

# **SMS TECHSOFT (INDIA) LIMITED**

**[Formerly known as AKL Soft & Infosys (India) Ltd.]**

## **REGISTERED OFFICE**

**325, Patel Road, Ramnagar, Coimbatore- 641009**

# **18<sup>th</sup> ANNUAL REPORT**

## **2012-13**

### **Board of Directors**

- ❖ **Mr. V. Jagadish - Managing Director**
- ❖ **Mr. Akash Kadandale - Director**
- ❖ **Mr. Peranaidu Siddhiah Devraj - Director**
- ❖ **Mr. Dilipbhai J. Gajjar - Director**
- ❖ **Mr. Dashrathkumar K. Khatri - Director**

**SMS TECHSOFT (INDIA) LIMITED**  
*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

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<b>Regd. Office</b>	:	325, Patel Road, Ram Nagar, Coimbatore -641009.
<b>Board of Directors</b>	:	Mr. V. Jagadish - Managing Director Mr. Akash Kadandale - Director Mr. Peranaidu Siddhiah Devraj - Director Mr. Dilipbhai J. Gajjar - Director Mr. Dashrathkumar K. Khatri - Director
<b>Auditors</b>	:	M/s. K. R. Shah & Associate
<b>Bankers</b>	:	1. Standard Chartered Grindlays Bank 2. ING Vyasya Bank
<b>Stock Exchanges wherein the shares Of the Company are listed</b>	:	1. The Bombay Stock Exchange Ltd. 25 <sup>th</sup> Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400001.  2. The Coimbatore Stock Exchange Ltd. Stock Exchange Buildings, Trichy Road, Singanallur, Coimbatore - 45.

**SMS TECHSOFT (INDIA) LIMITED**

*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

**NOTICE**

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of SMS TECHSOFT (INDIA) LIMITED [Formerly known as AKL Soft & Infosys (India) Limited] will be held at Regd. Office at 325, Patel Road, Ram Nagar, Coimbatore on 30<sup>th</sup> September, 2013 at 10.00 A.M. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive consider and adopt the Audited Accounts of the company for the year ended 31<sup>st</sup> March 2013 and the Report of the Directors and auditors thereon.
2. To appoint a Director in place of Mr. Dashrathkumar khatri, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors, and to fix their remuneration.

**SPECIAL BUSINESS**

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

"RESOLVED THAT Mr. Peranaidu Siddhiah Devraj in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company."

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

"RESOLVED THAT Mr. Dilipbhai Gajjar in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company."

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

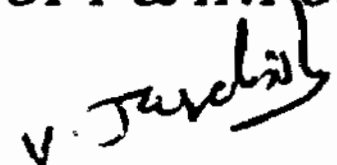
"RESOLVED THAT Mr. Akash in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company."

Place: Coimbatore

By order of the Board of Directors,

Date: 30/05/2013

FOR SMS TECHSOFT (INDIA) LIMITED  
[Formerly known as AKL SOFT & INFOSYS (INDIA) LIMITED]

  
CHAIRMAN

## **SMS TECHSOFT (INDIA) LIMITED**

*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

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### **NOTES: -**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> Sept. 2013 to 30<sup>th</sup> Sept. 2013 (both days inclusive).
3. As a measure of economy, Annual Report will not be distributed at the Meeting. So, members are requested to bring their copy of Annual Report with them to the Annual General Meeting.
4. Explanatory statement under section 173(2) of the companies Act, 1956 is attached with the notice.

**SMS TECHSOFT (INDIA) LIMITED**

*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

**EXPLANATORY STATEMENT**

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

**ITEM NO. 4**

The Company has received request in writing from a member of the company proposing candidature of Mr. Peranaidu Siddhiah Devraj for his appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956. The Board feels that presence of Mr. Peranaidu Siddhiah Devraj on the Board is desirable and would be beneficial to the company. None of the Directors, except Mr. Peranaidu Siddhiah Devraj is concerned or interested in this resolution. The Board recommends resolution under Item No. 4 to be passed as ordinary resolution.

**ITEM NO. 5**

The Company has received request in writing from a member of the company proposing candidature of Mr. Dilipbhai Gajjar for his appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956. The Board feels that presence of Mr. Dilipbhai Gajjar on the Board is desirable and would be beneficial to the company. None of the Directors, except Mr. Dilipbhai Gajjar is concerned or interested in this resolution. The Board recommends resolution under Item No. 5 to be passed as ordinary resolution.

**ITEM NO. 6**

The Company has received request in writing from a member of the company proposing candidature of Mr. Akash for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956. The Board feels that presence of Mr. Akash on the Board is desirable and would be beneficial to the company. None of the Directors, except Mr. Akash is concerned or interested in this resolution. The Board recommends resolution under Item No. 6 to be passed as ordinary resolution.

Place: Coimbatore

By order of the Board of Directors,

Date: 30/05/2013

FOR SMS TECHSOFT (INDIA) LIMITED  
[Formerly known as AKL SOFT & INFOSYS (INDIA) LIMITED]

*V. Javalis*

CHAIRMAN

**SMS TECHSOFT (INDIA) LIMITED**  
*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

**DIRECTORS' REPORT**

To,  
The Members of,  
M/s SMS Techsoft (India) Limited

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Accounts for the financial year ended on 31<sup>st</sup> March 2013.

1. <u>Financial Results</u>	(Rs. in lacs)	
Particulars	FY 2012-13	FY 2011-12
Sales	48.50	59.95
Other income	10.80	11.50
Depreciation	14.72	19.52
Other expenses	43.56	49.97
Profit/ Loss before Tax	01.02	01.94
Profit/Loss after Tax	00.55	01.22

During the year company could not achieve reasonable level of growth because of various reasons. Turnover as well as profit of the company has been decreased in comparison to the previous year. The company will try to achieve the performance as previous year in terms of turnover as well as profit in next year by making more initiative in the activities of the company.

2. Sub-division of Equity Shares:

In order to improve liquidity of the Company's Shares in the Stock Market and to make it more affordable to the small investors, existing equity shares of the company of the face value of Rs. 10/- (Rupees Ten) each are sub divided into 10 equity shares each of Rs.1/- (Rupees One) each during the year.

3. Personnel

Your directors' wish to place on record their appreciation for the contribution to growth of the business made by employees at all levels. Information as required pursuant to section 217(2A) of the companies Act, 1956 has not been given, as it is not applicable.

4. Auditors

Mr. K R Shah & Associates, Chartered Accountants, Statutory Auditor of the Company, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

5. Deposits

During the year, Company has not accepted any Deposits falling under Section 58A of Companies Act, 1956.

6. Energy, Technology And Foreign Exchange

The additional information required to be disclosed in terms of notification No.1029 dated 31<sup>st</sup> December, 1998 issued by the Department of Company Affairs, Ministry of Finance is not applicable.

## **SMS TECHSOFT (INDIA) LIMITED**

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### **7. Directors' Responsibility Statement**

Pursuant to Section 217(2A) of Companies Act, 1956, the Directors confirm that:

- i. In the preparation of Annual Accounts, appropriate accounting standard have been followed.
- ii. Appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give true and fair view of state of affairs of the company at the end of financial year ended 31st March, 2013.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Annual Accounts have been prepared on going concern basis.

### **8. Directors:**

Mr. Dashrathkumar Khatri, retires by rotation, and being eligible offer himself for reappointment.

Mr. Peranaidu Siddhiah Devraj is proposed to be appointed as Director at the general meeting under the provisions contained in Section 257 of the companies Act, 1956.

Mr. Dilipbhai Gajjar is proposed to be appointed as Director at the general meeting under the provisions contained in Section 257 of the companies Act, 1956.

Mr. Akash Kadandale is proposed to be appointed as Director at the general meeting under the provisions contained in Section 257 of the companies Act, 1956.

### **9. Report on Corporate Governance**

Compliance Report on Corporate Governance is a part of Annual Report is annexed herewith.

### **10. Acknowledgements**

Your Directors wish to please on record their appreciation of the whole hearted co-operation extended to company from various departments of the central and state governments, company' bankers and financial institutions and employees of the company and look forward for the same cordial relationship in coming years.

**PLACE: COIMBATORE**

**DATE : 30/05/2013**

**FOR AND ON BEHALF OF THE BOARD**

*V. Jaisankar*

**CHAIRMAN**

## SMS TECHSOFT (INDIA) LIMITED

Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED

### REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) constituted the Committee on Corporate Governance to promote and raise the standard of Corporate Governance of listed companies. The Committee has made recommendation on the composition of the board of directors, audit committee, board procedure etc.

