

BOOK-POST

**20TH
ANNUAL REPORT
2008-2009**

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ANCENT SOFTWARE INTERNATIONAL LIMITED



ANCIENT SOFTWARE INTERNATIONAL LIMITED

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ANCIENT SOFTWARE INTERNATIONAL LIMITED

BOARD OF DIRECTORS

Sri Yuvraj Karan	Chairman
Sri C.Ashok Babu	Managing Director
Smt C.Jhansi Lakshmi	Director
Sri C.Prabhakar Rao	Director
Sri Pavan Kumar Sanwar Mal	Director
Sri Anjaney Vishnudas Bhutada	Director
Sri Ramkumar Santhakumar Nair	Director

REGISTERED OFFICE

Unit No.401, IVth Floor,
TOPAZ Building, Amrutha Hills,
Punjagutta, Hyderabad-500 082. A.P. (India.)

SOFTWARE DIVISION

Apt # 1, Vishnu Smruti
425/35, TMV Colony,
Gultekadi, Pune- 411 037. Maharashtra. (India)

AUDITORS

M/s RAMASAMY KOTESWARA RAO & CO.
FF-II, Plot No. 238/A, MLA Colony,
Road No. 12, Banjara Hills, Hyderabad - 500034.

BANKERS

HDFC BANK LTD

Banjara Hills, Hyderabad – 500 034. A.P.

SHARE TRANSFER AGENTS

M/s. VENTURE CAPITAL & CORPORATE INVESTMENTS PVT. LTD.,
12-10-167, Bharat Nagar, Moosapet, Hyderabad-500 018.
Phone : 040-23818475, 23818476, Fax : 040-23868024.

LISTING AT

BOMBAY STOCK EXCHANGE LTD.



ANCIENT SOFTWARE INTERNATIONAL LIMITED

NOTICE TO THE SHARE HOLDERS

NOTICE is hereby given that the 20th ANNUAL GENERAL MEETING of M/s. ANCIENT SOFTWARE INTERNATIONAL LIMITED, will be held on Wednesday, the 30th day of September, 2009 at 10.30 A.M. at The Hyderabad Gymkhana, near L.V. Prasad Eye Institute, Road No.2, Banjara Hills, Hyderabad-500 034, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri Anjaneya Vishnudas Bhutada, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Sri Ramkumar Santhakumar Nair, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory auditors and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modifications, the following resolution as a Ordinary Resolution.

“RESOLVED THAT Sri M.N. Manjunath, be and is hereby appointed as Director of the Company in respect of whom the Company has, pursuant to Sec. 257 of the Companies Act, 1956, received a Notice in writing proposing his candidature for the office of Director liable to retire by rotation”.

By Order of the Board of Directors

Sd/-

(C. ASHOK BABU)

Managing Director

Place : Hyderabad

Date : 04.09.2009



ANCENT SOFTWARE INTERNATIONAL LIMITED

NOTES:

1. An Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
2. A Member entitled to attend and vote at the meeting is entitled to appoint and vote instead of himself/herself and such proxy need not be a member of the company. Proxy forms to be valid shall be lodged at the Registered Office of the company not less than 48 hours before the meeting.
3. The Register of members and share transfer books of the company will remain closed from 26th September 2009 to 29th September 2009 (both days inclusive).
4. Members are requested to notify immediately changes if any, in their addresses to the Company quoting their folio number.
5. Members who are holding shares in identical order of names in more than one folio are requested to send to the company the details of such folios together with the share certificates for consolidating their holdings in one folio. The Share certificates will be returned to the members after making requisite changes thereon.
6. Share certificates along with transfer deeds should be forwarded to the registrars and share transfer agents of the company in physical form at the following address:

M/s.VENTURE CAPITAL & CORPRATE INVESTMENTS PVT. LTD.,
12-10-167, Bharat Nagar, Moosapet, Hyderabad - 500 018.

