



**OMNI AX'S SOFTWARE LIMITED**

**ANNUAL REPORT**

**2008-2009**

## OMNI AX'S SOFTWARE LIMITED

<b>Board of Directors :</b>	<ol style="list-style-type: none"><li>1. Chandan Singhi, Whole time Director</li><li>2. K. Ramu, Director</li><li>3. S. Sailakshmi, Director</li><li>4. Veera Mohan Arunasalam, Additional Director w.e.f. 02.02.2009</li><li>5. Gunasageran Nadeson, Additional Director w.e.f. 02.02.2009</li><li>6. N. Shivaji Rao, Director upto 02.02.2009</li></ol>
<b>Auditors</b>	<b>C.N. SRINIVASAN</b> Chartered Accountant 7A, Kalinga Colony, Pt. Rajan Salai, K.K. Nagar, Chennai – 600 078.
<b>Bankers</b>	Andhra Bank, Sowcarpet Branch, Chennai – 600 079.  HSBC Bank 96, Radhakrishnan Salai, Mylapore, Chennai – 600 004.
<b>Registered Office</b>	New No. 39, Shapre Towers, North Usman Road, T. Nagar, Chennai - 600 017. (Upto 02.04.2009)  Ground Floor, A.S. Corporate House, No. 307, Poonamallee High Road, Kilpauk, Chennai – 600 010. (w.e.f. 02.04.2009)
<b>Share Transfer Agents</b>	Cameo Corporate Services limited, #1, Subramaniam Building, Club House Road, Mount Road, Chennai – 600 002 Ph.: (044) 28460390 (5 lines) Fax: (044) 28640129

## **OMNI AX'S SOFTWARE LIMITED**

### **NOTICE**

#### **SEVENTEENTH ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Seventeenth Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at Ground Floor, A.S. Corporate House, No.307, Poonamallee High Road, Kilpauk, Chennai - 600010 on Tuesday, 29<sup>th</sup> September, 2009 at 9.30 A.M. to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31.03.2009, the Profit & Loss account for the period from 01.04.2008 to 31.03.2009 and to consider the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri K. Ramu who retires by rotation and has expressed his unwillingness to be reappointed as a director of the company.
3. To appoint M/s. C.N. Srinivasan, Chartered Accountant, the retiring auditor, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company at a remuneration to be fixed by the Board of Directors of the Company in consultation with them.

#### **SPECIAL BUSINESS**

##### **4. APPOINTMENT OF MR. VEERA MOHAN ARUNASALAM, ADDITIONAL DIRECTOR AS DIRECTOR**

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

"RESOLVED THAT Mr. Veera Mohan Arunasalam who was appointed as an additional Director of the company at the meeting of Board of Directors held on 2<sup>nd</sup> February, 2009 and who holds office as such upto the date of this Annual General Meeting of the company in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the Company has received a notice in writing from a Member under section 257 of the Act proposing his candidature for the office of the Director of the Company be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

##### **5. APPOINTMENT OF MR. GUNASAGERAN NADESON, ADDITIONAL DIRECTOR AS DIRECTOR**

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

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"RESOLVED THAT Mr. Gunasageran Nadeson who was appointed as an additional Director of the company at the meeting of Board of Directors held on 2<sup>nd</sup> February, 2009 and who holds office as such upto the date of this Annual General Meeting of the company in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the Company has received a notice in writing from a Member under section 257 of the Act proposing his candidature for the office of the Director of the Company be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

**BY ORDER OF THE BOARD OF DIRECTORS**

Sd/-  
**Chandan Singhi**  
(Whole time Director)