The company has taken necessary steps to comply with the clause of 49 of the revised Listing Agreement given below is the repost of the Directors on the Corporate Governance.

#### REPORT ON CORPORATE GOVERNANCE

##### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company believes in functioning in a transparent manner with the basic philosophy being to enhance the Shareholder value, keeping in mind the needs and interest of other stakeholders, in compliance thereof. The following information is placed before the shareholders.

##### 1. BOARD OF DIRECTORS

Name of Director	Category	No. of Board Meeting	Attended	Last AGM Attendance
Mr. V. Jagadish	Mg. Director	4	4	Yes
Mr. Akash Kadandale	Promoter director	4	4	Yes
Mr. Peranaidu Devraj	Non executive Independent Director	4	4	Yes
Mr. Dilipbhai J. Gajjar	Non Executive Independent Director	4	4	No
Mr. Dasharathkumar K. Khatri	Non Executive Independent Director	4	4	No

No Directors are having Chairmanship of more than five companies where they are director.

Name of Director	Other Directorship (No. of Company)
Mr. V. Jagadish	1
Mr. Akash Kadandale	-
Mr. Peranaidu Devraj	4
Mr. Dilipbhai Gajjar	1
Mr. Dashrathkumar Khatri	-

In line with the requirements of the code of the corporate governance, the board of directors comprises of five members. However, Your Company is trying its level best to accomplish the revised clause-49 of listing agreement.

Company does not have any system of payment of remuneration to independent Directors.



## **SMS TECHSOFT (INDIA) LIMITED**

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Further during the year, meeting of Board of Directors was held 4 times.

A declaration signed by Shri V. Jagadish, Managing Director of the company according compliance of sub-Clause (1D) of Clause 49 of the listing Agreement is attached herewith forming part of his Annual Report.

### **2. AUDIT COMMITTEE**

Presently the company has Five Directors. The company has independent audit committee which submit its report to the management on monthly basis and action is taken on the same by the Managing Director on regular basis.

Pursuant to the revised clause 49 of the listing agreement, the company has appointed Audit committee consisting of followings:

- |                               |            |
|-------------------------------|------------|
| (i) Mr. Akash Kadandale       | - Chairman |
| (ii) Mr. Dashrathkumar khatri | - Member   |
| (iii) Mr. Dilipbhai Gajjar    | - Member   |

The scope of committee includes.

- Review of company's financial reporting process and the financial statement.
- Review internal control systems and functioning of internal audit process.
- Post audit review with statutory auditors.

During the year under review, Audit committee met four times where all the members attended meetings.

### **3. REMUNERATION COMMITTEE**

No remuneration was paid to directors during the year. No sitting fees are payable to any Director.

Remuneration committee consisting following:

- |                                |           |
|--------------------------------|-----------|
| (i) Mr. Peranaidu Devraj       | -Chairman |
| (ii) Mr. Akash Jagdish         | -Member   |
| (iii) Mr. Dashrathkumar Khatri | -Member   |

### **4. SHAREHOLDERS' COMMITTEE**

The company has complied the requirement of the sub clause VI (A), (B) of the clause 49 of the Listing agreement.

The composition of shareholders cum investors' grievance committee was as follows:

- |                           |            |
|---------------------------|------------|
| (i) Mr. Akash Kadandale   | - Chairman |
| (ii) Mr. Peranaidu Devraj | - Member   |

## **SMS TECHSOFT (INDIA) LIMITED**

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During the year, the company and their Registrar and Share Transfer Agents M/s Sharepro services India Pvt. Ltd. has not received any complaints. It is policy of the company to give reply of shareholders complaint within the time frame prescribed by the SEBI/Stock Exchanges.

The Share received for transfer is approved on 15<sup>th</sup> and 30<sup>th</sup> of the each month and are given effect by the Registrar and Share Transfer Agent.

M/s. Sharepro services India Pvt. Ltd. was appointed as common Agent for electronic as well as physical share transfer work.

### **5. GENERAL BODY MEETING:**

Date	Type	Time	Location
30/09/2010	AGM	10.00 AM	325, Patel road, Ram Nagar, Coimbatore, Tamil Nadu. 641009.
30/09/2011	AGM	10.00 A.M.	
28/09/2012	AGM	10.00 A.M.	

There were no special resolutions passed by the company through postal ballot at any of the above annual general meeting.

### **6. DISCLOSURES:**

- (A) During the year under review, the quarterly unaudited results were taken on record by the Board of Directors at the end of month of respective quarter. However in terms of clause 41 of Listing Agreement, the same were furnished to the concerned stock exchanges within the stipulated time.
- (B) Company has followed accounting standards diligently.
- (C) Further, company is in the process of lying down risk assessment system.
- (D) Further, company has not received any funds through capital market during the year.
- (E) Transaction with related parties have been properly disclosed in notes to accounts and discussed at length by audit committee.
- (F) Management discussion and analysis report is attached to and forms part of this report.
- (G) Further, Shri V. Jagadish, Managing Director of the company as certified to board of directors of the company regarding compliance of sub-clause (v) of clause 49 of listing agreement.

## **SMS TECHSOFT (INDIA) LIMITED**

*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

### **7. MEANS OF COMMUNICATION:**

The means of communication between the Shareholders and company are transparent and investor friendly. Steps are being taken to display the corporate results on the EDIFAR & Corporate website, which is being developed.

### **8. GENERAL SHAREHOLDERS' INFORMATION**

Annual General Meeting: Date: 30/09/2013  
(Date, Time & Venue) Time: 10.00 a.m.  
Venue: 325, Patel Road,  
Ramnagar,  
Coimbatore- 641009.

Financial Year 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013

Dates of Book Closure From 24<sup>th</sup> Sept. 2013 to 30<sup>th</sup> Sept. 2013  
(Both days inclusive)

Dividend Payment Date No Dividend recommended.

### **9. LISTING OF STOCK EXCHANGE:**

The Bombay Stock Exchange Limited - 531838  
The Coimbatore Stock Exchange Limited - --

### **10. MARKET PRICE DATA AT BOMBAY STOCK EXCHANGE LIMITED:**

<b>MONTH</b>	<b>HIGH (RS.)</b>	<b>LOW (RS.)</b>
April, 2012	3.84	2.95
May, 2012	3.01	2.32
June, 2012	4.67	2.18
July, 2012	5.93	3.88
August, 2012	3.89	3.20
September, 2012	4.45	3.06
October, 2012	5.59	3.88
November, 2012	0.63	0.39
December, 2012	0.52	0.40
January, 2013	0.61	0.39
February, 2013	0.57	0.38
March, 2013	0.61	0.48

**SMS TECHSOFT (INDIA) LIMITED**  
*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

**11. DISTRIBUTION PATTERN AS ON THE 31<sup>ST</sup> MARCH, 2013:**

	<b>No of Shares</b>	<b>Percentage</b>
Promoters and Relatives	17480000	4.99
Banks/ FII/ FI	0	0
Public	326185274	93.04
Body Corporate	6906726	1.97
NRI	0	0
<b>Total</b>	<b>350572000</b>	<b>100.00</b>

**12. REGISTRAR AND SHARE TRANSFER AGENT:**

M/s. Sharepro services India Pvt. Ltd.  
13 AB, Samhita Warehousing Complex,  
Sakinaka Telephone Exchange Lane,  
Kurla, Andheri Road, Sakinaka,  
Mumbai - 400 072  
Tele : 022- 67720300  
Fax: 022-2850892

**13. SHARE TRANSFER SYSTEM:**

The share transfer work is handled by registrar and transfer agent for the company. Share Transfers are registered and dispatched within a period of thirty days from the date of the lodgments if the transfer documents are correct and valid in all respects.

**14. DEMATIRIALISATION OF SHARES:**

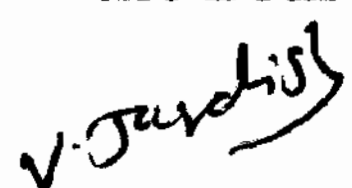
Outstanding GDRs/ADRs/Warrants or any Convertibles : N.A.  
instruments and conversion date and likely impact on Equity

Address for Correspondence : 325, Patel Road,  
Ram Nagar  
Coimbatore  
Tamil Nadu-641009.