Phone : 040-23818475, 23818476, Fax : 040-23868024.

7. Members desiring to seek any information on the annual accounts are requested to write to the company at an early date to enable compilation of information.
8. Reappointment of Directors
Information on Directors seeking appointment /reappointment is furnished below as per Clause 49 of the Listing Agreement with the Stock Exchanges.

1) Sri Anjaney Vishnudas Bhutada

2) Sri Ramkumar Santhakumar Nair

3) Sri M.N. Manjunath

By Order of the Board of Directors

Place : Hyderabad

Sd/-

Date : 04.09.2009

(C.ASHOK BABU)

Managing Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 192A(2) AND SECTION 173(2) OF THE COMPANIES ACT, 1956 SETTING OUT ALL THE MATERIAL FACTS PERTAINING TO THE SPECIAL RESOLUTION

ITEM NO. 5:

Sri M.N. Manjunth, has more then two decades of proffessional experience in field of IT solutions and services. He has worked in various professional organisations at various capacities. He has been instrumental in design and excution of several integrated IT projects for some of the land mark developments in the UAE including dubai International Airport, Emirates Towers, Shangri la Hotel, American University etc., He has also worked on several IT consultancy assignments on projects like Bahrain International Airport, Banyan Tree Resort etc.,

Having worked in the region for over 15years he has extensive knowledge of the Middle East Marrket.

The above may also be treated as an abstract as required under Section 302 of the Companies act, 1956. None of the Director expect Sri M.N. Manjunath are concerned or interested in the proposed Resolutions.



ANCENT SOFTWARE INTERNATIONAL LIMITED

DIRECTORS REPORT

To

The Members of **Ancent Software International Limited**,
Hyderabad.

We have pleasure in presenting the 20th Annual Report and the Audited Statement of Accounts for the Financial Year ended 31.03.2009.

FINANCIAL RESULTS:

	Current Year	Previous Year
	2008-09	2007-08
	(Rs. In Lakhs)	(Rs. In Lakhs)
Income	93.53	88.25
Profit before Interest and Depreciation	24.75	26.63
Interest	5.92	4.21
Depreciation	17.99	17.99
Profit before Tax	6.76	8.64
Provision for Taxation	1.85	1.33
Net Profit	4.91	6.39

OPERATIONS:

During the year under review your company has earned a total income of Rs. 93.53 Lakhs and incurred a Net Profit of Rs. 6.76 Lakhs as against an income of Rs. 88.25 Lakhs and Net Profit of Rs. 6.39 Lakhs in the previous year. During the year company has earned income from Software Development of Rs. 86.72 lakhs and Other Income of Rs. 6.80 Lakhs. Your Directors are confident that the company will achieve better results in the coming years.



ANCENT SOFTWARE INTERNATIONAL LIMITED

DIVIDEND:

Due to insufficiency of Profit your directors could not recommend Dividend on the Capital.

DIRECTORS:

Sri Anjaneya Vishnudas Bhutada and Sri Ramkumar Santhkumar Nair Directors retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for reappointment

AUDITORS:

M/s. Ramasamy Koteswara Rao & Co., Chartered Accountants, Hyderabad will retire at the conclusion of the ensuing Annual General Meeting and there are not intend to continue to auditors. And therefore M/s Ramasamy Koteswara Rao & Co. Hyderabad. Appointed as a Auditors for the next Financial Year.

DIRECTORS RESPONSIBILITY STATEMENT:

In pursuance of Section 217(2AA) of the Companies Amendment Act, 2000, your directors confirm:

- (i) that in the preparation of accounts under report the applicable accounting standards have been followed along with proper explanations relating to material departure.
- (ii) that the directors had 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 and loss account for the period.
- (iii) That the directors taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and deleting fraud and other irregularities.
- (iv) That the directors had prepared the annual accounts on the going concern basis.



