Datasoft

APPLICATION SOFTWARE (INDIA) LIMITED

XXIV ANNUAL REPORT 2015-2016

BOARD OF DIRECTORS

Chairman

H. J. Shah

Directors

Chandan Parmar (MD & CEO)

C. M. Buch

R. M. Bhuta

Mahesh Kurlawala

Lakshmi Nazareth wef 24th July 2015

Ajay Nagpal upto 24th July 2015

Ravindra Malgaonkar upto 24th July 2015

Shailesh Bendugade upto 24th July 2015

Bankers

Karnataka Bank Limited
Thakur Village, Kandivali (East),
Mumbai - 400 101.

Auditors

M/s Kanu Doshi Associates

203, The Summit, F-Wing, Hanuman Road,

Samarth Nagar, Western Express Highway,

Vile Parle (East), Mumbai -400 057.

Registered Office

22, Blue Rose Industrial Estate,

Western Express Highway,

Borivali (East),

Mumbai – 400 066.

DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED

CIN: L72200MH1992PLC067032

Add: - 22, Blue Rose Industrial Estate, Western Express Highway, Borivali East, Mumbai - 400066.
• Telephone: 65943647 • Telefax: 28706999 • Website: www.dasil.in • Email: bhutabuch@yahoo.com

NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED will be held on Friday the 30th September, 2016 at 3.00 p.m. at the Registered Office of the Company at 22, Blue Rose Industrial Estate, Western Express Highway, Borivali East, Mumbai - 400066 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March, 2016 and Statement of Profit and Loss for the year ended on that date and reports of the Board of Directors and Auditors thereon.

2. To appoint Director in place of Mr. Rajesh Motilal Bhuta (DIN: 00242031) who retires by rotation and being eligible offers himself for reappointment.

3. To appoint Director in place of Mr. Chaitanya M. Buch (DIN: 00326637) who retires by rotation and being eligible offers himself for reappointment.

4. To ratify the appointment of the Auditors of the Company and their remuneration fixed at the 22nd Annual General Meeting of the Company held on 29th September, 2014, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT, pursuant to the first proviso to Section 139(1) of the Companies Act, 2013, read with the first proviso to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the appointment of M/S Kanu Doshi Associates, Chartered Accountants, Mumbai, (Firm Reg. No. 104746W/W100096 and having peer review certificate issued by the Institute of Chartered Accountants of India), as the auditors of the Company to hold office from the conclusion of the 24thAnnual General Meeting until the conclusion of the 25thAnnual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors of the Company, made at the 22nd Annual General Meeting of the Company held on 29th September, 2014, be and is hereby ratified."

BY ORDER OF THE BOARD
FOR DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED

Place : Mumbai
Date : 17/08/2016

Chandan M Parmar
Managing Director and Chief Executive Officer
(DIN: 00592613)

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to the provision of Section 105 of the Companies Act, 2013 a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

1. Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send to the Company a Certified Copy of the Board Resolution authorizing their representative to attend and Vote on their behalf at the Meeting.

2. Register of Members and the share transfer books of the company will be closed from 24.09.2016 to 30.09.2016 both days inclusive.

3. The identities/signature of members holding shares in electronic form are liable for verification with the specimen signatures as may be furnished by NSDL and CDSL to the company. Such members are advised to bring the identity cards issued by their Depository Participants.

4. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all days, except Saturdays, Sundays and holidays until the date of the Annual General Meeting or any adjournment thereof.

5. Members desirous of getting any information about the accounts and operations of the Company are requested to write their queries to the Company at least seven days in advance of the meeting so that the information required can be made readily available at the meeting.

6. Individual shareholders can now take the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of the death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. Members who are interested in availing the nomination facility are requested to write to the Company.

7. The company's equity shares are listed at the Bombay Stock Exchange (BSE) and Ahmedabad Stock Exchange.

8. Equity share of the company is available for trading in dematerialized form through the Depository Participants. Requests for dematerialization and transfer of shares may be sent to the Company's Registrars and Share Transfer Agents, Link Intime India Private limited situated at C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai-400 078.