350140000 equity shares out of 350572000 Equity shares of the company have been dematerialized as at 31<sup>st</sup> March, 2013 representing 99.87% of total paid-up capital of the company.

**For and On behalf of the Board of Directors**

Date : 30/05/2013  
Place : Coimbatore

  
**( Mr. V. Jagadish )**  
**Managing Director**

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
SMS TECHSOFT (INDIA) LIMITED  
*[Formerly known as AKL soft & Infosys (India) Limited]*

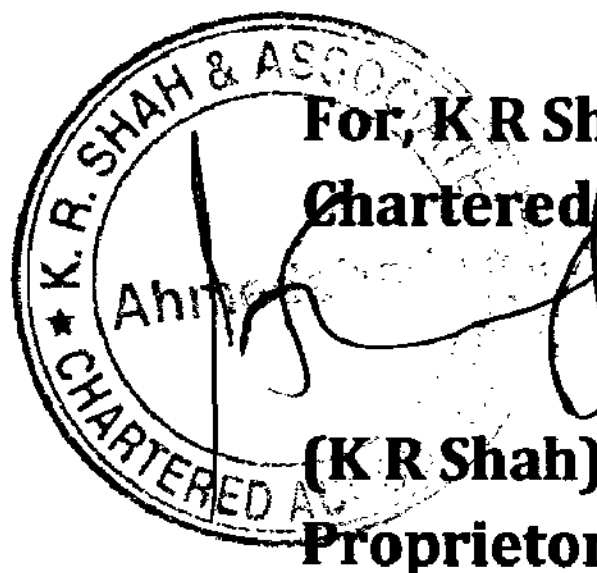
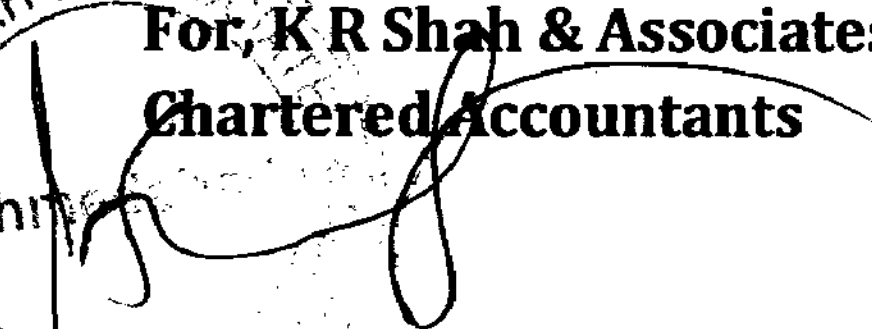
We have examined the compliance of the conditions of corporate Governance by **SMS TECHSOFT (INDIA) LIMITED** *[Formerly known as AKL Soft & Infosys (India) Limited]* for the year ended on March 31, 2013, as stipulated in Clause 49 of the listing Agreements of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of the opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place : Ahmedabad**  
**Date : 30/05/2013**

  
**For, K R Shah & Associates**  
**Chartered Accountants**  
  
**(K R Shah)**  
**Proprietor**

**SMS TECHSOFT (INDIA) LIMITED**  
*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

**MANAGEMENT DISCUSSION AND ANALYSIS**

**1. Overall Review:**

The overall performance during the financial year 2012-13 has been satisfactory.

**2. Financial Review:**

Total turnover for the year ended 31<sup>st</sup> March, 2013 was Rs. 59.30 lakhs. This decrease was mainly on account of losses incurred in manufacturing process and sales which was happened because of crisis in the economy. The company will work upon the same to get a reasonable level of growth in the imminent years.

**3. Internal Control System and their adequacy:**

Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or deposition.

**4. Business Environment:**

The Performance of the company for the year under review was satisfactory.

**5. Risk and Concern:**

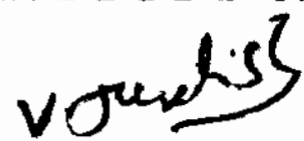
The building, plant and machinery, vehicle and stocks of the company are adequately insured.

**6. Cautionary Statement:**

Statements in this report on management Discussion and analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Important factors that could make a different to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations. The Company assumes no responsibilities in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information of event.

Place: Coimbatore  
Date : 30/05/2013

**BY ORDER OF THE BOARD OF DIRECTORS**  
**For, SMS TECHSOFT (INDIA) LIMITED**  
**(Formerly Known as AKL SOFT & INFOSYS (INDIA) LTD)**

  
**(Mr. V. Jagadish)**  
**Chairman**

**SMS TECHSOFT (INDIA) LIMITED**  
*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

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**CERTIFICATION BY MANAGING DIRECTOR TO THE BOARD**

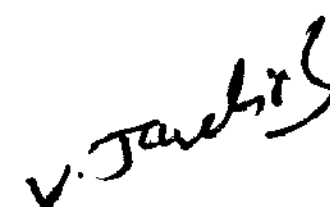
I, Mr. V. Jagadish, Managing Director of the **SMS TECHSOFT (INDIA) LIMITED**  
*[Formerly known as AKL Soft & Infosys (India) Limited]* certify that:

1. I have reviewed the financial statements for the year and that to the best of my knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b. These statements give a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. These are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. I accept overall responsibility for the company's internal control system and financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all the levels of management and statutory auditors and reports significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
4. I indicate to the auditors and to the audit committee:
  - a. Significant changes in internal control over financial reporting during the year.
  - b. Significant changes in accounting policies during the year;
  - c. Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

However, during the year there were no such changes or instances.

**Date :** 30/05/2013

**Place :** Coimbatore



**Mr. V. jagdish**  
**Managing Director**

**SMS TECHSOFT (INDIA) LIMITED**  
*Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED*

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**DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR ABOUT CORPORATE GOVERNANCE**

I, Mr. V. Jagadish , Chairman & Managing Director of **SMS TECHSOFT (INDIA) LIMITED** [*Formerly known as AKL Soft & Infosys (India) Limited*] hereby confirm pursuant to clause 49(1)(d) of the listing agreement that:

1. The board of directors of SMS Techsoft (India) Limited [*Formerly known as AKL Soft & Infosys (India) Limited*] has laid down a code of conduct has been placed on the company's website.
2. All the members of the board as well as senior management personal have complied with the said code of conduct for the year ended 31<sup>st</sup> March 2013.

**Place:** Coimbatore

**Date:** 30/05/2013

  
(Mr. V. Jagadish)

**Chairman & Managing Director**



## **Independent Auditor's Report**

To the Members of  
SMS Techsoft (India) Limited,  
*[Formerly known as AKL soft & Infosys (India) Limited]*  
Coimbatore

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. SMS Techsoft (India) Limited which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments,

the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the statement Profit and Loss, of the "Profit" for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by the companies ("Auditor's Report) (Amendment) order, 2004 (together the "order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

- C. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement read together with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**PLACE: AHMEDABAD**  
**DATE: 30/05/2013**

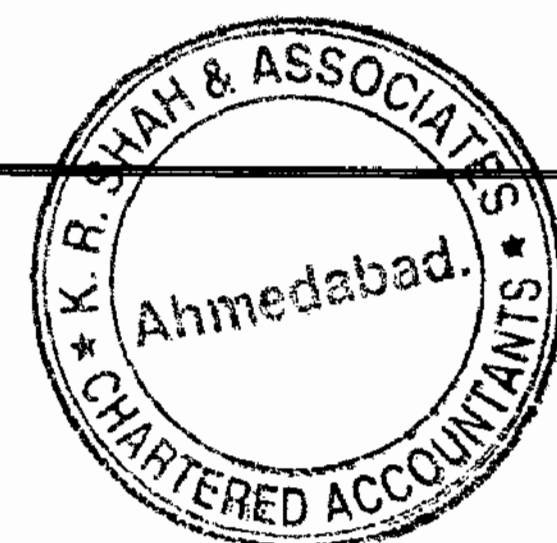
**For, K R Shah & Associates**  
**Chartered Accountants**

**Sd/-**  
**Mr. K R shah**  
**(Proprietor)**  
**Membership No.34612**

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR AUDITORS REPORT OF EVEN  
DATE OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013**

