


**M/s. SMS TECHSOFT (INDIA) LIMITED**  
**FORM A**

1	Name of the company	M/s. SMS Techsoft ( India) Limited
2	Annual Financial statement for the year ended	31 <sup>st</sup> March 2014
3	Type of observations	Unqualified
4	Frequency of observations	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>	 * V. D. Shah * K. R. Shah

# SMS TECHSOFT (INDIA) LIMITED

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

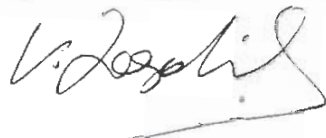
## REGISTERED OFFICE

325, Patel Road, Ramnagar, Coimbatore- 641009

# 19<sup>th</sup> ANNUAL REPORT 2013-14

## Board of Directors

- ❖ Mr. V. Jagadish - Managing Director
- ❖ Mr. Akash Kadandale - Director
- ❖ Mr. Peranaidu Siddhiah Devraj - Director
- ❖ Mr. Darshan D. Mistry - Additional Director



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

Regd. Office : 325, Patel Road,  
Ram Nagar,  
Coimbatore -641009.

Board of Directors : Mr. V. Jagadish - Managing Director  
Mr. Akash Kadandale - CFO  
Mr. Peranaidu Siddhiah Devraj - Independent Director  
Mr. Darshan Mistry - Independent Director

Auditors : M/S. K. R. Shah & Associates

Bankers : 1. Standard Chartered Grindlays Bank  
2. ING Vyasya Bank

Stock Exchanges wherein the shares  
Of the Company are listed : 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 - 641045



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

**NOTICE**

Notice is hereby given that the 19<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, 2014 at 10.00 A.M. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the profit and loss account of the Company for the year ended on 31<sup>st</sup> March, 2014 and Balance Sheet as at that date and Director's Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Devraj Peranaidu (DIN: 00357165), who retires by rotation, in terms of section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.
3. To appoint the Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, as amended from time to time, M/s. K. R. Shah & Associates, Chartered Accountants (Firm Registration No. 109642W), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting for a consecutive period of five (5) financial years, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

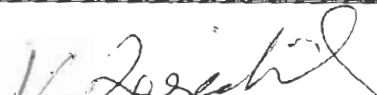
**SPECIAL BUSINESS:**

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

**"RESOLVED THAT** Mr. Darshan Mistry, who was appointed as an Additional Director of the Company w.e.f. 28/02/2014 by the Board of Directors, pursuant to Section 260 of the Companies Act, 1956 (corresponding relevant provisions under Section 161 of the Companies Act, 2013) and who holds office of the Director up to the date of this Annual General Meeting, 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** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, read with Schedule IV to the Act, as amended from time to time, Mr. Darshan Mistry (DIN: 06832085), an Additional Director of the Company, if appointed as a Director in this AGM, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be appointed as an Independent Director of the Company with effect from 30<sup>th</sup> September, 2014 for a consecutive period of five (5) financial years."



**SMS TECHSOFT (INDIA) LIMITED**

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

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, read with Schedule IV to the Act, as amended from time to time, Mr. Devraj Peranaidu (DIN: 00357165), a retiring Director of the Company, if appointed as a Director in this AGM, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be appointed as an Independent Director of the Company with effect from 30<sup>th</sup> September, 2014 for a consecutive period of five (5) financial years."

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

**"RESOLVED THAT** pursuant to the provisions of Section 149(1) and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, as amended from time to time, Mrs. Anita Kadanthalai (DIN: 06937788), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Woman Director of the Company, who would be liable for retire by rotation."

8. To consider and if thought fit to pass with or without modification, the following resolution as a special resolution:

**"RESOLVED THAT** in supersession of all the earlier resolutions passed at the previous General Meetings of the Company, the consent of the members of the Company, be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013 (previously being Section 293(1)(d) of the Companies Act, 1956), to the Board of Directors to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company's Bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the Paid-up Share Capital of the Company and its Free Reserves, i.e. reserves not set apart for any specific purpose; provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 100 crores (Rupees Hundred crores)."

9. To consider and if thought fit to pass with or without modification, the following resolution as a special resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and the rules framed there under, as amended from time to time (previously being Section 372A of the Companies Act, 1956), the consent of the members of the Company, be and is hereby granted to the Board of Directors of the Company to give any loan to any Body Corporate(s)/Person(s), to give any guarantee or to provide any security in connection with a loan to any Body Corporate(s)/Person(s) and to acquire by way of subscription, purchase or otherwise, securities of any Body Corporate(s) and to decide limit up to which such investments in securities/loans/guarantees, that may be given or made, notwithstanding that any loan given to

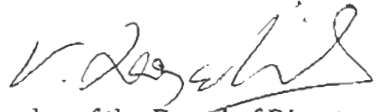


## SMS TECHSOFT (INDIA) LIMITED

Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED

any Body Corporate(s)/Person(s), any guarantee given or any security provided in connection with a loan to any Body Corporate(s)/Person(s) and to acquire by way of subscription, purchase or otherwise, securities of any Body Corporate(s) may exceed 60% of the aggregate of the paid-up Share Capital and Free Reserves and Securities Premium Account; or 100% of its Free Reserves, whichever is higher at any point of time however it shall not exceed beyond Rs. 50 crores at any point of time; on such terms and conditions, as the Board may think fit."

