

OMNI AX'S SOFTWARE LIMITED

ANNUAL REPORT



2003-04

OMNI AX'S SOFTWARE LIMITED

BOARD OF DIRECTORS

Mr. P.G. Senthil (Managing Director)
Mr. K. V. Viswanathan
Mr. S. Mohan Rajan
Mr. A.Ravi Kumar
Mr. Shivaji Rao

AUDITORS

C.N. Srinivasan
Chartered Accountant

BANKERS

Andhra Bank
Sowcarpet Branch, Chennai-79

REGISTERED OFFICE

No.39. North Usman Road,
Basement, T.Nagar,
Chennai-600 017

SHARE TRANSFER AGENTS

M/s. Cameo Corporate Services Limited,
"Subramaniam Building", V Floor,
1, Club House Road, Chennai-600 002.
Phone (044) 28460390 (5 lines)
Fax: (044) 28460129

OMNI AX'S SOFTWARE LIMITED

NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the members of OMNI AX'S SOFTWARE LIMITED will be held on Thursday, the 30th day of September 2004 at 09.30 a.m. at New No.115 (old No.54), Egmore High Road, Chennai-600 008. to transact the following business:

ORDINARY BUSINESS:

01. To receive, consider and adopt the audited Balance Sheet as at 31st March 2004 and the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
02. To appoint a director in place of A.Ravi Kumar, who retires by rotation, being eligible offer himself for re-appointment.
03. To appoint Auditors of the Company to hold office from conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors.

SPECIAL BUSINESS:

04. To consider and if thought fit to pass with or without modification the following resolution as an ordinary Resolution:

RESOLVED THAT Mr. Shivaji Rao who was appointed as an additional Director at the meeting of the Board of Directors held on 15th December 2003 and who holds office as such upto the date of this Annual General Meeting and in respect of whom notice has been received from a member signifying his intention to propose Mr. Shivaji Rao as a candidature for the office of the Director of the Company along with a Deposit of Rs.500/- as required under Section 257 of the Companies Act, 1956 be and is hereby appointed as a Director of the Company.

05. To consider and if thought fit to pass with or without modification if any, the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to all applicable provisions of the Companies Act, 1956 and applicable Securities Exchange and Board of India guidelines, regulations as applicable in this connection, the unanimous consent of the members of the Company be and is hereby accorded to Delist the Company's Equity Shares from M/s Madras Stock Exchange Limited, Chennai with immediate effect.

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"FURTHER RESOLVED THAT board of Director of the Company be and is hereby authorized to make necessary applications and to do all other acts and things necessary in this regard for purpose of delisting the equity shares of the Company, which is already listed with the above mentioned Stock Exchanges, with immediate effect."

06. To consider and if thought fit to pass with or without modification if any, the following resolution as a Special Resolution.

RESOLVED THAT pursuant to Section 21 and all other applicable provisions of the Companies Act, 1956 and subject to the approval of the Registrar of Companies, Chennai and such other authorities as may be required in this connection, the name of the Company be changed from M/s OMNI AX'S SOFTWARE LIMITED, to M/s ASTRO BIO SYSTEMS LIMITED.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, things and deeds as may be required in this connection.

07. To consider and if thought fit to pass with or without modification if any, the following resolution as a Special Resolution.

RESOLVED THAT pursuant to Section 13, 21 and all other applicable provisions of the Companies Act, 1956 and subject to such other approvals/consents as may be required from such other authorities the unanimous consent of the shareholders of the company be and is hereby accorded to amend the Clause I of the Memorandum of Association of the Company as follows:

- I. The name of the Company is "ASTRO BIO SYSTEMS LIMITED"

RESOLVED FURTHER THAT the new name be substituted in the Articles of Association, Letter Heads, and all other stationeries and the Board of Directors of the Company be and is hereby authorised to do all such acts, things and deeds as may be required in this connection.

08. To consider and if thought fit to pass with or without modification if any, the following resolution as a Special Resolution.

