

NINETEENTH ANNUAL REPORT 2011 - 12



OMNI AXS SOFTWARE LIMITED

**71, Nehru Nagar Industrial Estate, 2nd Link Street,
Kottivakkam, Chennai – 600 041**

OMNI AXS SOFTWARE LIMITED

Board of Directors

N.K.Premanandhan,
S. Sailakshmi,
Veera Mohan Arunasalam
Gunasageran Nadeson
Rajendra Jain
Shreyas S Shah

Auditors

Siddharth Mehta
Chartered Accountant
No: 91, Govindappa Naicken Street,
Chennai - 600 001.
Ph: 044 - 25309430, 25390431

Bankers

Andhra Bank, Sowcarpet Branch,
Chennai – 600 079.

HSBC Bank, Mylapore Branch
Chennai – 600 004.

ICICI Bank, Adyar Branch
Chennai – 600 020

Registered Office

71, Nehru Nagar Industrial Estate
2nd Link Street, Kottivakkam,
Chennai – 600 041

Share Transfer Agents

Cameo Corporate Services limited,
1, Subramaniam Building, Club House Road,
Off Mount Road,
Chennai – 600 002
Ph.: (044) 28460390 (5 lines) Fax: (044) 28640129

NOTICE

NINETEENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of the Company will be held at Asha Nivas, 9 Rutland Gate, 5th Street, Nungambakkam, Chennai – 600 006 on Friday, 30th September, 2011 at 11.00 A.M to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31.03.2011, the Profit & Loss account for the period ended on 31.03.2011 and to consider the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri Veeramohan Arunasalam who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Shri Gunasageren Nadeson who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and fix their remuneration. The retiring auditor Siddharth Mehta, Chartered Accountant, is eligible for re-appointment.

SPECIAL BUSINESS

Appointment of Directors.

5. To consider and if thought fit pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Rajendra Jain who was appointed as an Additional Director of the company at the meeting of Board of Directors held on 8th February, 2011 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 (Act) and in respect of whom the Company has received a notice in writing from a Member under section 257 of the Act proposing his candidature for the office of the Director of the Company be and is hereby appointed as a Director of the Company liable to retire by rotation.”

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things which may be necessary to give effect to the above resolution.”

6. To consider and if thought fit pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Shreyas S Shah who was appointed as an Additional Director of the company at the meeting of Board of Directors held on 14th May, 2011 and who holds office upto the date of this Annual General Meeting in terms of Section

260 of the Companies Act, 1956 (Act) and in respect of whom the Company has received a notice in writing from a Member under section 257 of the Act proposing his candidature for the office of the Director of the Company be and is hereby appointed as a Director of the Company liable to retire by rotation.”

”FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things which may be necessary to give effect to the above resolution.”

BY ORDER OF THE BOARD

N.K.Premanandhan
Director

Place : Chennai
Date : 05/09/2011

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. A PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED ATLEAST 48 HOURS BEFORE THE GENERAL MEETING AT THE REGISTERED OFFICE OF THE COMPANY.
3. THE REGISTER OF MEMBERS AND THE SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM MONDAY, 26th SEPTEMBER, 2010 TO FRIDAY, 30TH SEPTEMBER, 2010 (BOTH DAYS INCLUSIVE) IN CONNECTION WITH THE ANNUAL GENERAL MEETING.
4. THE MEMBERS ARE REQUESTED TO INTIMATE CHANGE OF ADDRESS, IF ANY AT THE EARLIEST QUOTING THEIR REGISTERED FOLIO NUMBER TO THE REGISTRAR AND TRANSFER AGENTS :

CAMEO CORPORATE SERVICES LIMITED,
1, SUBRAMANIAM BUILDING, CLUB HOUSE ROAD,
MOUNT ROAD,
CHENNAI – 600 002,

5. RESUME OF DIRECTORS BEING APPOINTED/REAPPOINTED

Pursuant to Clause 49(VI) (A) of the Listing Agreement relating to the code of Corporate Governance, the particulars of the Directors proposed for appointment/ reappointment are given below:

Mr. Veeramohan Arunasalam

A Malaysian citizen with over 20 years of experience in financial management and corporate restructuring, currently holds the position of Financial Controller of a 150 crore Malaysian company having interest in Realty, Insurance and Investment.