9. As a measure of economy copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring copies with them.

10. Members are requested to notify immediately any change of their address to the company or the Share Transfer agents.

11. In accordance with the Companies Act, 2013 read with the Rules, the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialised format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and/or those members who have not registered their email ID are requested to register their email ID addresses with Link Intime India Pvt. Ltd. the Company's Registrars and Transfer Agents.

12. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 26.09.2016 at 9.00 a.m. and ends on 29.09.2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Address Stickers on annual report.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on “SUBMIT” tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click Company Name on the EVSN.

(xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xvii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-voting available for Android based mobiles. The m-voting app can be downloaded from Google Playstore. Apple and Window phone users can download the app from the App store and the Windows Phone Stores respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

13. Mr. Pankaj S. Desai of Pankaj & Associates, Practicing Company Secretaries (Membership No. FCS 3398), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

14. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

15. The results shall be declared within 48 hours from the conclusion of the AGM of the company. The results declared alongwith the Scrutinizer report shall be placed on the company's website & on the website of CDSL within 2 days of the passing of the resolutions at the AGM of the company & communicated to BSE Ltd.

BY ORDER OF THE BOARD

FOR DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED

Place : Mumbai
Date : 17/08/2016

Chandan M Parmar
Managing Director and Chief Executive Officer
(DIN: 00592613)

DIRECTORS' REPORT

To,

The Members,

DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED

Your Directors have pleasure in presenting their Twenty Fourth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

1) **Performance Highlights (Standalone)**

(Rs. In Lakhs)

	2015-16	2014-15
Sales and Other Income	14.64	7.65
Profit/(Loss) before Tax	7.14	3.56
Less: Taxes		
Current Tax	-	-
Deferred Tax	-	-
Profit/(Loss) for the Year	7.14	3.56
Add Balance in Profit & Loss Account	(556.56)	(560.12)
SUB TOTAL	**(549.42)**	**(556.56)**
Less: Appropriations		
Transfer to Reserve (specify)	-	-
Dividend	-	-
Dividend Tax	-	-
CLOSING BALANCE	**(549.42)**	**(556.56)**

2) **Dividend**

Due to accumulated losses, Directors regret not to recommend any dividend for the year.

3) **Reserves**

Your directors do not propose to transfer surplus in profit and loss account for the year to any reserves.

4) **Business Review and Prospects**

Principal business of the company remains temporarily suspended due to unavailability of sufficient resources. Company shall restart its business upon generating required resources for effective working. The surplus funds available with the company are currently invested in interest fetching loans/deposits. Company has a positive net worth. Company has meager liability, which can easily be met out of the funds available with the company. Your directors are trying to tie up with strategic investor but have not met with success so far and hence it is difficult to predict any time frame for such success.

5) **Applicability of Clause 15(2) of SEBI (Listing Agreement and Disclosure Requirements) Regulations 2015**

Clause 15(2) of SEBI (Listing Agreement and Disclosure Requirements) Regulations 2015 made provisions regarding composition of Board of Directors, Audit and other Committees of directors, Obligations of independent directors and senior management and corporate governance norms voluntary for the companies whose paid up capital is less than Rs 10 crores and whose net worth is less then Rs 25 crores. Accordingly the requirements of Management Discussion and Analysis, Auditors' certificate on Corporate Governance and other matters are not mandatory for your company.

6) **Change in the nature of business, if any**

There has been no change in the nature of business during the year under review.

7) **Material changes and commitments, after the Balance Sheet date**

There are no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

8) **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

9) **Details of Subsidiary/Joint Ventures/Associate Companies**

Your company has no subsidiaries and associate companies, nor has the company entered into any joint venture

10) **Performance and financial position of each of the subsidiaries etc.**

Your company has no subsidiaries and associate companies, nor has the company entered into any joint venture

11) **Deposits**

During the year your Company neither accepted any 'deposits' as defined in Companies (Acceptance of Deposit) Rules, 2014, nor is there any balance in such account at the beginning or at the end of the year. Since there have been no deposits the question of there being any default in repayment of deposits or interest thereon, does not arise.

12) **Statutory Auditors**

M/s Kanu Doshi Associates, Chartered Accountants, auditors of the Company, were appointed as Statutory Auditors, subject to ratification in each Annual General Meeting, for the period up to the conclusion of twenty seventh Annual General Meeting, vide ordinary resolution passed at the Annual General Meeting dated 29th September 2014.