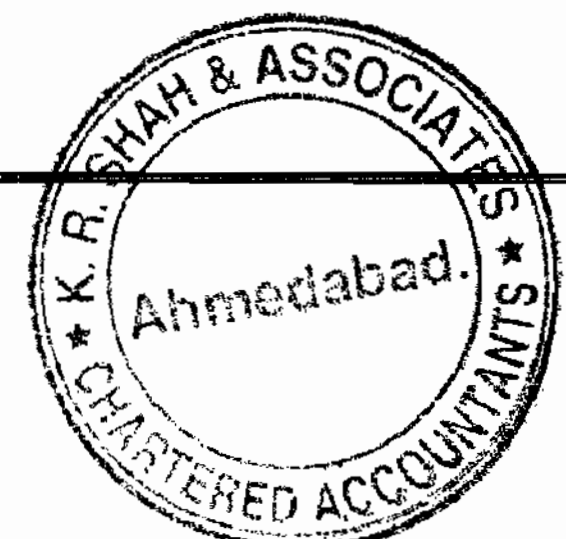
On the basis of such checks as we considered appropriate and the terms of the information and explanations given to us, we state that:

1. (a) The Company has maintained proper records showing full particulars including quantitative and situation of fixed assets.  
(b) As explained to us fixed assets are not physically verified by the management at reasonable intervals in a phased verification program, which in our opinion is not reasonable looking to the size of the company and the nature of its business.  
(c) In our opinion, the company has not disposed off any substantial part of its fixed assets so as to effect in it going concern.
2. The Company does not hold any stocks of finished goods, stores, spare parts, work-in-progress or raw materials. Hence the question of physical verification, reconciliation, maintenance or records, discrepancies or valuation does not arise.
3. In respect of loans, secured or unsecured, granted or taken by the company to from companies, firms, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.  
(a) The company has not granted or taken any loans secured or unsecured to companies, firms or other parties cover in the register maintained under Section 301 of the Companies Act, 1956 during the year.  
(b) In our opinion and according to the information and given to us, the rate of interest, whenever applicable and other terms and conditions in respect of loans given taken by the company are not prima facie prejudicial to the interest of the company.  
(c) In respect of loans taken by the company, these are repayable on demand and therefore the question of overdue amounts does not arise.
4. In our opinion and according to the information and given to us, there are adequate internal control procedures commensurate with the size of company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods. During the course of audit, no major weakness in internal control had come to notice.
5. (a) On the basis of the audit procedure performed by us, and according to the information and explanations given and representations given to us, we are of the opinion that, there were no transactions in which directors were interested as contemplated under Section 297 and sub- section (6) of Section 299 of the Companies Act, 1956 and so question of making entries in the register maintained under Section 301 of the said Act, does not arise.



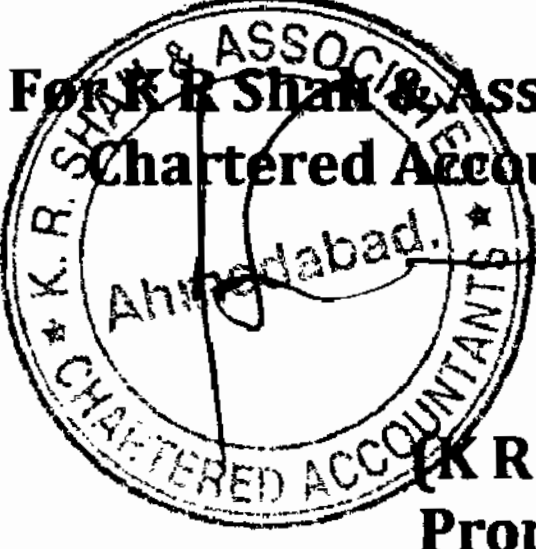
(b) In our opinion and according to the information and explanations given to us, there were no transactions made in pursuance of contracts or arrangements exceeding the value of rupees five lacs during the year, so the question of making entries in the Register maintained u/s 301, do not arise.

6. The company has not accepted any deposit from public cover u/s 58A of the Companies Act 1956 read along with companies (Acceptance of deposits) rules 1973 and the directive issued by the Reserve Bank of India.
7. The Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the products of the company.
9. According to the information and explanations given to us no disputed amounts payable in respect of Income Tax, Sales tax, Custom duty and Excise duty were outstanding as at 31<sup>st</sup> March, 2013 except the following:
10. The Company has accumulated losses but incurred profit both at the end of the financial year and in the immediately preceding year.
11. On the basis of the records examined by us and the information and explanation given to us, the company has not defaulted in payment of dues to financial institutions, banks or debenture holders.
12. As examined to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures, or any other .
13. In our opinion, the company is not a chit fund or a nidhi fund/mutual benefit fund / society. Therefore, clause 4(xiii) of the Companies (Auditor's Report order 2003 is not applicable.
14. In our opinion and according to the information and explanation given to us, the Company is not dealing in or trading in respect of shares, securities debentures and other investments. According to the provision of clause 4 (xiv) of the companies (Auditor Report) order 2003 are not applicable to the company.
15. According to the information and explanation given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
16. The company has not raised any term loan during the year under review.
17. According to the information and explanation given to us and on overall examination of the financial statements of the company and after placing reliance on the reasonable assumption made by the company for classification of long term and short term usage's of funds, we are of the opinion that, prima-facie, long term funds have not been utilized for short term purposes.
18. The companies have not made preferential allotment during the year
19. The Company has not issued any debentures.
20. The Company has not issued any money by way of public issue, during the year.



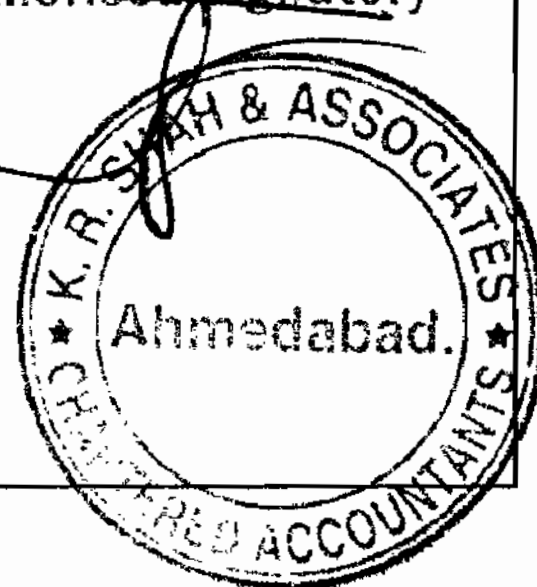
21. According to the information and explanation given to us, and to the best of our knowledge and benefit, no fraud on or by the Company, has been noticed or by the company, during the year that causes the financial statements to be materially misstated.

**Place: Ahmedabad**  
**Date: 30/05/2013**

**For K R Shah & Associates**  
**Chartered Accountants**  
  
**(K R Shah)**  
**Proprietor**  
**Mem No**

**SMS TECHSOFT (INDIA) LIMITED.**

**FORM A**

1.	Name of the Company	SMS Techsoft (India) Limited
2.	Annual financial statements for the year ended.	31 <sup>st</sup> March, 2013.
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	N.A.
5.	To be Signed by- <ul style="list-style-type: none"><li>• CEO/MD</li><li>• CFO</li><li>• Auditor of the company</li><li>• Audit committee chairman</li></ul>	<p align="center"><del>For SMS TECHSOFT (INDIA) LTD.</del> <i>v. janki</i> Director / Authorised Signatory</p> <p><i>K. R. Shah</i></p> 

## **Significant Accounting Policies**

### **(1) Basis of Preparation of Financial Statements**

- (a) The Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these Financial Statement to comply in all material aspects with the notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.
- (b) The Company follows mercantile system of accounting, unless stated otherwise.
- (c) The Accounts are prepared on the historical basis and on the Accounting Principles of on Going Concern.
- (d) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted Accounting Principles. In applying Accounting Policies, consideration has been given to Prudence, Substance over form and Materiality.
- (e) Expenses and Income considered payable and receivable respectively are generally accounted for on Accrual Basis.