Mr. Gunasageren Nadeson

A Chartered Financial Analyst and a Malaysian citizen is professionally a consultant having vast experience in the field of corporate planning, portfolio management, corporate finance and overseas business development process.

Mr. Rajendra Jain

A commerce and law graduate from Calcutta University. He has been associated with various Corporate Houses in their public relations build ups and media planning. He has wide experience in the fields of Advertisements Budgeting and Creative Designing, System structure along with execution of Concept selling, Methodologies and Propositions.

Mr. Shreyas S Shah

A young dynamic personality is having excellent knowledge of capital market operations. His experience and advice will be valuable for development of finance oriented systems.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ANNEXURE TO THE NOTICE

The following Explanatory Statements relating to Special Business at Item Nos. 5 and 6 are given below

Item No. 5

Mr. Rajendra Jain was appointed as an Additional Director by the Board of Directors of the Company at their meeting held on 8th February, 2011 in terms of section 260 of the Companies Act and Articles of Association of the Company and who holds the office only up to the date of ensuing Annual General Meeting. The company has received a notice in writing from a member under section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Rajendra Jain as a candidate for the Office of director. The Board has decided to appoint him as Whole Time Director who is liable to retire by rotation with effect from 8th February, 2011 subject to approval of members. Therefore the resolution item no.5 is being placed before the shareholders for their approval.

None of the Directors are interested in the above resolution except Mr.Rajendra Jain.

Item No.6

Mr. Shreyas Shrenik Shah was appointed as an Additional Director by the Board of Directors of the Company at their meeting held on 14th May, 2011 in terms of section 260 of the Companies Act and Articles of Association of the Company and who holds the office only up to the date of ensuing Annual General Meeting. The company has received a notice in writing from a member under section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Shreyas Shrenik Shah as a candidate for the Office of director. The Board has decided to appoint him as Independent Director who is liable to retire by rotation with effect from 14th May, 2011 subject to approval of members. Therefore the resolution item no.6 is being placed before the shareholders for their approval.

None of the Directors are interested in the above resolution except Mr.Shreyas Shrenik Shah.

BY ORDER OF THE BOARD

N.K.Premanandhan
Director

Place : Chennai
Date : 05/09/2011

DIRECTORS REPORT

Your Directors present the Nineteenth Annual Report together with the Audited Accounts of the Company for the Financial Year ended on 31st March 2011.

FINANCIAL HIGHLIGHTS

The financial results of the Company during the year under review as compared to the previous year are summarised as under:

PARTICULARS	31.03.2011	31.03.2010
Sales & Other Income	2,875,065	72,778,920
Profit / (Loss) before Depreciation and Tax	(32,614,856)	(20,493,219)
Less: Depreciation	239,926	239,926
Profit / (Loss) before Tax	(32,854,782)	(20,733,145)
Excess Provision Reversed	NIL	NIL
Provision for Deferred Tax – Asset	44,921	44,289
Provision for Fringe Benefit Tax	NIL	NIL
Profit / (Loss) after Tax	(32,810,491)	(20,688,856)
Add:Deferred Tax Provision No Longer Req'd	NIL	NIL
Add:Balance Brought Forward	(56,745,847)	(36,056,991)
Balance Carried Over to Balance Sheet	(89,556,339)	(56,745,847)
EPS Basic & Diluted	(1.91)	(1.20)
Weighted Average number of Shares	17,218,759	17,218,759

OPERATIONS AND PERFORMANCE

During the year under review, the company incurred a loss of Rs.32.81 million compared to a loss of Rs. 20.69 million in the previous year. The Company had focused on developing strategy of new business activities to be undertaken and restructuring of its management and activities during the year and did not undertake any major Software development programme. A critical review of all accounts was done and as a result of such review Rs. 31.11 million were written off. The company also incurred loss in its investment portfolio due to highly volatile conditions

prevailing in the Security market. The company is considering entering into the new businesses discussed under Management Discussion and Analysis report. The performance of the company is expected to improve during the years to come with increasing efforts being made in the direction of improving the working efficiency and continued lookout for new opportunities in the field of Information Technology.

DIVIDEND

Your directors do not recommend any dividend as there was a loss during the year under review.

PUBLIC DEPOSITS AND LOANS/ ADVANCES

The Company has not accepted any public deposits during the financial year.