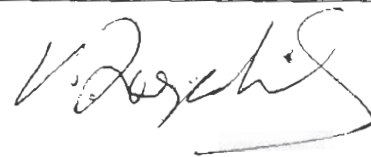
Place: Coimbatore  
Date: 18/07/2014

  
By order of the Board of Directors,  
FOR SMS TECHSOFT (INDIA) LIMITED  
[Formerly known as AKL SOFT & INFOSYS (INDIA) LIMITED]

CHAIRMAN  
Mr. V. Jagadish  
(DIN: 02112261)

### 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 26<sup>th</sup> Sept. 2014 to 30<sup>th</sup> Sept. 2014 (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 102 of the companies Act, 2013 is attached with the notice.
5. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rule, 2014 and Clause 35B of Listing Agreement, the Company is providing e-voting facility to its members whose names appear in the Register of Members/Beneficial owners as on the cut-off date i.e. 5<sup>th</sup> September, 2014, who may cast their vote by electronic mode on all resolutions in respect of business set forth in the Notice through e-voting services provided by CDSL, through their portal <http://www.evotingindia.com>. In this regard, members are notified that (i) The Company has completed the dispatch of notice of AGM through Regd. Book-Post to all the members of the Company individually to their registered address along with the Explanatory Statement and Annual Report and (ii) Voting through electronic means shall commence from 09:00 a.m. on 26<sup>th</sup> September, 2014 and ends at 06:00 p.m. on 27<sup>th</sup> September, 2014.



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

**Explanatory Statement**  
(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 9 of the accompanying Notice:

**Item No. 4:**

The Board of Directors of the Company, at its meeting held on 28/02/2014, had appointed Mr. Darshan Mistry, as an Additional Director of the Company. The Board is confident that with his extensive business knowledge, experience and expertise in his field, he would definitely enhance the Board's strength and dynamism. Since, the tenure of appointment of Mr. Darshan Mistry as an Additional Director is due to expire at this Annual General Meeting, approval of members of the Company is being sought in order to confirm his directorship pursuant to Section 161 and other applicable provisions of the Companies Act, 2013.

Your Directors recommend passing of the enabling Resolution in item no. 4 as an Ordinary Resolution.

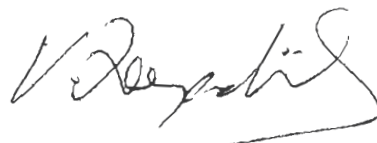
None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Darshan Mistry is concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

**Item No. 5 & 6:**

The Company had pursuant to the provisions of Clause 49 of the Listing Agreement, entered with the Stock Exchange, appointed Mr. Darshan Mistry and Mr. Devraj Peranaidu as Independent Directors in the past, in compliance with the requirements of the Clause. Pursuant to the provisions of Section 149 of the Companies Act, 2013, which came into effect on April 1, 2014, every listed Company is required to have at least one-third of the total number of Directors as Independent Directors, who are not liable for retire by rotation.

The Board has recommended the appointment of Mr. Darshan Mistry and Mr. Devraj Peranaidu as Independent Directors from September 30, 2014 to September 29, 2019. Mr. Darshan Mistry and Mr. Devraj Peranaidu have given a declaration to the Board that they meet the criteria of independence as provided in Section 149(6) of the Act. In opinion of the Board, Mr. Darshan Mistry and Mr. Devraj Peranaidu fulfill the conditions specified in the Act and the rules framed there under for appointment as Independent Director. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Darshan Mistry and Mr. Devraj Peranaidu as an Independent Director is now being placed before the Members for their approval. The terms and conditions of appointment of Mr. Darshan Mistry and Mr. Devraj Peranaidu shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Darshan Mistry and Mr. Devraj Peranaidu is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 & 6.



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

**Item No. 7:**

Pursuant to the provisions of Section 149 of the Companies Act, 2013, which came into effect on April 1, 2014, every listed Company is required to have at least one-woman Director, who is liable for retire by rotation.

The Board has recommended the appointment of Mrs. Anita Kadanthalai as a Woman Director w.e.f. September 30, 2014. Mrs. Anita Kadanthalai has given her consent in Form DIR-2 as required under the Act. She has also given a declaration in Form DIR-8 that she is not disqualified under Section 164 of the Act and is being eligible for appointment as Director. In opinion of the Board, Mrs. Anita Kadanthalai fulfills the conditions specified in the Act and the rules framed there under for appointment as a Director. In compliance with the provisions of Section 149 of the Act, the appointment of Mrs. Anita Kadanthalai as a Director is now being placed before the Members for their approval. The terms and conditions of appointment of Mrs. Anita Kadanthalai shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mrs. Anita Kadanthalai is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

**Item No. 8:**

In terms of the provisions of Section 180 of the Companies Act, 2013, the Board can exercise certain powers only with the consent of members in general meeting by passing special resolution. In relation to the said provisions and in view of the expected growth in the business of the Company, the Board of Directors on behalf of the Company may borrow monies from various sources consequent to which the amount outstanding could exceed the earlier limit decided by the members/Directors earlier to this resolution but shall not at anytime exceed the limit of Rs. 100 crores. Further, under the Act, it is now required that such a resolution shall be passed by way of a special resolution.

