

**21st Annual Report
2011 - 12**

ALLSOFT CORPORATION LIMITED

Board of Directors:

Mr. I. Raja Babu
Mr. Ajay Chauhan
Mr. Williams Temple
Mr. N Anil Kumar
Mr. C Jagan Mohan Reddy
Dr. M.G.G Naidu
Mr. K B S Raja Reddy

Managing Director
Director
Director
Independent Director
Independent Director
Independent Director
Independent Director

Audit Committee:

Mr. C Jagan Mohan Reddy
Mr. K B S Raja Reddy
Dr. M G G Naidu

Member & Chairman
Member
Member

Remuneration Committee:

Mr. K B S Raja Reddy
Mr. C Jagan Mohan Reddy
Mr. Anil Kumar

Member & Chairman
Member
Member

Shareholders / Investor Grievance Committee:

Mr. C Jagan Mohan Reddy
Mr. K B S Raja Reddy
Dr. M G G Naidu

Member & Chairman
Member
Member

Auditors:

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

Registered Office:

7th Floor, Minerva Complex,
94, S D Road, Secunderabad – 500 003
Ph: 040-2784 6420 / 6766 044
Fax: 040-6631 0072
Email: allsoftspl@rediffmail.com
Website: www.allsoftcorporation.com

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 21st Annual General Meeting of the members of the Company, **M/s. Allsoft Corporation Limited** will be held on Saturday, the 29th day of September, 2012 at 11.00 A.M. at 91, Bhuvana Towers, S D Road, Secunderabad – 500 003 to transact the following business items:

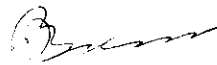
ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March' 2012, 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 Mr. N Anil Kumar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-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, having their office at 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 of the Company on such remuneration as may be fixed by the Board of Directors of the Company."

Place: Secunderabad
Date: 07.09.2012

By Order of the Board of Directors



I. Raja Babu
Managing Director



Ajay Chauhan
Director

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 28.09.2012 to 29.09.2012 (both days inclusive) to ascertain the list of members for 21st 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.
6. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by email to its members. To support this green initiative, members who have not registered their email addresses so far, are requested to register their email address, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their email addresses with the Company or M/s. CIL Securities Limited, Registrars and Share Transfer Agent, 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad – 500 001.

**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 Qualification Experience Other Directorships	Mr. Ajay Chauhan 43 years Graduation 18 years 4
2.	Name Age Qualification Experience Other Directorships	Mr. N. Anil Kumar 37 years Graduation 10 years Nil

Place: Secunderabad
Date: 07.09.2012

By Order of the Board of Directors


I. Raja Babu
Managing Director


Ajay Chauhan
Director

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 21st Annual Report on the business of your Company together with the Audited Accounts for the financial year 2011-12 comprising of twelve months from 01.04.2011 to 31.03.2012.

Company's Performance:

Particulars	(Rupees in Lakhs)	
	(2011 - 12) 12 Months	(2010 - 11) 12 Months
Gross Income	10139.36	9948.10
Expenditure	10089.73	9894.57
Gross Profit before Depreciation	49.63	53.53
Depreciation	18.02	11.64
Provision for Bad Debts	---	---
Provision for Taxes	9.84	13.37
Prior Period Adjustment	15.87	0.87
Profit/Loss after Tax	5.90	27.65
Add: Profit/Loss brought forward from last year	44.24	16.59
Balance carried forward to Balance Sheet	50.14	44.24

Operational Review:

During the year under review, your Company has achieved a turnover of Rs.10139.36 Lakhs earning profit after tax of Rs.5.89 Lakhs. The gross block as on 31st March, 2012 is at Rs.707.24 Lakhs and the net block as on 31st March, 2012 stood at Rs.461.28 Lakhs.

Industrial Relations:

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

Directors:

During the year under review, Mr. Ajay Chauhan and Mr. N Anil Kumar, Directors of the Company are liable to retire by rotation in this Annual General Meeting of the members of the Company and offer themselves for re-appointment.

During the year under review, Mr. S.E. Sham Sunder, Director of the Company has resigned from the Board with effect from 7th September, 2011.

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 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 this Annual General Meeting and being eligible have expressed their willingness to be reappointed.

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 Ahmadabad 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 (BSE), Mumbai.

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' 2012 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: 07th September, 2012.

Management Discussion and Analysis Report:

Current year outlook was explained in details 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.


Place: Secunderabad

By Order of the Board of Directors

Date: 07.09.2012


I. Raja Babu

Managing Director


Ajay Chauhan
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 31-03-2012.

I. Company's Philosophy on code of Governance

Corporate Governance is the set of policies, practices and processes by which a Company conducts its affairs in pursuit of its business goals. Your Company believes in adopting the best practices in the areas of Corporate Governance. Even in this cutthroat competitive business environment, the management of your Company is committed to achieve the values of integrity, honesty, transparency and accountability which are fundamental to the Company. The Company firmly believes in and has consistently endeavored to practice good Corporate Governance. The Company will continue to focus its resources, strengths and strategies for creation and safeguarding of shareholders' wealth and at the same time protect the interests of all its shareholders.

II. Board of Directors

a. Composition of the Board

The Company has a Non-Executive Chairman and the number of Independent Directors is more than one-third of the total number of Directors and hence, complies with 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 (Seven) 7 out of which (one) 1 is Managing Director and (Two) 2 Executive Directors and (Four) 4 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 give below:

S. 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. Ajay Chauhan	Executive Director	Director	5	Yes
3.	Mr. William temple .N	Executive Director	Director	Nil	No
4.	Mr. N. Anil Kumar	Independent Director	Director	Nil	No
5.	Mr. C. Jagan Mohan Reddy	Independent Director	Director	5	Yes
6.	Dr. M.G.G Naidu	Chairman & Independent Director	Director	4	No
7.	Mr. K B S Raja Reddy	Independent Director	Director	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	15	07
2.	Mr. Ajay Chauhan	Executive Director	04	Nil
3.	Mr. William Temple .N	Executive Director	Nil	Nil
4.	Mr. N. Anil Kumar	Independent Director	Nil	Nil
5.	Mr. C. Jagan Mohan Reddy	Independent Director	03	Nil
6.	Dr. M.G.G Naidu	Chairman & Independent Director	Nil	Nil
7.	Mr. K B S Raja Reddy	Independent Director	06	01

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.