### **(2) Change in Accounting Policy**

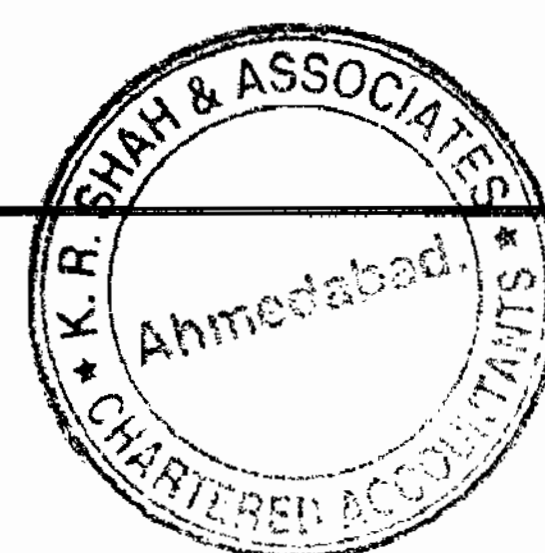
Presentation and Disclosure of the Financial Statements during the year ended on 31<sup>st</sup> March, 2013 the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company, for preparation and presentation of its Financial Statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of Financial Statements. However it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

### **(3) Use of Estimates**

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognizes in the period in which the results are known / materialized.

### **(4) Fixed Assets, Method of Depreciation, Amortization and Impairment**

- (a) The Gross Block of Assets is shown at the Cost, which includes taxes, duties and other identifiable, direct expenses which are attributable to acquisition of fixed assets and other direct expenses and overheads incurred up to date on which such assets were first put to use less accumulated depreciation and impairment loss.
- (b) Expenditure incurred during Construction / Erection period is included under Capital Work-in-Progress and allocated to the respective Fixed Assets on Completion of Construction / Erection.





- (c) Depreciation has been provided in the books on WDV method basis at the rate and the method as specified under schedule XIV to the Companies Act, 1956.
- (d) The company evaluates impairment of losses on the Fixed Assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired, the impairment loss is then recognized for the amount by which the carrying amount of the assets exceeds recoverable amount, which is the higher of an assets net selling price and value in use.

**(6) Employee Benefits**

Contribution to the Provident Fund, Pension Fund, Other Funds and Leave encashment paid during the year are being charged to Profit & Loss Account.

**(7) Investments**

Long Term Investments are stated at Cost. Provision for diminution in the value of Long Term Investments is made only if such a decline is other than temporary in the opinion of the Management.

**(8) Accounting for Taxes on Income**

Income Tax expenses comprises of Current Tax, Deferred Tax Charge or Credit. Provision for Current Tax is made with reference to Taxable Income Computed for the Accounting period, for which the Financial Statements are prepared and applying the tax rates as applicable.

**(9) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as result of past events and it is probable that there will be an outflow of resources.

**(10) Revenue Recognition**

- (a) Revenue recognized when it is earned and no significant uncertainty exists as to its realization or collection and is recorded on gross value including CENVAT and VAT.
- (b) Revenue from Job work income is recognized on delivery of the products, when all significant contractual obligations have been satisfied.
- (c) Other income is accounted on accrual basis.

**(11) Earnings per Share**

The company reports Basic and Diluted Earnings per Share (EPS) in accordance with Accounting Standards – 20 on Earnings per Share.

Basic Earnings per share are calculated, by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted Earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the period. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period, except where the results are anti-dilutive.



**(12) Segment Information**

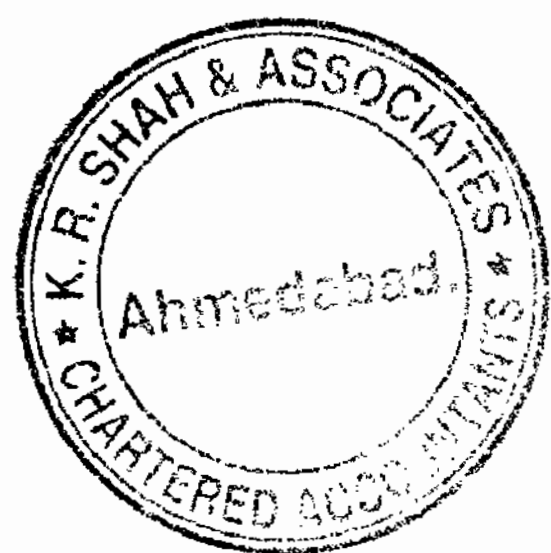
The company is primarily engaged in a single segment business of providing Information Technology related services..

**(13) Leases**

Land subject to operating leases is included under Fixed Assets. Rent (Lease) payment is recognized in the profit & loss account on a payment basis over the lease term.

**(14) CENVAT Treatment**

- (a) Revenue from operations and Cost of Materials Consumed are inclusive of Excise Duty Levied. The excise duty paid net of CENVAT claimed is accounted separately.
- (b) Unutilized balance of CENVAT claimable at the yearend has been accounted and disclosed separately under the head "Short Term Loans and Advances" and the CENVAT component at the yearend inventories has been adjusted accordingly.

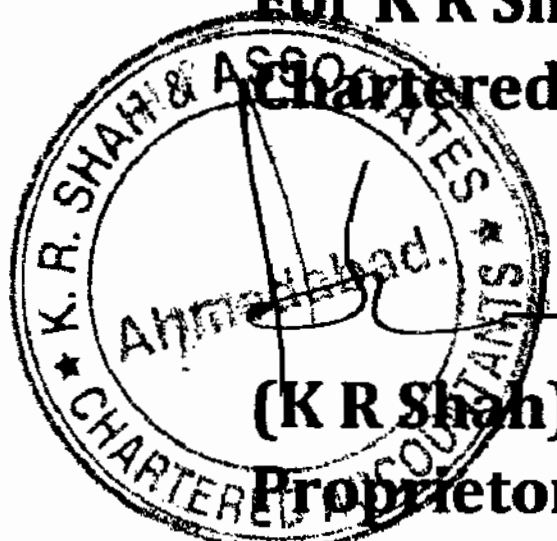


**SMS TECHSOFT (INDIA) LIMITED**  
[Formerly known as AKL Soft & Infosys (India) Limited]

**Balance Sheet as at 31st March, 2013**

	Note	2012-13	2011-2012
<b>I. EQUITY and LIABILITIES</b>			
Shareholders' Funds			
(a) Share Capital	1	350,572,000	350,572,000
(b) Reserves and Surplus	2	-6,827,775	-6,883,685
<b>NON CURRENT LIABILITIES</b>			
(a) Long Term Borrowings		0	0
(b) Other Long Term Liabilities	3	109,853	109,853
(b) Deferred Tax Liabilities (Net)		10,500	10,500
<b>Current Liabilities</b>			
(a) Short Term Borrowings		0	0
(b) Trade Payables		0	0
(c) Other Current Liabilities		0	0
(d) Short Term Provisions		63,000	63,000
<b>TOTAL- I</b>		<b>343,927,578</b>	<b>343,871,668</b>
<b>II- ASSETS</b>			
Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	4	316,107,363	317,579,953
(ii) Capital work in progress		2,495,538	2,495,538
(b) Non Current Investments		0	0
(c) Long Term Loans & Advances	5	17,345,048	17,345,048
(d) Other Non Current Assets	6	2,389,416	2,389,416
<b>Current Assets</b>			
(a) Inventories		0	0
(b) Trade Receivables		0	0
(c) Cash & Cash Equivalants	7	5,590,213	4,061,713
(d) Short Term Loans & Advances			0
<b>TOTAL- II</b>		<b>343,927,578</b>	<b>343,871,668</b>

For K R Shah & Associates  
Chartered Accountants



(K R Shah)  
Proprietor (Mem. No.  
Place- Ahmedabad  
Date: 30/05/2013

For SMS TECHSOFT (INDIA) LIMITED  
Formerly known as AKL Soft & Infosys (India)  
Limited

*V. Jurekish*

Director

*K. S. Aahar*

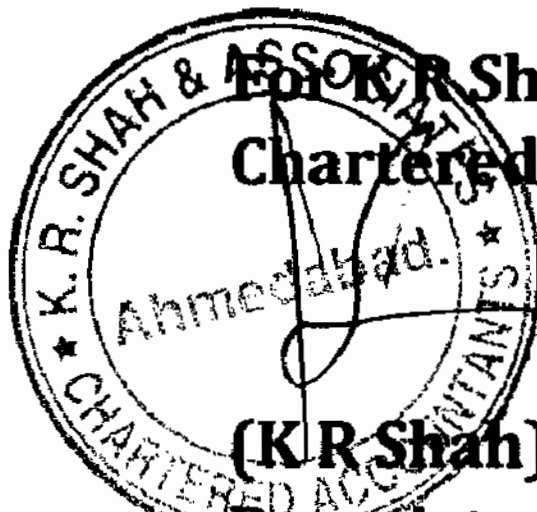
Director

Place: Coimbatore  
Date: 30/05/2013

**SMS TECHSOFT (INDIA) LIMITED**  
Formerly known as AKL Soft & Infosys (India) Limited

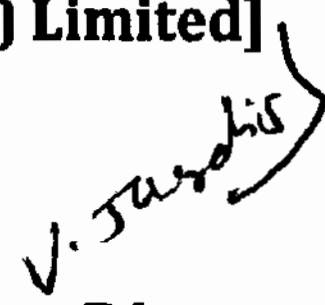
**Statement of Profit & Loss Account for the year ended on 31st March, 2013**