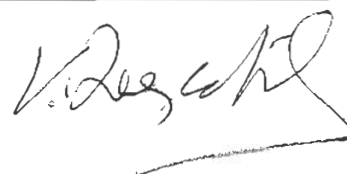
Your Directors accordingly recommend increase in the borrowing powers to Rs. 100 crores as set out in the enabling resolution at Item No. 8 for the approval of the members.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

**Item No. 9:**

The Board of Directors of a Company has been permitted to make loans, give guarantees, provide securities to and make investments in the securities of other bodies corporate to the extent of 60% of its paid-up capital and free reserves and securities premium account or 100% of its free reserves and securities premium account whichever is higher, in terms of Section 186 of the Companies Act, 2013, from time to time, for business purposes.

Where the aggregate of loans and investments made, guarantees given and securities provided exceed the aforesaid limits, prior approval of the Members by way of Special Resolution is required.





**SMS TECHSOFT (INDIA) LIMITED**

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

It may be noted that, in terms of erstwhile Section 372A of the Companies Act, 1956 any inter-corporate loan given / investment made / guarantee given / security provided to wholly owned subsidiaries are exempt while reckoning the overall limit permissible, as per the said provisions of the Act. However, in terms of Section 186 of the Companies Act, 2013 such exemption has been withdrawn and the same shall be included for arriving at the aggregate permissible limit and hence any loan given / investment made / guarantee given / security provided have to be included for the purpose of arriving at the aforesaid overall limit and therefore it is proposed that the shareholders may fix the limit at Rs. 50 crores.

The Board recommends the enabling Special Resolution for shareholders' approval.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

**Place: Coimbatore**

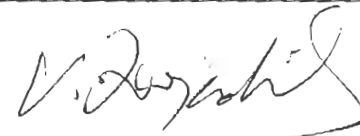
By order of the Board of Directors,

**Date: 18/07/2014**

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



CHAIRMAN  
Mr. V. Jagadish  
(DIN: 02112261)



## 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 2014.

#### Financial Results

(Rs. in lacs)

Particulars	FY 2013-14	FY 2012-13
Sales	20.00	48.50
Other income	10.00	10.80
Depreciation	13.65	14.72
Other expenses	07.40	43.56
Profit/ Loss before Tax	-00.95	01.02
Profit/Loss after Tax	-00.95	00.55

During the year company could not achieve reasonable level of growth because of various reasons. Turnover of the company has also been decreased in comparison to the previous year due to termination of land acquisition programme planned to envisage its expansion plan in 2011-12 on account of title deficiency issue recovered recently in the acquired land. Further, the Company has also planned to expand operational activity and new avenues such as data purchase for business development and henceforth the Company had incurred loss in the current 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.

#### 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.

#### Auditors

M/s K. R. Shah & Associates, Chartered Accountants, Ahmedabad, Auditor of the Company (Firm Registration No.: 109642W) holds office until the conclusion of the ensuing Annual General Meeting. As per newly inserted Section 139 of the Companies Act, 2013, they are appointed for a term of five consecutive financial years, for which necessary resolution is put to vote in this AGM, as stated in the item no. 3 of the notice, they are eligible for appointment to conduct statutory audit. The company has received certificate from the auditor to the effect that their appointment if made, would be within the prescribed limits under the Companies Act.

Notes to the accounts referred to in Auditor's report are self explanatory and therefore do not call for any further comments.



## SMS TECHSOFT (INDIA) LIMITED

Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED

### 4. Deposits

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

### 5. 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.

### 6. 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, 2014.
- 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.

### 7. Directors:

As per provisions of Section 152(6) of the Companies Act, 2013, Mr. Devraj Peranaidu, Director liable to retire by rotation, offers himself for re-appointment at the general meeting and if appointed as Director of the Company, be appointed as an Independent Director for consecutive five financial years as per provisions of Section 149 of the Companies Act, 2013. Mr. Darshan Mistry is being appointed as an Independent Director for three consecutive five years as per provisions of Section 149 of the Companies Act, 2013. Mrs. Anita Kadanthalai is being appointed as a Woman Director as per provisions of Section 149 of the Companies Act, 2013. Mr. Dashrathkumar Khatri and Mr. Dilip Gajjar, has resigned from the Directorships of the Company during the year. Necessary resolutions for the appointment /re-appointment of the aforesaid directors have been included in the notice convening the ensuing AGM and details of the proposal for appointment / re-appointment are mentioned in the explanatory statement of the notice. Your directors commend their appointment / re-appointment. All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013 (Previously being Section 274(1) (g) of the Companies Act, 1956).