The particulars of loans/ advances and investment in its own shares by listed companies, their subsidiaries, associates etc. required to be disclosed in the annual accounts of the company pursuant to Clause 32 of the listing agreement with the company, are furnished separately.

DIRECTORS

Mr. Veeramohan Arunasalam and Mr. Gunasageren Nadeson Directors of the company retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offers themselves for reappointment.

Mr. Rajendra Jain was appointed as an additional director on 8th February 2011 in terms of Section 260 of the Companies Act, 1956. He holds office up to the date of the ensuing Annual General Meeting to be held on 30th September, 2011. The requisite notices together with necessary deposits have been received from members pursuant to section 257 of the Companies Act, 1956 proposing appointment of Mr. Rajendra Jain as director liable to retire by rotation.

Mr. Shreyas Srenik Shah was appointed as an additional director on 14th May 2011 in terms of Section 260 of the Companies Act, 1956. He holds office up to the date of the ensuing Annual General Meeting to be held on 30th September, 2011. The requisite notices together with necessary deposits have been received from members pursuant to section 257 of the Companies Act, 1956 proposing appointment of Mr. Shreyas Srenik Shah as director liable to retire by rotation.

AUDITORS

M/s Siddharth Mehta, Chartered Accountant, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting of the Company and is eligible for reappointment. The Company has obtained confirmation that if appointed it would be in conformity with the provisions of section 224(1B) of the Companies Act, 1956 and will be within the limits specified therein.

AUDITORS REPORT

The notes on accounts are self explanatory to the comments made by the Auditors in their Report and therefore do not call for any further explanations.

LISTING

The shares of the company are listed in Bombay Stock Exchange. The company is yet to receive Listing confirmation of 77, 44,760 equity shares issued on Preferential basis for acquisition and merger of three companies viz, Elan Integrated Systems Pvt. Ltd., R3 Ventures Pvt. Ltd. and Millennium E- soft Solutions. Efforts are continuing to have those listed.

REGISTERED OFFICE

Registered office of the Company has been shifted to

No. 71, Nehru Nagar Industrial Estate
2nd Link Street, Kottivakkam,
Chennai – 600 041

CORPORATE GOVERNANCE

Your Company has always striven to incorporate appropriate standards for good corporate governance. The company's philosophy of Corporate Governance is aimed at exhibiting maximum transparency to the investors by providing them with more information. This is done not only with the information that are to be revealed under mandatory provisions but also with those information which according to the Management and the Board are relevant to the investors and other Statutory Authorities to whom these Reports are addressed to. A separate report on Corporate Governance is attached as a part of the Annual Report of the Company.

The Certificate from the company's Auditors confirming compliance of conditions on Corporate Governance as stipulated under clause 49 of the Listing Agreement of the Stock Exchange is annexed with this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information regarding conservation of energy and technology absorption as required under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to your company. There were no foreign exchange earnings and outgo during the financial year.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors hereby declare:

- i. that in preparation of accounts, applicable accounting standards have been followed or where departure has been made, explanation relating to material departures;

- ii. that directors have selected such accounting policies and applied them and made judgments and estimates that are reasonable and prudent to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii. that Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- iv. that the directors have prepared Annual Accounts on a Going Concern basis.

COMPANY SECRETARY

The appointment of Whole time Company Secretary is under consideration of the Company. The company has been availing services of practicing company secretary from time to time to ensure compliance of the provisions of the applicable acts and statutes. Also the Annual Return of the Company is being certified by practicing company secretary from year to year and the company is also taking certifications from them for Stock Exchange Compliances.

PARTICULARS OF EMPLOYEES U/S 217(2A) OF THE ACT

None of the employees have received remuneration in excess of the sum prescribed u/s 217(2A) of the Companies Act, 1956.

MANAGEMENT DISCUSSION AND ANALYSIS

A separate section on Management Discussion and Analysis Report forming part of the Annual report is attached.

ACKNOWLEDGMENT

Your directors wish to place on record their deep appreciation of the dedication and commitment of employees to the operation of your company during the year. Your directors also express their sincere gratitude to the bankers, consultants, Auditors, customers and the shareholders for their continued patronage and cooperation.

FOR AND ON BEHALF OF THE BOARD

N.K.Premanandhan
Director

Rajendra Jain
Director

Date: 0/09/2011

Place: Chennai