008-09 dated: May 22, 2008 for revocation of suspension in trading of securities. The same was considered and approved by the Internal Committee of Bombay Stock Exchange Limited in their meeting held on April 23, 2008. Towards this end, the Company has submitted necessary documents and complied with necessary formalities as stated by BSE in their letter as cited above.

Further, BSE has directed the promoters of the Company to Lock-in their Shares for a period of three months vide letter dated DCS/COMP/OT/VC/116/2009-10. The Company has complied the same and obtained the confirmation of Lock-in Shares from the CDSL vide letter No.: CDSL/OPS/IPO-CA/2009-10/CA-91635 dated 17th August 2009 and NSDL vide letter No.: II/CA/COM/80334/2009 and also from Registrar and Share Transfer Agent (RTA), M/s. CIL Securities Limited.

Dematerialization of Shares:

Your Company shares have been made available for dematerialization through the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Fixed 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' 2009 and the provisions of Section 58A of the Companies Act, 1956 are not applicable.

Corporate Governance:

Pursuant to Clause 49 of the Listing Agreement executed with the stock exchange(s), the Company has complied with all the provisions of Corporate Governance. The detailed note in this regard is provided in this annual report in **Annexure – A**.

Explanations to any qualifications in Auditors' Report:

There are no adverse remarks in the Auditors' Report dated: 28th August 2009.

Management Discussion and Analysis Report:

Current year outlook was explained in detail in the Management Discussion and Analysis Report, which forms part of the Annual Report is given in **Annexure – B**.

Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange Earnings and Outgo:

The details regarding energy conservation, technology absorption, Foreign Exchange Earnings and Outgo as required by Company is by Section 217(1)(e) of the Companies Act, 1956, read with Company's (Disclosure of the particulars in the report of the Board of Directors) Rules, 1988 are Not Applicable.

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: Secunderabad
Date: 28th August 2009

**Sd/-
I. RAJA BABU
MANAGING DIRECTOR**



ANNEXURE – A: REPORT ON CORPORATE GOVERNANCE

(As per Clause 49 of the Listing Agreement entered with the Stock Exchanges)

ALLSOFT CORPORATION LIMITED is committed to the standards of Corporate Governance in all activities.

The Directors have pleasure in presenting the Corporate Governance Report for the year ended 31-03-2009.

I. 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 the growth of their Company.

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

The Company has a Non-Executive Chairman and the number of Independent Directors is one-third of the total number of Directors as required by Clause 49 of the Listing Agreement.

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board to separate the board functions of governance and management.

Thus, the number of directors in your Company is (Eight) 8 out of which (one) 1 is Managing Director and (Four) 4 Executive Directors and (Three) 3 Non-Executive Independent Directors.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the Companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The Names, Categories of the Directors on the Board, their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of Directorships and Committee memberships held by them in other companies are given on next page.

Sl. No.	Name of the Director	Category	Designation	No. of meetings attended	Attendance of each Director at last A.G.M
1.	Mr. I. Raja Babu	Managing Director	Managing Director	5	Yes
2.	Mr. William Temple .N	Executive Director	Director	1	No
3.	Mr. Anand Penumetcha	Executive Director	Director	4	No
4.	Mr. Ajay Chauhan	Executive Director	Director	5	Yes
5.	Mr. S E Sham Sunder	Executive Director	Director	5	Yes
6.	Mr. N. Anil Kumar	Independent Director	Director	-	No
7.	Mr. P. Kamalakar Rao	Independent Director	Director	-	No
8.	Dr. M.G.G Naidu	Chairman & Independent Director	Chairman	5	Yes

b. Other Directorship / Committee Membership held:

S.NO	Name of the Director	Category of Directorship	Directorship held in Other Companies	
			Director	Committee Member
1	Mr. I. Raja Babu	Managing Director	13	Nil
2	Mr. William Temple .N	Executive Director	Nil	Nil
3	Mr. Anand Penumetcha	Executive Director	Nil	Nil
4	Mr. Ajay Chauhan	Executive Director	2	Nil
5	Mr. S E Sham Sunder	Executive Director	Nil	Nil
6	Mr. N. Anil Kumar	Independent Director	Nil	Nil
7	Mr. P. Kamalakar Rao	Independent Director	Nil	Nil
8	Dr. M.G.G Naidu	Chairman & Independent Director	Nil	Nil

c. Board Meetings held During the Year

Your Company's Board of Directors meet atleast once a quarter in a year to review the quarterly results and other items on the Agenda and also on the occasion of the Annual Shareholders' Meeting. When necessary, additional meetings are held. Committees of the Board usually meet the same day of the formal Board Meeting or as and when required.