	Note	2012-13	2011-2012
<b>TOTAL INCOME</b>			
Revenue form Operations	8	4,850,000	5,995,005
Other Income		1,080,000	1,150,000
<b>TOTAL INCOME (I +II)</b>		<b>5,930,000</b>	<b>7,145,005</b>
<b>EXPENSES</b>			
(a) Cost of Materials consumed		0	0
(b) Purchase of Stock in Trade		2,796,000	0
(c) Change in inventory of finished goods, stock in trade and work in progress			0
(d) Employee Benefit Expenses		1,250,000	3,747,931
(e) Other Expenses	9	310,000	1,250,007
Finance Cost		0	0
Depriciation and amortisation	4	1,472,590	1,952,919
<b>TOTAL EXPENSES</b>		<b>5,828,590</b>	<b>6,950,857</b>
Profit before Exceptional Items and Extraordinary Items and Tax		101,410	194,148
Exceptional Items		0	0
Profit before Extraordinary Items & Tax		101,410	194,148
Extraordinary Items		0	0
<b>Profit before Tax</b>		<b>101,410</b>	<b>194,148</b>
Tax Expenses			
(1) Current Tax		35,000	61,650
(2) Deferred Tax		10,500	10,500
<b>Profit for the period</b>		<b>55,910</b>	<b>121,998</b>
Earning per Equity Shares			
(1) Basic		0	0
(2) Diluted		0	0

  
**K.R. Shah & Associates**  
**Chartered Accountants**  
**(K.R. Shah)**  
**Proprietor**  
**Mem. No.**

**Place : Ahmedabad**  
**Date : 30/5/2013**

**For SMS TECHSOFT (INDIA) LIMITED**  
**[Formerly known as AKL Soft & Infosys**  
**(India) Limited]**

  
**Director**

  
**Director**

**Place : Coimbatore**  
**Date : 30/5/2013**

**SMS TECHSOFT (INDIA) LIMITED**  
Formerly known as AKL Soft & Infosys (India) Limited

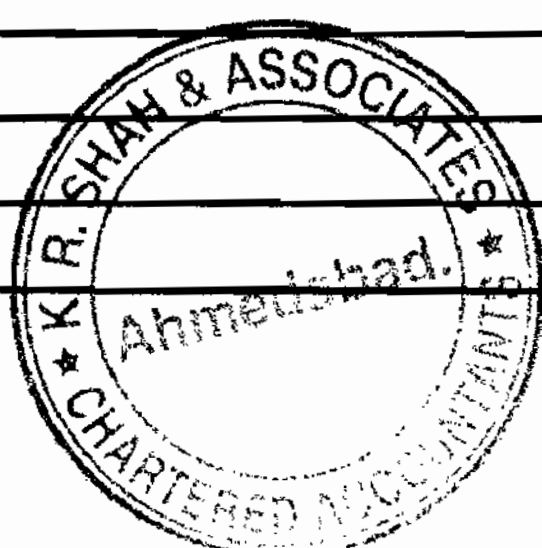
NOTE	Particulars	2012-13	2011-2012
1.1	<b>Share Capital</b>	(Rs.)	(Rs.)
	<b>Authorised Share Capital</b>		
	35,50,00,000 equity shares of Rs. 1/- each	355,000,000	355,000,000
	<b>Issued, Subscribed &amp; paid up Share Capital</b>	350,572,000	350,572,000
	35,05,72,000 equity shares of Rs. 1/- each fully paid up		
<i>Note: In previous year, Face value of each share was Rs. 10/- per share.</i>			
<i>In Previous AGM held on 28th September, 2012, by passing Special Resolution, Company has splitted face value of each share from Rs. 10/- per share to rs. 1/- Per share.</i>			

1.2	Reconciliation of Share Capital	2012-13	2011-12
	<b>Particulars</b>	<b>Equity Shares of Rs. 1/- each</b>	<b>Equity Shares of Rs. 10/- each</b>
	Opening balance	350,572,000	5,057,200
	Add: Addition during the year	0	30,000,000
	Closing Balance	350,572,000	35,057,200

1.3	Shares in the Company held by other Company	Equity Shares of Rs. 1/- each	Equity Shares of Rs. 10/- each
	<b>Particulars</b>		
	NIL	0	0

1.4	Shareholders holding more than 5% of shares	2012-13	2011-12
	NIL	0	0

1.5	Aggregate no. of shares for the last five years	No. of Equity Shares	Amount (Rs.)
	<b>2007-08</b>		
	Authorised Share Capital (of Rs. 10/- each)	5,500,000	55,000,000
	Issued, Subscribed & Paid up Capital	5,057,200	27,902,250
	Equity shares of Rs. 10/- each fully paid	1,973,100	19,731,000
	Equity shares of Rs. 10/- each Partly paid of Rs. 2.5	2,899,700	7,249,250
	Equity shares of Rs. 10/- each partly paid of Rs. 5/-	184,400	922,000
	<b>2008-09</b>	5,057,200	27,902,250
	<b>2009-10</b>	5,057,200	27,902,250
	<b>2010-11</b>	5,057,200	50,572,000
	Issued, Subscribed & Paid up Capital		



5057200 equity shares of Rs. 10/- each fully paid	5,057,200	50,572,000
<b>2011-12</b>	<b>35,057,200</b>	<b>350,572,000</b>
350572000 Equity shares of Rs. 1/- each fully paid	350,572,000	350,572,000

<b>1.6</b>	<b>Amount of Unpaid Calls by</b>		
	<b>Particulars</b>	<b>2012-13</b>	<b>2011-12</b>
	Directors	0	0
	Officers	0	0

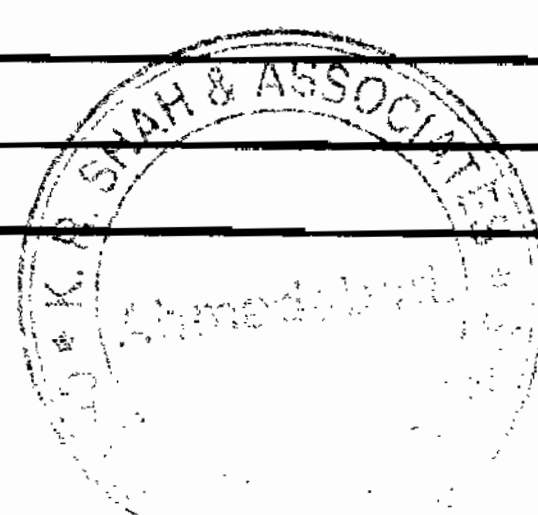
<b>1.7</b>	The Company has only one class of equity shares at par value of Rs. 1/- per share. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the share holders.
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<b>2</b>	<b>Reserves &amp; Surplus</b>	<b>2012-13</b>	<b>2011-12</b>
	Capital Reserve	0	0
	Capital Redemption Reserve	0	0
	Security Premium Reserve	0	0
	Debenture Redemption Reserve	0	0
	Revaluation Reserve	0	0
	Share Options Outstanding Account	0	0
	Other Reserve	0	0
	Surplus: Balance as per last balance sheet	-6,883,685	-7,005,683
	Preliminary Expense	0	0
	Public Issue Expense	0	0
	Add: Profit for the year	55,910	121,998
	<b>TOTAL RS.</b>	<b>-6,827,775</b>	<b>-6,883,685</b>

<b>3</b>	<b>Other Long Term Liabilities</b>	<b>2012-13</b>	<b>2011-12</b>
	Sundry Creditors	109,853	109,853