Place: Chennai  
Date : 03/09/2009

### **NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
- 2. A PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED ATLEAST 48 HOURS BEFORE THE GENERAL MEETING AT THE REGISTERED OFFICE OF THE COMPANY.**
- 3. THE EXPLANATORY STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING SPECIAL BUSINESS IN RESPECT OF ITEM NOS 4 AND 5 OF THE ACCOMPANYING NOTICE AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956 IS ANNEXED HERE TO.**
- 4. THE REGISTER OF MEMBERS AND THE SHARE TRANSFER BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM TUESDAY, 22<sup>ND</sup> SEPTEMBER, 2009 TO TUESDAY, 29<sup>TH</sup> SEPTEMBER, 2009 (BOTH DAYS INCLUSIVE) IN CONNECTION WITH THE ANNUAL GENERAL MEETING.**
- 5. THE MEMBERS ARE REQUESTED TO INTIMATE TO THE REGISTRAR AND TRANSFER AGENTS, CAMEO CORPORATE SERVICES LIMITED, #1, SUBRAMANIAM BUILDING, CLUB HOUSE ROAD, MOUNT ROAD, CHENNAI 600 002, CHANGE OF ADDRESS, IF ANY AT THE EARLIEST QUOTING THEIR REGISTERED FOLIO NUMBER.**

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### **6. REAPPOINTMENT OF DIRECTORS**

At the ensuing Annual General Meeting Shri K. Ramu, Director of the Company retires by rotation has expressed his unwillingness to be reappointed as a director of the company.

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

#### **ANNEXURE TO THE NOTICE**

**The following Explanatory Statement relating to Special Business at Item Nos. 4 & 5 of the accompanying Notice sets out all material facts as required under Section 173 of the Act.**

#### **Item No. 4:**

Mr. Veera Mohan Arunasalam was appointed as an additional director by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 with effect from 2<sup>nd</sup> February, 2009. The Company has received a notice in writing from a member under section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Veera Mohan Arunasalam as a candidate for the Office of director of the Company. Aged 47 years, Malaysian Citizen, he has over 20 years of experience in financial management and corporate restructuring of various companies in malaysia. Currently he holds the position of financial controller of a 150 crore public company involved in property, insurance, construction and investment in malaysia. He also sits on the board of several private limited companies in malaysia. He is also the managing director of a privately owned company with interest in media, entertainment, hotel management and auto mobile in Malaysia and Australia. His appointment as a Non-Executive Independent Director will strengthen the Board. Other directorships / committee memberships in Indian Companies are Nil.

The Board recommends the above resolution for your approval.

None of the Directors of the Company except Mr. Veera Mohan Arunasalam are concerned or interested in the above resolution.

#### **Item No. 5:**

Mr. Gunasageran Nadeson was appointed as an additional director by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 with effect from 2<sup>nd</sup> February, 2009. The Company has received a notice in writing from a member under section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Gunasageran Nadeson as a candidate for the Office of director of the Company. Aged 45 years, Malaysian Citizen, he is a Chartered Financial Analyst (CFA) with over 18 years experience in corporate planning, portfolio management, equity analysis and corporate finance. Currently, he is a consultant and advisor covering corporate advisory, fund management, mergers and acquisitions, restructuring, due diligence and forecasting for private equities. He has also passed the Kuala Lumpur Stock Exchange (KLSE) an MESDAQ examinations enabling him to have an in-depth knowledge in securities industry rulings. His appointment as a Non-Executive Independent Director will strengthen the Board. Other directorships / committee memberships in Indian Companies are Nil.

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The Board recommends the above resolution for your approval.

None of the Directors of the Company except Mr. Gunasageran Nadeson are concerned or interested in the above resolution.

**BY ORDER OF THE BOARD OF DIRECTORS**

**Sd/-**  
**Chandan Singhi**  
(Whole time Director)

Place: Chennai  
Date : 03/09/2009

## **OMNI AX'S SOFTWARE LIMITED**

### **DIRECTORS REPORT**

Your Directors are happy to present the Seventeenth Annual Report of your company together with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March 2009.