### 8. Report on Corporate Governance

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



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


---

9. **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: 18/07/2014

**FOR AND ON BEHALF OF THE BOARD**



**CHAIRMAN**

Mr. V. Jagadish  
(DIN: 02112261)



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

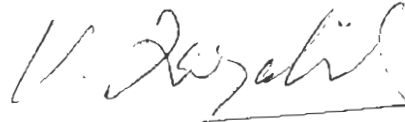
---

9. **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: 18/07/2014

**FOR AND ON BEHALF OF THE BOARD**



**CHAIRMAN**

Mr. V. Jagadish  
(DIN: 02112261)



**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:**

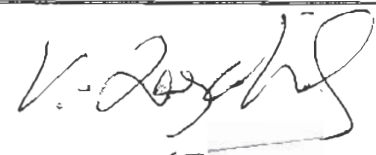
The Company believes in functioning in a transparent manner with the basic philosophy being to enhance the Shareholder value, keeping in mind the needs and interest of other stakeholders, in compliance thereof. The following information is placed before the shareholders.

**1. BOARD OF DIRECTORS**

Name of Director	Category	No. of Board Meeting	Attended	Last AGM Attendance
Mr. V. Jagadish	Mg. Director	8	8	YES
Mr. Akash Kadandale	Promoter director	8	8	YES
Mr. Peranaidu Devraj	Non executive Independent Director	8	8	YES
Mr. Darshan Mistry	Non Executive Independent Director	8	2	NO
Mr. Dilipbhai J. Gajjar	Non Executive Independent Director	8	6	No
Mr. Dasharathkumar K. Khatri	Non Executive Independent Director	8	6	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	0
Mr. Peranaidu Devraj	3
Mr. Darshan Mistry	0
Mr. Dilipbhai Gajjar	1
Mr. Dashrathkumar Khatri	0



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

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.

Further during the year, meeting of Board of Directors was held 8 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 Four Directors. The company has independent audit committee which submits 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. Devraj Peranaidu | - Chairman |
| (ii) Mr. Akash Kadandale | - Member   |
| (iii) Mr. V. Jagadish    | - Member   |

The scope of committee includes.

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

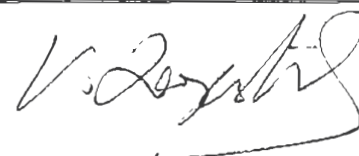
During the year under review, Audit committee met four times where all the members attended meetings.

## **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. Dilip Gajjar     | -Chairman |
| (ii) Mr. Akash Kadandale | -Member   |
| (iii) Mr. V. Jagadish    | -Member   |



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

**4. SHAREHOLDERS' COMMITTEE**

The company has complied with 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. Dashrathkumar Khatri - Chairman
- (ii) Mr. Peranaidu Devraj - Member
- (iii) Mr. Akash Kadandale - Member

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.

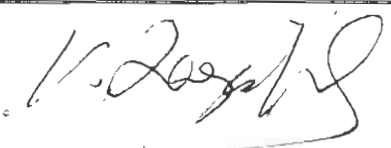
**5. GENERAL BODY MEETING:**

Date	Type	Time	Location
30/09/2011	AGM	10.00 AM	325, Patel road, Ram Nagar,
28/09/2012	AGM	10.00 A.M.	Coimbatore, Tamil Nadu.
30/09/2013	AGM	10.00 A.M.	641009.

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.





## SMS TECHSOFT (INDIA) LIMITED

Formerly Known as AKL SOFT & INFOSYS (INDIA) LIMITED

- (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.

### 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: 30/09/2014
(Date, Time & Venue)	Time: 10.00 a.m.
	Venue: 325, Patel Road, Ramnagar, Coimbatore- 641009.
Financial Year	1 <sup>st</sup> April 2013 to 31 <sup>st</sup> March 2014
Dates of Book Closure (Both days inclusive)	From 26 <sup>th</sup> Sept. 2014 to 30 <sup>th</sup> Sept. 2014
Dividend Payment Date	No Dividend recommended.

### 9. LISTING OF STOCK EXCHANGE:

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



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

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

MONTH	HIGH (RS.)	LOW (RS.)
April, 2013	0.52	0.43
May, 2013	0.71	0.47
June, 2013	0.55	0.39
July, 2013	0.53	0.42
August, 2013	0.48	0.25
September, 2013	0.24	0.09
October, 2013	0.12	0.09
November, 2013	0.12	0.09
December, 2013	0.11	0.09
January, 2014	0.12	0.09
February, 2014	0.10	0.08
March, 2014	0.09	0.07

**11. DISTRIBUTION PATTERN AS ON THE 31<sup>ST</sup> MARCH, 2014:**

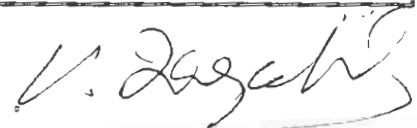
	No of Shares	Percentage
Promoters and Relatives	17465900	4.98
Banks/ FII/ FI	0	0
Public	299530240	85.44
Body Corporate	32590333	9.30
NRI	603856	0.17
Clearing Members	373671	0.11
<b>Total</b>	<b>350572000</b>	<b>100.00</b>

**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.



**SMS TECHSOFT (INDIA) LIMITED**

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

**1. 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.

350039000 equity shares out of 350572000 Equity shares of the company have been dematerialized as at 31<sup>st</sup> March, 2014 representing 99.85% of total paid-up capital of the company.