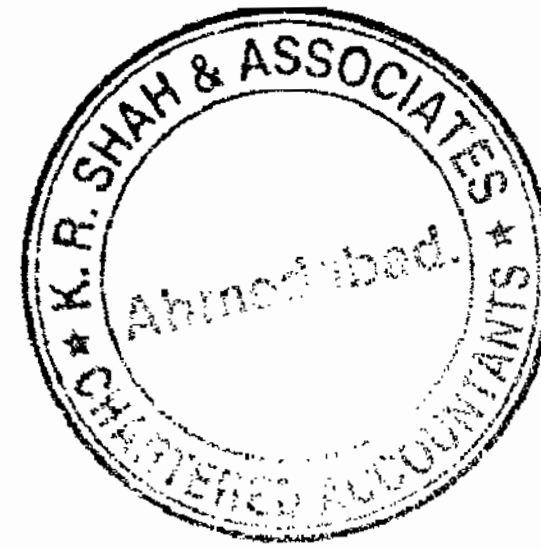
<b>5</b>	<b>Long Term Loans &amp; Advances</b>	<b>2012-13</b>	<b>2011-2012</b>
	Unsecured and considered doubtful		
	Advance recoverable in cash or kind or for the value to be received	8,209,536	8,209,536
	Advance towards capital items	8,946,000	8,946,000
	Sundry Deposits	189,512	189,512
	<b>TOTAL RS.</b>	<b>17,345,048</b>	<b>17,345,048</b>

<b>6</b>	<b>Other Non Current Assets</b>	<b>2012-13</b>	<b>2011-2012</b>
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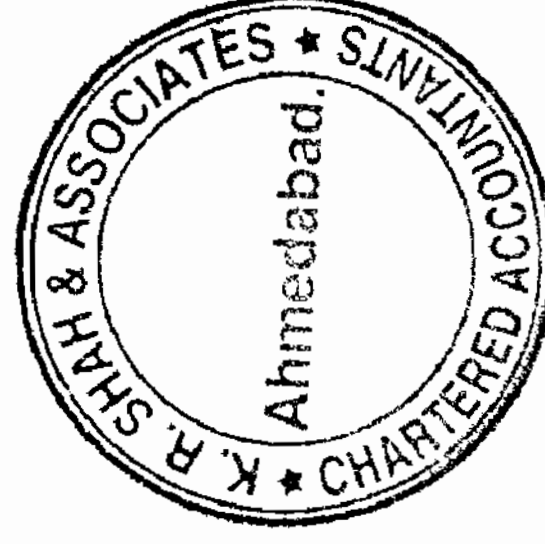
	Unsecured and considered doubtful- more than 6 months	2,389,416	2,389,416
	Others	0	0
	TOTAL RS.	2,389,416	2,389,416

7	Cash & Cash Equivalents	2012-13	2011-2012
	Cash Balance	1,264,001	2,956,713
	Bank Balance	4,326,212	1,105,000
	TOTAL RS.	5,590,213	4,061,713



**SCHEDULE-4 FIXED ASSETS**

PARTICULATS	GROSS BLOCK			DEPRICIATION			NET BLOCK		
	Cost as on 01/04/2012	Additions	Disposal	Total 31/03/2012	Upto 31/03/2012	For the Year	Total as on 31/03/2013	As on 31/03/2013	As on 31/03/2012
Land	301,321,604	0	0	301,321,604	0	0	0	301,321,604	301,321,604
Building	10,000,000	0	0	10,000,000	1,039,450	448,027	1,487,477	8,512,523	8,960,550
Plant & Machinery	7,600,000	0	0	7,600,000	3,677,226	545,658	4,222,884	3,377,116	3,922,774
Equipments	5,069,750	0	0	5,069,750	1,879,617	443,747	2,323,364	2,746,386	3,190,133
Vehicle	375,623	0	0	375,623	304,360	18,450	322,810	52,813	71,263
Computer	216,620	0	0	216,620	140,238	10,625	150,863	65,757	76,382
UPS	26,500	0	0	26,500	11,126	3,075	14,201	12,299	15,374
Air Conditioner	37,500	0	0	37,500	15,627	3,008	18,635	18,865	21,873
<b>TOTAL</b>	<b>324,647,597</b>	<b>0</b>	<b>0</b>	<b>324,647,597</b>	<b>7,067,644</b>	<b>1,472,590</b>	<b>8,540,234</b>	<b>316,107,363</b>	<b>317,579,953</b>

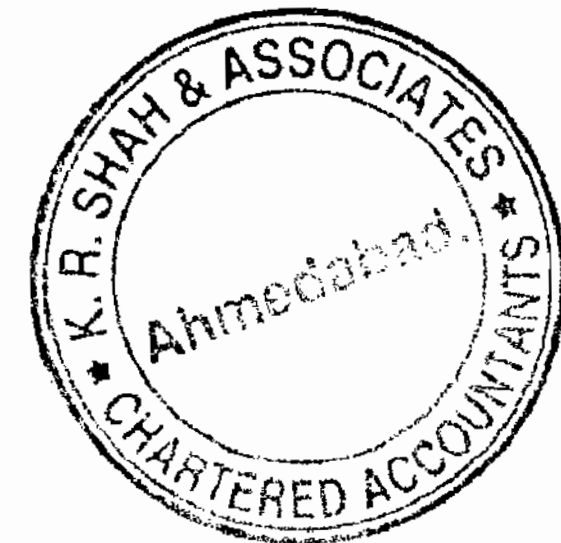




**SMS TECHSOFT (INDIA) LIMITED**  
Formerly known as AKL Soft & Infosys (India) Limited

NOTE	Particulars	31/03/2013	31/03/2012
<b>8</b>	<b>Revenue from Operation</b>		
	Project Income	4,850,000	5,592,185
	Other Income	1,080,000	402,820
	TOTAL Rs.	5,930,000	5,995,005

9	Other Expense	31/03/2013	31/03/2012
	Audit Fees	5,000	10,500
	Legal Expenses	25,830	35,742
	Machinery Repair Expense	7,500	22,895
	Vehicle Maintenance	19,786	74,358
	Vehicle running Expense	40,000	12,805
	Miscellaneous Expenses	25,000	848,598
	Power & Fuel	45,804	81,890
	Telephone & Internet Expense	28,500	36,750
	Printing & Stationery	25,000	38,975
	Postage & Courier	7,500	10,500
	Business Promotion Expense	55,080	76,994
	AGM expenses	25,000	0
	TOTAL Rs.	310,000	1,250,007

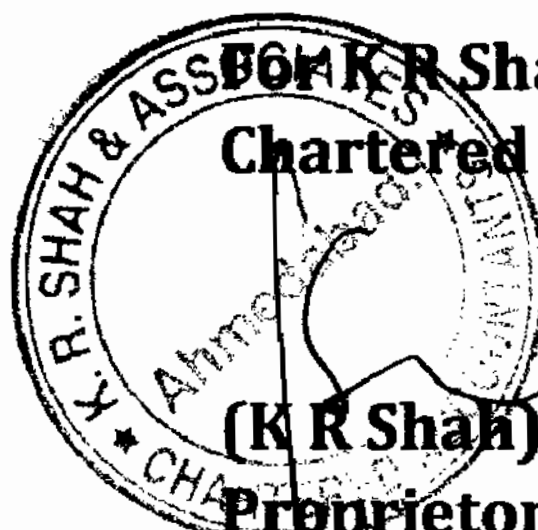


**SMS TECHSOFT (INDIA) LIMITED**  
Formerly known as AKL Soft & Infosys (India) Limited

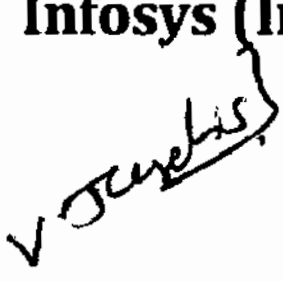
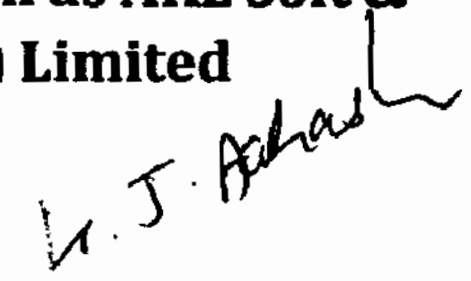
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2013**

Amount in Rs.