#### **FINANCIAL HIGHLIGHTS:**

During the year under review, the company has earned profit of Rs. 421,072/- as against a loss of Rs. 34,060,402/- during the previous year. The financial results of the company as compared to the previous year are summarized as under:

<b>Particulars</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
<b>Sales &amp; Other Income</b>	<b>17,823,417.00</b>	<b>26,671,350.00</b>
<b>Profit/ (Loss) before Depreciation and Tax</b>	<b>411,155.00</b>	<b>(33,322,828.00)</b>
Less: Depreciation	239,926.00	1,302,579.00
<b>Profit/ (Loss) Before Tax</b>	<b>171,229.00</b>	<b>(34,625,407.00)</b>
Excess Provision Reversed	253,550.00	233,951.00
Provision for Taxation - Current	0.00	0.00
Provision for Deferred Tax- Asset	(39,227.00)	(361,125.00)
Provision for Fringe Benefit Tax	42,934.00	30,071.00
<b>Profit/ (Loss) After Tax</b>	<b>421,072.00</b>	<b>(34,060,402.00)</b>
Add: Deferred Tax Provision No Longer Required	1,163,495.00	0.00
Add: Balance Brought Forward	(37,641,558.00)	(3,581,156.00)
<b>Balance carried over to Balance Sheet.</b>	<b>(36,056,991.00)</b>	<b>(37,641,558)</b>
<b>EPS Basic &amp; Diluted</b>	<b>0.02</b>	<b>(1.98)</b>
<b>Weighted Average number of shares</b>	<b>17,218,759</b>	<b>17,218,759</b>

#### **REGISTERED OFFICE:**

The Registered Office of the Company has been changed from New No. 39, Shapre Towers, North Usman Road, T. Nagar, Chennai - 600 017 to Ground Floor, A.S. Corporate House, No. 307, Poonamallee High Road, Kilpauk, Chennai 600 010 w.e.f. 02.04.2009 to facilitate operational convenience.

#### **MATERIAL CHANGES AND COMMITMENTS:**

There have been no material changes & Commitments, which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report affecting the financial position of the company.

#### **RESERVES:**

The company does not propose to carry any amount to reserves during the financial year.



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### **DIVIDEND:**

Your directors do not wish to recommend any dividend with a view to conserve the resources of the company for growth and expansion of the company.

### **DEPOSITS AND LOANS/ ADVANCES:**

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

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

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **a) Economic Overview**

The year witnessed a global economic slow down in general. The market conditions were difficult and there was a volatile currency environment. In view of the difficulties faced on account of economic conditions the main focus of the company was on conserving cost and creating efficiencies thereby enhancing value. Due to slowdown considerable reductions were experienced in IT service spends all over. There was also increased regulation leading to more enterprise regulation, security and reporting.

#### **b) Industry Structure, Development and Outlook**

The growth in Software Services sector continued to be broad based inspite of general recession. The management is also planning diversification in other areas to improve the performance of the company and in turn enhance shareholders value.

#### **c) Business performance and Segment Reporting**

During the year under review, the company has earned profit of Rs. 421,072/- as against a loss of Rs. 34,060,402/- during the previous year. The performance of the company is expected to improve during the coming years with increasing efforts being made in the direction of improving the working efficiency of the company.

The company operates in one segment viz., Software Development

#### **d) Internal Control System and its adequacy**

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to Strengthen controls where necessary.

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### **e) Risk Management**

Risk evaluation and management is an ongoing process in the company.

### **f) Human resources and Industrial relations**

Your company continues to have cordial relations with its employees.

## **DIRECTORS**

Shri K. Ramu, Director of the company retires by rotation at the ensuing Annual General Meeting of the Company and has expressed his unwillingness to be reappointed as a director of the company. Shri Veera Mohan Arunasalam and Shri Gunasageran Nadeson were appointed as additional directors of the company w.e.f. 02.02.2009 by the Board of Directors of the company in accordance with the provisions of Section 260 of the Companies Act, 1956. They hold office upto the date of the ensuing Annual General Meeting of the Company to be held on 29<sup>th</sup> September, 2009. The requisite notices together with necessary deposits have been received from members pursuant to section 257 of the Companies Act, 1956 proposing the appointment of Shri Veera Mohan Arunasalam and Shri Gunasageran Nadeson as directors of the company. Shri N. Shivaji Rao has resigned as director of the Company w.e.f. 02.02.2009. The Board places on record their sincere and deep appreciation for valuable services rendered to the company. Shri Chandan Singhi was appointed as the whole time director of the company in the Annual General Meeting held on 29.09.2008.

## **AUDITORS:**

M/s. C.N. Srinivasan, Chartered Accountant, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment. A written certificate pursuant to section 224(1B) has been obtained that their appointment if made will be within the limits specified therein. The Audit Committee in its meeting have recommended the reappointment of the Auditors.