The Directors recommend ratification of the appointment.

13) **Auditors' Report**

The Auditors' Report does not contain any qualification, reservation or adverse remark.

14) **Cost and Secretarial Auditors:**

Your company is not required to appoint cost auditors for conducting the audit of cost records of the Company, for the financial year under review.

M/s Pankaj & Associates, Company Secretaries, were appointed to conduct Secretarial Audit for the financial year under review.

15) **Secretarial Auditors' Report:**

The Secretarial Audit Report is attached as an Annexure herewith. Observations by the Secretarial auditors have been noted and corrective actions are under process.

16) **Issue of shares**:

Your Directors state that no disclosure or reporting is required in respect of issue of shares with differential voting rights, sweat equity or ESOS as there were no such transactions during the year under review:

17) **Extract of the annual return**

The extract of the annual return in Form No. MGT – 9 is attached as an Annexure herewith.

18) **Conservation of energy, technology absorption and foreign exchange earnings and outgo**

(A) Your company has temporarily suspended its business operations and therefore there is nothing to report in these sections.

(B) Foreign exchange earnings and Outgo:

There is no foreign exchange inflow or outflow in the year under review.

19) **Directors:**

Changes in Directors and Key Managerial Personnel

As per the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of Company, Mr.C. M.Buch (DIN 00326637), Director and Mr. R.M.Bhuta (DIN 00242031), Director retire by rotation and being eligible and not being disqualified under section 164 of the Companies Act, 2013 offers themselves for reappointment.

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation. Accordingly Mrs. Lakshmi Nazareth (DIN 03413368), and Mr. Mahesh Kurlawala (DIN 03039899) continue as Independent Director.

20) **Number of meetings of the Board of Directors**

During the year under review five Board meetings were held. These meetings were held on 29/05/2015, 24/07/2015, 10/08/2015, 07/11/2015 and 27/01/2016.

21) **Particulars of loans, guarantees or investments under section 186**

Your company has not granted any such loans or issued any guarantees or made investments.

22) **Particulars of contracts or arrangements with related parties:**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto are disclosed under “Notes to the Accounts”.

23) **Managerial Remuneration:**

There are no employees of the Company, drawing remuneration exceeding limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries.

24) **Risk management policy**

Except for external general business risks related to government regulations, market conditions and credit risks, your company is not exposed to any other risks. Your directors do not foresee any substantial risk in the external conditions which may threaten the existence of the company.

25) **Declaration by independent directors**

The company has received necessary declaration from each independent director under section 149(7) of the Companies Act,2013 that they meet the criteria of independence laid down in section 149(6) of the Companies Act, 2013.

26) **Committees of the Board**

Currently the board has three committees: the Audit committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

Audit committee: This committee comprises three Directors namely Independent Director Mr. Mahesh Kurlawala (DIN 03039899), Independent Director Mrs. Lakshmi Nazareth (DIN 03413368) and Mr. C.M.Buch (DIN 00326637). All the recommendations made by the audit committee were accepted by the Board.

Nomination and Remuneration Committee: The Nomination and Remuneration Committee comprises three directors Mr. R.M.Bhuta (DIN 00242031), Mr. Mahesh Kurlawala(DIN 03039899) and Mrs.Lakshmi Nazareth (DIN 03413368).

Stakeholders Relationship Committee: The Stakeholders Relationship Committee comprises two directors Mr.C.M.Buch (DIN 00326637) and Mr. R.M.Bhuta (DIN 00242031). The committee reviews and ensures redressal of investors' grievances. The committee noted that all the grievances of the investors have been resolved during the year.

27) **Corporate Social Responsibility**

Corporate Social Responsibility not applicable to your company.

28) **Board Evaluation**

Clause 49 of the listing agreement mandates that the board shall monitor and review the Board evaluation framework. The Companies act, 2013 states that a formal annual evaluation needs to be made by the board of its performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013, states that the performance evaluation of independent directors shall be done by the entire Board of Directors excluding the directors being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

29) **Internal financial controls**

The company has in place adequate internal financial controls with reference to financial statements. During the year such controls were tested and no reportable material weaknesses in the design or operation were observed.

30) **Directors' Responsibility Statement**

The Directors' state that -

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) 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 of the company for that period;