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


**Date:** 18/07/2014

**Place:** Coimbatore



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

**(DIN: 02112261)**



**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 2013-14 has not been satisfactory.

**2. Financial Review:**

Total turnover for the year ended 31<sup>st</sup> March, 2014 was Rs. 20 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

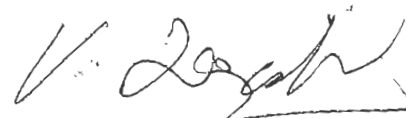
Date: 18/07/2004

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

  
Chairman

(Mr. V. Jagadish)

(DIN: 02112261)



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

**CERTIFICATION BY MANAGING DIRECTOR TO THE BOARD**

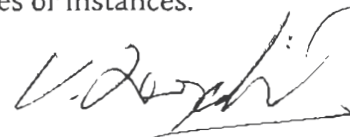
I, Mr. V. Jagadish, Managing Director of the **SMS TECHSOFT (INDIA) LIMITED** [Formerly known as *AKL Soft & Infosys (India) Limited*] certify that:

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: 18/07/2014

Place: Coimbatore



**Mr. V. Jagadish**

**Managing Director**

(DIN: 02112261)

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

**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 2014.

**Place:** Coimbatore

**Date:** 18/07/2014

(Mr. V. Jagadish)

**Chairman & Managing Director**

(DIN: 02112261)



## **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, 2014, 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: 29/05/2014

For, M/s. K R Shah & Associates

Chartered Accountants

Mr.

(Proprietor)

Membership No. 034612

## 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, 2014, 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, 2014;
- (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, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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

For, M/S K R Shah & Associates

DATE: 29/05/2014

Chartered Accountants  
  
(Proprietor)  
Membership No. 054612

## Independent Auditor's Report

### Annexure to the Auditor's Report

(Referred to in paragraph (1) of our report of even date)

1. (a) Fixed Assets register is under compilation.
  - (b) We are informed by the management that they have verified the fixed assets during the year. However, in absence of proper fixed assets register, material discrepancies if any, could not be noticed between physical verification and book records. Hence, the fixed assets as appearing in books of account are carried in financial statements.
  - (c) The Company has not disposed off any major part of the fixed assets during the year and as such the going concern concept is not affected.
  2. (a) As explained to us, the inventory have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventory and the discrepancies noticed on such physical verification between physical stocks and book records were not material and have been adequately dealt with in the books of account.
3. In respect of loans, secured or unsecured, granted or taken by the company to or 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 loans to any party hence paragraphs 4(iii) (a), (b), (c), and (d) of Company (Auditors' Report) Order, 2003 are not applicable to the company.
  - (b) The company has taken unsecured loan which are repayable on demand and therefore the question of overdue does not arise.
  - (c) In our opinion, the rate of interest and other terms and conditions of such loans taken by the company, are prima facie not prejudicial to the interest of the company. The principal amount is repayable / repaid by the company as agreed in contract.
4. in our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. In respect of contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
- (a) On the basis of audit procedure performed by us, and according to the information and explanation given to us, we are of the opinion that there were no transaction 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) There were no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rupees five lakhs or more in respect of each party, so the question of making entries in the register maintained u/s 301 does not arise.
6. The company has not accepted any deposits under section 58A of the companies act, 1956 read along with the companies (Acceptance of deposits) Rules, 1973 and the directive issued by the Reserve Bank of



India.

7. The company had an internal audit system during the year.
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, 2014.
10. The Company has accumulated losses but incurred profit both at the end of the financial year and in the immediately preceding year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The company has not obtained any borrowings from financial institutions or by way of debentures.
12. The Company has not granted loans & advances on the basis of security by way of pledge of shares and debentures and other securities.
13. The Company is not a chit fund / Nidhi / Mutual benefit fund / society to which the provisions of special statute relating to chit fund are applicable and hence paragraph 4(xiii) of the Order is not applicable.
14. The Company is not dealing in or trading in shares, securities, debentures, and other investments and hence paragraph 4(xiv) of the order is not applicable.
15. The Company has not given guarantee for loans taken by others from bank or financial institutions.
16. The company has not obtained any term loan during the year.



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.
18. During the year, the company has not made preferential allotment of shares to parties and companies covered in register maintained under section 301 of the companies Act 1956.
19. During the year, the company has not issued any debentures and hence paragraph 4 (xix) of the order is not applicable.
20. During the year, the company has not raised any money by way of public issue and hence paragraph 4(xx) of the Order is not applicable.
21. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the company was noticed or reported during the year.