## **AUDITORS REPORT:**

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

## **CORPORATE GOVERNANCE:**

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

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A separate report on Corporate Governance is produced as a part of the Annual Report of the Company.

The Auditors of the Company have certified that conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement are complied by the Company and their Certificate is annexed to the Report on Corporate Governance.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

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

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

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

### **GOING CONCERN:**

The Directors consider on the basis of current financial results, future projections and infrastructure available that the company has adequate resources to continue the operational existence in the foreseeable accounts and therefore, the accounts have been prepared on a going concern basis.

### **DIRECTORS RESPONSIBILITY STATEMENT**

The Board of Directors hereby declare:-

- (i) that in preparation of accounts, applicable accounting standards have been followed or where departure has been made, explanation relating to material departures;
- (ii) that directors have selected such accounting policies and applied them and made judgments and estimates that are reasonable and prudent to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- (iii) that Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- (iv) that the directors had prepared Annual Accounts on a Going Concern basis.

### **COMPANY SECRETARY:**

The appointment of Whole time Company Secretary is under consideration of the Company. The company has been availing services of practicing company secretary from time to time to ensure compliance of the provisions of the applicable acts and statutes. Also the Annual

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Return of the Company is being certified by practicing company secretary from year to year and the company is also taking certifications from them for Stock Exchange Compliances.

### **CAUTIONARY STATEMENT:**

Statements in the Management discussion and analysis describing the company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand/supply and prices conditions in the domestic and overseas markets in which the company operates/ going to operate, changes in government regulations, tax laws and other statutes and other incidental factors.

### **ACKNOWLEDGEMENT**

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

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**

**Sd/-**

**(Chandan Singhi)**  
Whole time Director

**(S. Sailakshmi)**  
Director

Date: 03/09/2009  
Place: Chennai

## OMNI AX'S SOFTWARE LIMITED

### STATEMENT AND REPORTS ON CORPORATE GOVERNANCE

#### A. MANDATORY REPORTS ON CORPORATE GOVERNANCE

##### **I. Company's Philosophy on Corporate Governance:**

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

##### **II. Board of Directors :**

###### **Composition and Category**

The Board has 5 Directors, comprising of one Executive Director and four Non-Executive Independent Directors. The Executive Director is involved in the day to day management of the Company and non-executive including the independent directors bring external and wider perspective and independence to the decision making. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors meets with the requirements of Clause 49(I)(A) of the Listing Agreement.

None of the directors is a member in more than 10 committees or acting as a Chairman of more than five committees across all companies in which they are directors.

The composition of the Board of Directors, the number of other Directorship and Committee positions held by the Director, of which the Director is a member/ Chairman as on March 31, 2009 are as under:

Name	Designation	Category	No. of Board Meetings attended during 2008-2009 out of Fourteen	Whether attended the last AGM	No. of Directorships in public companies	No. of other Board committees (Other than Omni Ax's Software Limited) in which he/she is member/ chairperson
Chandan Singhi	Whole time Director	Executive	Fourteen	Yes	3	Nil

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K. Ramu	Director	Non-Executive & Independent	Fourteen	Yes	Nil	Nil
S. Sailakshmi	Director	Non-Executive & Independent	Fourteen	Yes	Nil	Nil
Veera Mohan Arunasalam**	Director	Non-Executive & Independent	One	N.A.	Not holding any other directorships or committee memberships in Indian companies.	
Gunasageran Nadeson**	Director	Non-Executive & Independent	One	N.A.		

\*\* Shri Veera Mohan Arunasalam and Shri Gunasageran Nadeson were appointed as Additional Directors of the Company w.e.f. 02.02.2009.

Shri N. Shivaji Rao resigned as Director of the Company w.e.f. 02.02.2009.

### III. Board Agenda :

Meetings are governed by a structured Agenda and a Board member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board members at least 4-5 working days in advance. An indicative list of the information usually placed before the Board is as under:

Annual Budgets and updates thereon.

Capital expenditure proposals if any and review of their implementation.