PARTICULARS	31/03/2013	31/03/2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	101410	121998
Adjustment for		
(a) depreciation	1472590	1952919
(b) Financial & Interest charges		0
<b>Operating profit before working capital changes</b>	1574000	2074917
Adjustment for changes in working capital		
(c) sundry creditors		0
(d) sundry debtors		0
(e) loan advances and current assets		0
<b>Cash generated from operations</b>	938	1172819
(f) taxes paid	45500	-72150
<b>Cash flow from operating activities -A</b>	1620438	3175586
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
(g) purchase on fixed assets	0	-300000000
(h) capital work in progress	0	0
<b>Net Cash used in investing activities -B</b>	0	-300000000
<b>C CASH FLOW FROM FINANCE ACTIVITIES</b>		
(i) increase in capital	0	300000000
(j) Financial & Interest Charges	0	-1036319
<b>Net Cash Flow from Financing Activities -C</b>	0	298963681
<b>Net increase/decrease in cash &amp; cash equivalents (A+B+C)</b>	<b>1620438</b>	<b>2139267</b>
<b>Cash &amp; Cash equivalents as at 31/03/2012</b>	<b>4052563</b>	<b>1913296</b>
<b>Cash &amp; Cash equivalents as at 31/03/2013</b>	<b>5673001</b>	<b>4052563</b>

  
**K.R. Shah & Associates**  
**Chartered Accountants**  
**(K.R. Shah)**  
**Proprietor**  
Mem. No. 24612

**Place : Ahmedabad**  
**Date : 30/5/2013**

**For SMS TECHSOFT (INDIA) LTD**  
**Formely known as AKL Soft &**  
**Infosys (India) Limited**  
  
**Director**        
**Director**

**Place : Coimbatore**  
**Date : 30/5/2013**

**SMS TECHSOFT (INDIA) LIMITED**  
Formerly known as AKL Soft & Infosys (India) Limited

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2013**

Amount in Rs.

PARTICULARS	31/03/2013	31/03/2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	101410	121998
Adjustment for		
(a) depreciation	1472590	1952919
(b) Financial & Interest charges		0
<b>Operating profit before working capital changes</b>	1574000	2074917
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<b>Cash &amp; Cash equivalents as at 31/03/2012</b>	<b>4052563</b>	<b>1913296</b>
<b>Cash &amp; Cash equivalents as at 31/03/2013</b>	<b>5673001</b>	<b>4052563</b>

**K R Shah & Associates**  
Chartered Accountants  
(K R Shah)  
Proprietor  
Mem. No. 24612

Place : Ahmedabad  
Date : 30/5/2013

For SMS TECHSOFT (INDIA) LTD  
Formely known as AKL Soft &  
Infosys (India) Limited  
V. Jeyaraj  
Director  
K. J. Akhavan  
Director

Place : Coimbatore  
Date : 30/5/2013

## Notes forming Part of Financial Statements

- (1) Balances of Sundry Creditors, Sundry Debtors, Advances, Deposits, Secured and Unsecured Loans are as per the book and subject to confirmation and reconciliation from respective parties.
- (2) In the opinion of the Board of Directors Current Assets, Loans and Advances are approximately of the same value if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

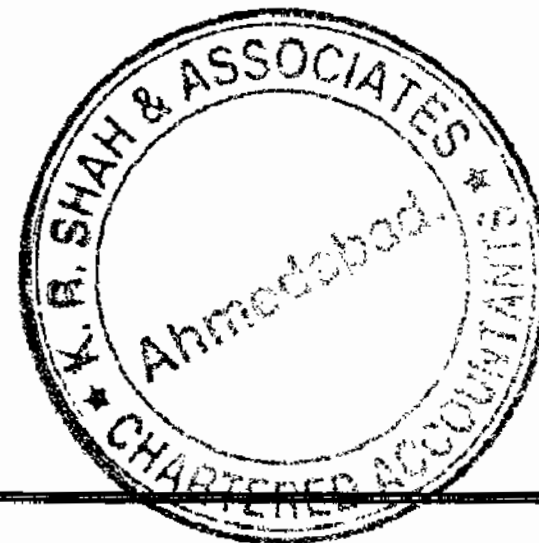
- (3) Payment to Auditors (In Rs.)

	31-03-2013	31-03-2012
For Statutory Audit	5000	10,500
Total	5000	10,500

- (5) Payment to Directors (In Rs.)

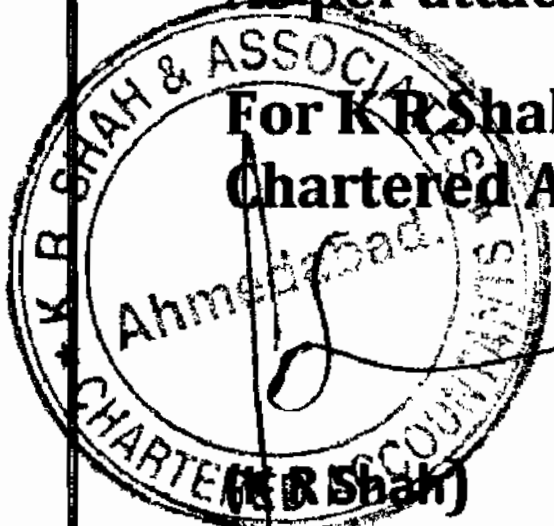
	31-03-2013	31-03-2012
Salary and Bonus	0	0
Contribution to Funds	0	0
Total	0	0

- (6) There are no amounts due to be credited to Investor Education and Protection Fund.
- (7) Earning in Foreign Exchange at F.O.B. Value: Rs. Nil (Rs. Nil).
- (8) Expenses in Foreign Currency at CIF Value: Rs. Nil (Rs. Nil).
- (9) Value of Imports on CIF basis accounted for during the year: Rs. Nil (Rs. Nil).
- (10) The Company has not received any intimation from suppliers regarding their status under Micro, Small & Medium Enterprises Development act, 2006 and hence disclosures, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act have not been give.



(11) The figures for the previous year have been rearranged and regrouped wherever necessary so as to confirm to the current year classification.

**As per attached report on even date**



**For K R Shah & Associates  
Chartered Accountants**

**(K R Shah)  
Proprietor  
Mem No.**

**For and on behalf of Board of Directors**

*✓ Jagdish Vittal*

**Jagdish Vittal  
(Managing Director)**

**Place : Ahmedabad  
Date : 30/05/2013**

**SMS TECHSOFT (INDIA)LIMITED**

***(formerly known as AKL Soft and Infosys (India) Limited)***

325, Patel Road, Ram Nagar, Coimbatore-641009.

**ATTENDANCE SLIP**

Name of the attending Member (In Block Letters): \_\_\_\_\_

Folio No/ DPID / Client ID : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_

(To be filled in if the Proxy attends instead of the Member)

No. of Shares held : \_\_\_\_\_

(in words) \_\_\_\_\_

I hereby record my presence at the eighteenth Annual General Meeting of the Company at 325, Patel Road, Ram Nagar, Coimbatore-641009 on Monday the 30<sup>th</sup> day of September, 2013 and at any adjournment thereof.

**PROXY FORM**

I/We ..... of.....being Member/Members of the above named Company, hereby appoint .....or failing him..... as my/our Proxy to attend and vote for me/us and on my/our behalf at the eighteenth Annual General Meeting of the Company, to be held on Monday the 30<sup>th</sup> day of September, 2013 at 325, Patel Road, Ram Nagar, Coimbatore-641009 at 10.00 a.m. and at any adjournment thereof.

Signed this ..... day of ..... 2013.

Folio No/ Client ID: \_\_\_\_\_

No. of Shares: \_\_\_\_\_

DP ID: \_\_\_\_\_

Signature: \_\_\_\_\_

Affix Re. 1.00 Revenue Stamp
---------------------------------------

**N.B.:** This proxy must be deposited at the Registered Office of the Company at 325, Patel Road, Ram Nagar, Coimbatore-641009

\_\_\_\_\_  
Member's/Proxy's Signature

(To be signed at the time of handing over this slip)

**(NOTE:** Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over the same at the entrance after the same has been duly signed)

**SMS TECHSOFT (INDIA) LIMITED.**

**FORM A**

1.	Name of the Company	SMS Techsoft (India) Limited
2.	Annual financial statements for the year ended.	31 <sup>st</sup> March, 2013.
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	N.A.
5.	To be Signed by- <ul style="list-style-type: none"><li>• CEO/MD</li><li>• CFO</li><li>• Auditor of the company</li><li>• Audit committee chairman</li></ul>	<p align="center">For, SMS TECHSOFT (INDIA) LTD. <i>v. joshi</i> Director / Authorised Signatory</p> <p><i>K. S. Acharya</i></p> 