RESOLVED THAT pursuant to Section 149 and all other applicable provisions of the Companies Act, 1956 and subject to such other approvals/consents as may be required from such other authorities, the unanimous consent of the shareholders of the company be and is hereby accorded to do following objects as mentioned in the Other Objects Clauses IIIC of the Memorandum of Association of the Company:

8. To carry on the business of manufacturing, buying, selling, importing, exporting or otherwise dealing in computer and related hardware, software, software development, data processing, word processing and micro processor based control systems.

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RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution the Board of Directors of the company be and is hereby authorised to do all such acts, things and deeds in this connection.

By order of the Board,
For Omni Ax's Software Limited

(P.G. Senthil)
MANAGING DIRECTOR

PLACE: CHENNAI

DATE: 06th September 2004

EXPLANATORY STATEMENT (PURSUANT TO SECTION 173(2))

Item No:4

Mr. Shivaji Rao who was appointed as additional director by the Board of Director of the company effective from 15th December 2003. Pursuant to Section 260 of the Companies Act, 1956 he holds office only upto the date of ensuing Annual General Meeting of the Company. A notice under Section 257 of the Act has been received from a member proposing the appointment of Mr Shivaji Rao as a Director of the Company, whose period of office shall be liable to determination by retirement by rotation.

None of the directors other than Mr. Shivaji Rao is interested in the resolution.

Item No: 5

As the members are aware, the equity shares of the company are presently listed with Madras Stock Exchange Limited, and Mumbai Stock Exchange, now called MSE and BSE

In view of the extensive connectivity of BSE across India investors now find it convenient to trade in the company's securities. Since the listing fees paid to the regional stock exchange is disproportionately high and with no trading volume taking at MSE no purpose is solved by continuing the listing of our company's with M/s Madras Stock Exchange Limited, Chennai. This shall enable the company to save cost.

Further SEBI has recently formulated guidelines, by which the Companies are allowed to get the shares de listed from certain Stock Exchanges, provided the Company continues the listing with Bombay Stock Exchange.

For this purpose the Company is required to obtain the consent of the shareholders by means of special resolution. Hence an item is included in notice of AGM, requesting your consent for the above proposal.

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The Directors recommend the resolution for adoption by the members.

Item No: 6 and 7

The members are aware that the company had amended its main objects to carry on the business of operations of power generation and related business. Further the company has initiated steps for the commencement of afore-said business and in order that the name of the company to reflect the businesses carried on by the company this resolutions are placed before the members for their approval. Further the company had got the approval for the name availability from the Office of the Registrar of Companies, Chennai for the said name vide their letter No. NA/CN/2230/STAT/2004 dated 08-06-2004.

The Directors recommend the resolution for adoption by the members.

Item No. 8

With the company's main objects amended to carry on the business of power generation and related business, this enabling resolution shall help the company to undertake with the past expertise and personnel available with the company to undertake computer software development, hardware and related business mentioned in the other objects of the company. Further for the same the members approval is necessary. Hence this resolution.

The Directors recommend the resolution for adoption by the members.

By order of the Board,
For Omni Ax's Software Limited

(P.G. Senthil)
MANAGING DIRECTOR

PLACE: CHENNAI

DATE: 06th September 2004

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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 the proxy need not be a member of the Company.
2. The proxy form in order to be effective must be deposited at the Registered office of the company not less than 48 hours before commencement of the meeting.
3. The Register of Members and the Transfer of book in respect of the Equity shares will remain closed from 24th September 2004, to 30th September 2004 both days inclusive.
4. The members' are requested to intimate to the Registrar and Transfer Agents, Cameo Corporate Consulting Limited, #1,Subramaniam Building, Club House Road, Mount Road, Chennai-600 002, change of address, if any, at the earliest quoting their registered folio number.
5. Members holding Shares in more than one folio in identical order of names are requested to write to R&TA enclosing their Share Certificate to enable us to consolidate their holdings in one folio to facilitate better service.
6. Members seeking any information with regard to accounts or operation are requested to write to the company at an early date so as to enable the management to keep their information readily.
7. The documents referred to this notice are available for inspection at the registered office of the company till the conclusion of this annual general meeting on all working days from 0930 am to 0500 pm.