ANCIENT SOFTWARE INTERNATIONAL LIMITED

CORPORATE GOVERNANCE :

Your Company has taken necessary measures to comply with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Corporate Governance.

A report on corporate governance along with a certificate of compliance from the Auditors and also the Management Discussion and Analysis report are annexed separately to this Annual Report.

PARTICULARS OF EMPLOYEES :

No employee was in receipt of remuneration exceeding the limits prescribed under section 217(2A) of the Companies Act, 1956 and the rules framed there under, as amended to date.

FIXED DEPOSITS :

Your Company has not accepted any deposit and as such no amount of principal or interest was outstanding on the date of the Balance Sheet.

INFORMATION UNDER SECTION 217 (1) (E) OF THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

a) Conservation of Energy :

The operations of the company involve very low energy consumption. However adequate measures have been taken to conserve the more energy.

b) Technology Absorption:

The Company has not imported any Technology.

c) Foreign Exchange Earnings & Outgo:

Foreign Exchange Earnings : 35, 87, 397/-

Foreign Exchange Outgo : Nil

GENERAL:

The Company's shares are listed on Bombay Stock Exchange Ltd, the listing fee for the year 2008-2009 has been paid.

APPRECIATION:

The Directors wish to place on record their appreciation to employees at all levels for their co-operation. Your directors would also acknowledge the continued support of the company's shareholders.

By Order of the Board of Directors

Sd/-

(C. ASHOK BABU)

Managing Director

Place : Hyderabad

Date : 04.09.2009

Sd/-

(C. JHANSI LAKSHMI)

Director



ANCIENT SOFTWARE INTERNATIONAL LIMITED

ANNEXURE TO THE DIRECTOR'S REPORT COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Company's philosophy on corporate governance

A strong governance process is integral to business success. For an important reason: a broad based governance initiative harmonizes the interest of all shareholders.

At Ancient, a commitment to a mature governance process is leading to stronger business prospects, a growth of business partners (customers and suppliers), enhanced employee and investor wealth as well as an increased societal development at large.

Board of Directors

Composition of the Board

The Board of Directors of Ancient consists of Five directors. Of these, one is Managing Director, One is Executive Directors and Three are Non-Executive. The composition of the Board during the financial year under review is presented in detail in the table 1.

Number of Board Meetings

During the financial year under review, the Board of Directors met 5 times on 30.04.2008, 31.07.2008, 02.09.2008, 31.10.2008 and 31.01.2009. As stipulated in Clause 49, the maximum time gap between any two meetings was not more than four months.

Director's Attendance Record and Directorships

Details are given in Table 1.

Table: 1 Details of the Board of directors:

Name of the Director	Executive / Non-Executive Director	No. of meetings Held during his Tenure	No. of meetings Attended	Whether Attended Last AGM	No. of Outside directorships
C. Ashok Babu	Executive	5	5	Yes	2
C. Jhansi Lakshmi	Executive	5	5	Yes	2
Yuvraj Karan	Non Executive	5	5	Yes	2
C. Prabhakar Rao	Non Executive	5	5	Yes	0
Pavan Kumar Sanwamal	Non Executive	5	3	Yes	8
Anjaneya Vishnudas Bhutada	Non Executive	5	1	Yes	0
Ramkumar Santhakumar Nair	Non Executive	5	1	Yes	0

Information Supplied to the Board

Ancient believes in providing the directors all relevant and required information to enable them make well informed decisions. The following information is regularly placed before the Board:

- Annual Budget
- Quarterly and Half Yearly results of the Company.
- Minutes of Audit committee and other Committee meetings.
- Information on recruitment and remuneration of any Sr. Manager just below the board.
- Any material defaults in financial obligations to and by the company in any aspect.
- Disclosures by management on material transactions if any including potential conflict of interest.
- Strategic and operational plans for running the business.

The Board of Directors is presented with detailed notes with required annexure on the above heads. These are presented as a part of the agenda papers of the meeting or directly tabled at the Board meetings.