PLACE: Ahmedabad  
DATE: 29/05/2014

For, M/s. K R Shah & Associates  
Chartered Accountants




Mr. K. R. Shah  
(Proprietor)

Membership No. 234612

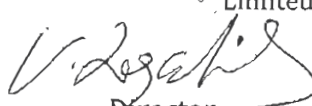
**SMS TECHSOFT (INDIA) LIMITED**  
 [Formerly known as AKL Soft & Infosys (India) Limited]  
**Balance Sheet as at 31st March, 2014**

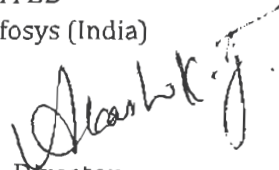
	Note	2013-14	2012-13
<b>I. EQUITY and LIABILITIES</b>			
Shareholders' Funds			
(a) Share Capital	1	3505,72,000	3505,72,000
(b) Reserves and Surplus	2	-69,22,775	-68,27,775
<b>NON CURRENT LIABILITIES</b>			
(a) Long Term Borrowings		0	0
(b) Other Long Term Liabilities	3	1,09,853	1,09,853
(b) Deferred 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>3438,32,578</b>	<b>3439,27,578</b>
<b>II- ASSETS</b>			
Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	4	147,42,553	3161,07,363
(ii) Intangible Assets		3000,00,000	0
(iii) Capital work in progress		0	24,95,538
(b) Non Current Investments		0	0
(c) Long Term Loans & Advances	5	173,45,048	173,45,048
(d) Other Non Current Assets	6	23,89,416	23,89,416
<b>Current Assets</b>			
(a) Inventories		0	0
(b) Trade Receivables		0	0
(c) Cash & Cash Equivalants	7	93,55,561	55,90,213
(d) Short Term Loans & Advances		0	0
<b>TOTAL- II</b>		<b>3438,32,578</b>	<b>3439,27,578</b>

For M/s. K R Shah & Associates  
 Chartered Accountants

(  
 Proprietor (Mem. No. 34612)  
 Place- Ahmedabad  
 Date: 29/05/2014

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

\* Limited  
  
 Director

  
 Director

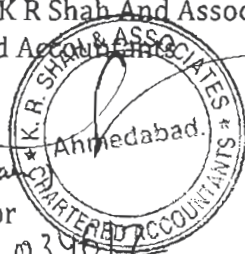
Place: Coimbatore  
 Date: 29/05/2014

**SMS TECHSOFT (INDIA) LIMITED**

Formerly known as AKL Soft &amp; Infosys (India) Limited

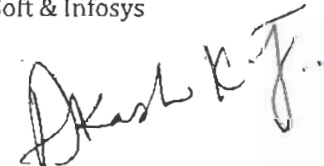
**Statement of Profit & Loss Account for the year ended on 31st March, 2014**

	Note	2013-14	2012-13
<b>TOTAL INCOME</b>			
Revenue form Operations	8	20,00,000	48,50,000
Other Income		10,000	10,80,000
<b>TOTAL INCOME (I +II)</b>		<b>20,10,000</b>	<b>59,30,000</b>
<b>EXPENSES</b>			
(a) Cost of Materials consumed		0	0
(b) Purchase of Stock in Trade		2,34,000	27,96,000
(c) Change in inventory of finished goods, stock in trade and work in progress		0	0
(d) Employee Benefit Expenses		2,80,190	12,50,000
(e) Other Expenses	9	2,26,000	3,10,000
Finance Cost		0	0
Depriciation and amortisation	4	13,64,810	14,72,590
<b>TOTAL EXPENSES</b>		<b>21,05,000</b>	<b>58,28,590</b>
Profit before Exceptional Items and Extraordinary Items and Tax		-95,000	1,01,410
Exceptional Items		0	0
Profit before Extraordinary Items & Tax		-95,000	1,01,410
Extraordinary Items		0	0
<b>Profit before Tax</b>		<b>-95,000</b>	<b>1,01,410</b>
Tax Expenses			
(1) Current Tax		0	35,000
(2) Deferred Tax		0	10,500
<b>Profit for the period</b>		<b>-95,000</b>	<b>55,910</b>
Earning per Equity Shares			
(1) Basic		0	0
(2) Diluted		0	0

For M/s. K R Shah And Associates  
Chartered Accountants


(K. R. Shah)  
Proprietor  
Mem. No. 034012

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

  
Director
Place : Ahmedabad  
Date : 29/05/2014Place : Coimbatore  
Date : 29/05/2014



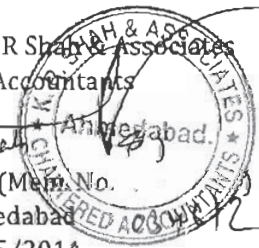
**SMS TECHSOFT (INDIA) LIMITED**  
Formerly known as AKL Soft & Infosys (India) Limited

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2014**

Amount in Rs.