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DIRECTORS REPORT

Dear Members,

Yours Directors have great pleasure in presenting the Twelfth annual Report of the company with audited accounts for the year ended 31st March 2004.

FINANCIAL RESULTS	Year ended 31.03.2004 (In Rs)	Year ended 31.03.2003 (In Rs)
Sales & Other Income	19062710	22645950
PROFIT BEFORE DEPRECIATION	4353033	5335512
Less: DEPRECIATION	4161483	5283514
PROFIT BEFORE TAX	191550	51998
Less: PROVISION FOR TAX (Current & Deferred)	(463120)	(1521068)
PROFIT AFTER TAX	654670	848330

DIVIDEND:

To conserve the reserves and plough back the profits for expansion activities of the company. Your Directors do not recommend any dividend for financial year 2003-2004.

MANAGEMENT DISCUSSION AND ANALYSIS**a) Industry Structure And Development:**

There has been considerable decline in software industry globally. The same trend has been observed in India also. There have been encouraging developments in the Power Sector in last year. The government has announced many reforms in this field. Looking to the immense potential in this sector the company has decided to enter in this field.

b) Business Performance

The turnover is 190.5 Lakhs in financial year 2003-2004 against 226.46 Lakhs in the financial year 2002-2003. Your Directors are hopeful of maintaining and improving the turnover and profit in coming years by strategic business plans.

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C) Out Look

Being our country is a Power deficit country the outlook for the Power Generation shall be a lucrative business opportunity. Further with the Central and State Governments giving concessions and priority to this sector the outlook for the industry is good and encouraging. Moreover the attitude of bankers and institutions is also good towards the industry. With the accelerating pace of India's urbanization and industrialization and growing rural electrification, the country's power requirement is growing substantially.

d) Merger of companies:

The company's application to honorable high court Chennai with regard to the merger of the Company's subsidiary companies M/s MILLENIUM SOFT SOLUTIONS PRIVATE LIMITED, M/s R3 VENTURES PRIVATE LIMITED and M/s ELAN INTEGRATED SYSTEMS PRIVATE LIMITED is still pending with the said authorities. Further at the Court Convened Extra Ordinary general meeting on 01-06-2004 all the shareholders of the company had unanimously approved and adopted the Scheme of Amalgamation with the above companies. With the merger of these companies, the company's performance in the coming years shall have synergic effect on its profitability.

e) Internal control systems and their adequacy:

The system on of internal control comprises controls established to provide reasonable assurance of safeguarding assets and maintenance of proper accounting records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to security and its adequacy. Reports are prepared and circulated to senior management and action taken to strengthen controls where necessary.

f) Human Resources and Industrial relations:

Your company continued to have cordial relations with its employees

DEPOSITS:

The Company has not accepted any deposit from the public within the meaning of Section 58A/58AA of the Companies Act, 1956.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Companies Articles of Association Shri A. Ravi Kumar due to retire by rotation and are eligible for re appointment. Mr. Shivaji Rao was appointed as additional Director during the year. They all seek accord from the members to continue so. The other Directors of the company are Mr. K.V.Viswanthan, Mr.P.G.Senthil, and Mr. S. Mohan Rajan

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DIRECTORS RESPONSIBILITY STATEMENT:

As required under Section 217 of the Companies Act, the Directors hereby confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. 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 of the Company for that period.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.

AUDITORS AND AUDITORS REPORT:

The Board recommends the appointment of Mr. C.N. Srinivasan, Chartered Accountant as Statutory Auditor of the company from the conclusion the ensuing Annual General Meeting until conclusion the next AGM of the company on such remuneration as may be fixed by the Board. A letter from the auditor about the compliance under Sec 224 (1B) of the companies act had been duly received.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS/OUTGO:

The Company has no activity relating to Conservation of energy or technology absorption. The Company did not have any foreign exchange earnings or outgo during the year.

CORPORATE GOVERNANCE:

Company's Philosophy on Corporate governance:

The company's Philosophy of corporate governance is aimed at assisting the top management of the company in the efficient conduct of its business and in meeting its obligations to the shareholders. A separate report on corporate governance is produced as a part of the annual report.