	PARTICULARS	31/03/2014	31/03/2013
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit/loss before Tax	-95000	101410
	Adjustment for		
	(a) depreciation	1364810	1472590
	(b) Financial & Interest charges		
	<b>Operating profit before working capital changes</b>	1269810	1574000
	Adjustment for changes in working capital		
	(c) sundry creditors	0	0
	(d) sundry debtors	0	0
	(e) loan advances and current assets	0	0
	<b>Cash generated from operations</b>	2495538	-45850
	(f) taxes paid	0	45500
	<b>Cash flow from operating activities -A</b>	3765348	1573650
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	(g) purchase on fixed assets	0	0
	(h) capital work in progress	0	0
	<b>Net Cash used in investing activities -B</b>	0	0
<b>C</b>	<b>CASH FLOW FROM FINANCE ACTIVITIES</b>		
	(i) increase in capital	0	0
	(j) Financial & Interest Charges	0	0
	<b>Net Cash Flow from Financing Activities -C</b>	0	0
	<b>Net increase/decrease in cash &amp; cash equivalents (A+B+C)</b>	3765348	1573650
	<b>Cash &amp; Cash equivalents as at 31/03/2013</b>	5590213	4052563
	<b>Cash &amp; Cash equivalents as at 31/03/2014</b>	9355561	5590213

For M/s. K R Shah & Associates  
Chartered Accountants  
(K. L. Shah)  
Proprietor (Mem. No. 12)  
Place-Ahmedabad  
Date: 29/05/2014



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

Director
 
 Director

Place: Coimbatore  
Date: 29/05/2014

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

NOTE	Particulars	2013-14	2012-13
1.1	<b>Share Capital</b>	<b>(Rs.)</b>	<b>(Rs.)</b>
	<b>Authorised Share Capital</b>		
	35,50,00,000 equity shares of Rs. 1/- each	3550,00,000	3550,00,000
	<b>Issued, Subscribed &amp; paid up Share Capital</b>		
	35,05,72,000 equity shares of Rs. 1/- each fully paid up	3505,72,000	3505,72,000
<i>Note: In year 2011-12, 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	2013-14	2012-13
	<b>Particulars</b>	<b>Equity Shares of Rs. 1/- each</b>	<b>Equity Shares of Rs. 1/- each</b>
	Opening balance	3505,72,000	3505,72,000
	Add: Addition during the year	0	0
	Closing Balance	3505,72,000	3505,72,000

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	2013-14	2012-13
	NIL	0	0

1.5	Aggregate no. of shares for the last five years	No. of Equity Shares	Amount (Rs.)
	<b>Particulars</b>		
	2008-09	50,57,200	279,02,250
	2009-10	50,57,200	279,02,250
	2010-11	50,57,200	505,72,000
	Issued, Subscribed & Paid up Capital		
	5057200 equity shares of Rs. 10/- each fully paid	50,57,200	505,72,000
	2011-12	350,57,200	3505,72,000
	2012-13 350572000 Equity shares of Rs. 1/- each fully paid	3505,72,000	3505,72,000

1.6	Amount of Unpaid Calls by	2013-14	2012-13
	<b>Particulars</b>		
	Directors	0	0
	Officers	0	0



**1.7** 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.

<b>2</b>	<b>Reserves &amp; Surplus</b>	<b>2013-14</b>	<b>2012-13</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	-68,27,775	-68,83,685
	Preliminary Expense	0	0
	Public Issue Expense	0	0
	Add/less: Profit/loss for the year	-95,000	55,910
	<b>TOTAL RS.</b>	<b>-69,22,775</b>	<b>-68,27,775</b>

<b>3</b>	<b>Other Long Term Liabilities</b>	<b>2013-14</b>	<b>2012-13</b>
	Sundry Creditors	1,09,853	1,09,853

<b>5</b>	<b>Long Term Loans &amp; Advances</b>	<b>2013-14</b>	<b>2012-13</b>
	Unsecured and considered doubtful		
	Advance recoverable in cash or kind or for the value to be received	82,09,536	82,09,536
	Advance towards capital items	89,46,000	89,46,000
	Sundry Deposits	1,89,512	1,89,512
	<b>TOTAL RS.</b>	<b>173,45,048</b>	<b>173,45,048</b>

<b>6</b>	<b>Other Non Current Assets</b>	<b>2013-14</b>	<b>2012-13</b>
	Unsecured and considered doubtful- more than 6 months	23,89,416	23,89,416
	Others	0	0
	<b>TOTAL RS.</b>	<b>23,89,416</b>	<b>23,89,416</b>

<b>7</b>	<b>Cash &amp; Cash Equivalents</b>	<b>2013-14</b>	<b>2012-13</b>
	Cash Balance	11,74,001	12,64,001
	Bank Balance	81,81,560	43,26,212
	<b>TOTAL RS.</b>	<b>93,55,561</b>	<b>55,90,213</b>



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

NOTE	Particulars	31/03/2014	31/03/2013
8	<b>Revenue from Operation</b>		
	Project Income	20,00,000	48,50,000
	Other Income	10,000	10,80,000
	TOTAL Rs.	20,10,000	59,30,000

9	Other Expense	31/03/2014	31/03/2013
	Audit Fees	5,000	5,000
	Legal Expenses	20,000	25,830
	Machinery Repair Expense	7,000	7,500
	Vehicle Maintenance	17,000	19,786
	Vehicle running Expense	35,900	40,000
	Miscellaneous Expenses	15,000	25,000
	Power & Fuel	45,600	45,804
	Telephone & Internet Expense	16,000	28,500
	Printing & Stationery	14,000	25,000
	Postage & Courier	5,000	7,500
	Business Promotion Expense	25,500	55,080
	AGM expenses	20,000	25,000
	TOTAL Rs.	2,26,000	3,10,000



**SCHEDULE-4 FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Cost as on 01/04/2013	Additions	Disposal	Total 31/03/2014	Upto 31/03/2013	For the Year	Total as on 31/03/2014	As on 31/03/2014	As on 31/03/2013
<b>Tangible Assets</b>									
Land	3013,21,604	0	3000,00,000	13,21,604	0	0	0	13,21,604	3013,21,604
Building	100,00,000	0	0	100,00,000	14,87,477	4,25,626	19,13,103	80,86,897	85,12,523
Plant & Machinery	76,00,000	0	0	76,00,000	42,22,884	5,06,567	47,29,451	28,70,549	33,77,116
Equipments	50,69,750	0	0	50,69,750	23,23,364	4,11,958	27,35,322	23,34,428	27,46,386
Vehicle	3,75,623	0	0	3,75,623	3,22,810	7,922	3,30,732	44,891	52,813
Computer	2,16,620	0	0	2,16,620	1,50,863	8,548	1,59,411	57,209	65,757
UPS	26,500	0	0	26,500	14,201	1,599	15,800	10,700	12,299
Air Conditioner	37,500	0	0	37,500	18,635	2,590	21,225	16,275	18,865
<b>Intangible Assets</b>									
data base	0	3000,00,000	0	3000,00,000	0	0	0	3000,00,000	0
<b>TOTAL</b>	<b>3246,47,597</b>	<b>3000,00,000</b>	<b>3000,00,000</b>	<b>3246,47,597</b>	<b>85,40,234</b>	<b>13,64,810</b>	<b>99,05,044</b>	<b>3147,42,553</b>	<b>3161,07,363</b>



**Notes forming Part of Financial Statements**

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.

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.

## 4) Payment to Auditors (In Rs.)

	31-03-2014	31-03-2013
For Statutory Audit	5000	5000
Total	5000	5000

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

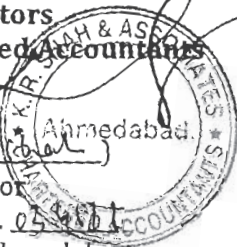
	31-03-2014	31-03-2013
Salary and Bonus	0	0
Contribution to Funds	0	0
Total	0	0

- (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.  
 (12) The Company has terminated the Land Agreement worth Rs. 30 crores on account of deficiency in title deeds and is in deliberation of purchase of intangible asset i.e. data base for Rs. 300,000,000/-by executing MOU , the modalities and legal requirements of which will be completed in the year 2014-15.

As per attached report on even date

For, M/s. K R Shah & Associates  
 of Directors  
 Chartered Accountants

(Mr. K. R. Shah)  
 Proprietor  
 Mem No. 05481  
 Place : Ahmedabad  
 Date : 29/05/2014



For and on behalf of Board

M/s. SMS Techsoft (India) Limited

Mr. Jagdish Vittal  
 (Managing Director)

## **Significant Accounting Policies**

### **Basis of Preparation of Financial Statements**

- ) 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.
- ) 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, 2014 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.

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.

### 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.

### 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.

### 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.

### 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.

### 9) 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.

### 10) 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.





**1) Segment Information**

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

**2) 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.

**13) 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*

**SMS TECHSOFT (INDIA) LIMITED**  
*(Formerly known as AKL Soft and Infosys (India) Limited)*  
325, Patel Road, Ramnagar, 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)

Number of Shares held: \_\_\_\_\_

(In words) \_\_\_\_\_

I hereby record my presence at the nineteenth Annual General Meeting of the Company at 325, Patel Road, Ram Nagar, Coimbatore-641009 on Tuesday the 30<sup>th</sup> day of September, 2014 and at any adjournment thereof.

**PROXY FORM**

I, \_\_\_\_\_ of \_\_\_\_\_ being Member/Members of the above named Company, hereby appoint \_\_\_\_\_ or failing him \_\_\_\_\_ my/our Proxy to attend and vote for me/us and on my/our behalf at the nineteenth Annual General Meeting of the Company, to be held on Tuesday the 30<sup>th</sup> day of September, 2014 at 325, Patel Road, Ram Nagar, Coimbatore-641009 at 10.00 a.m. and at any adjournment thereof.

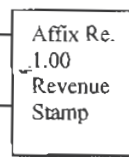
Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

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

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

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

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



NOTE: 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)