Quarterly, Half yearly and Annual Results.

Business performance and steps for improvement.

Legal proceedings involving the Company.

Minutes of meetings of Audit Committee, Remuneration Committee and Shareholders Committee.

Materially important show cause notices, non-compliances, if any, etc.

Other relevant information pertaining to the Company including information detailed in Clause 49 of the Listing Agreement.

### IV. Board Meetings :

During the financial year ended 31<sup>st</sup> March, 2009 Fourteen Board meetings were held i.e. on 7<sup>th</sup> April, 2008, 30<sup>th</sup> April, 2008, 30<sup>th</sup> June, 2008, 31<sup>st</sup> July, 2008, 11<sup>th</sup> August, 2008, 3<sup>rd</sup> September, 2008, 31<sup>st</sup> October, 2008, 27<sup>th</sup> November, 2008, 2<sup>nd</sup> January, 2009, 8<sup>th</sup> January, 2009, 29<sup>th</sup> January, 2009, 31<sup>st</sup> January, 2009, 2<sup>nd</sup> February, 2009 and 27<sup>th</sup> February, 2009. The

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gap between two Board meetings did not exceed four months and three directors have attended all the fourteen meetings and the last AGM held on 29.09.2008. Two directors have attended only one meeting.

### **V. Committees of the Board**

The Board of Directors has constituted 3 Committees of the Board viz.

- \_ Audit Committee
- \_ Remuneration Committee
- \_ Shareholders Committee and

The Board determines the terms of reference of these Committees from time to time. Meetings of these Committees are convened by the respective Committee Chairman / Company Secretary. At each Board Meeting, minutes of these Committees are placed before the Directors for their perusal and noting.

#### **a) AUDIT COMMITTEE :**

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

#### **TERMS OF REFERENCE:**

The terms of Reference of the Audit Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreements as well as in Section 292A of the Companies Act, 1956 as amended from time to time and inter-alia includes:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and for approval of payment to statutory auditors for any other services rendered by the statutory auditors.
3. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - b. Any Changes in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings.
  - d. The Going concern assumption.
  - e. Compliance with accounting standards.
  - f. Compliance with listing and other legal requirements relating to financial statements
  - g. Disclosure of any related party transactions i.e. transaction of the company of material

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nature with promoters of the management and their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large.

h. Qualifications in the draft audit report.

4. Reviewing, with the management, the quarterly financial statements before submission to the board for approval, performance of statutory and internal auditors, the structure and adequacy of the internal control systems.

5. Reviewing adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit and discussing with internal auditors any significant findings and follow up there on.

6. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

7. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

8. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

9. Reviewing the Company's financial and risk management policies.

10. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee, inter alia, reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor.

In fulfilling the above role the Audit Committee has powers to investigate any activity within its



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terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Audit Committee while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) issued by the Institute of Chartered Accountants of India. Compliance of the AS as applicable to the Company has been ensured in the financial statements for the year ended March 31, 2009.

### **Constitution :**

The Audit Committee comprises of three directors of whom two are Non-Executive Independent Directors and one is an Executive Director. The Audit Committee is constituted in accordance with the provisions of Clause 49(IIA) of the Listing Agreement and Section 292A of the Companies Act, 1956. All these directors possess requisite knowledge of Accounts, finance and applicable laws. One of the members acts as Chairman of the Committee Meetings. The Auditors are also invited to the Meetings wherever required. The quorum for the Audit Committee Meetings is two members. The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

The composition of the Audit Committee is as follows:

1. K. Ramu
2. Chandan Singhi
3. S. Sailakshmi

The Committee is chaired by Shri K. Ramu

Meetings and Attendance:

The Audit Committee met 4 (four) times during the year ended 31<sup>st</sup> March, 2009 i.e. on

**30<sup>th</sup> April, 2008, 30<sup>th</sup> June, 2008, 31<sup>st</sup> October, 2008 and 31<sup>st</sup> January , 2009**

The gap between two meetings did not exceed four months. The Audit Committee also met prior to finalization of accounts for the year ended 31<sup>st</sup> March, 2009. And all the directors have attended all the four meetings.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the Shareholders queries.

### **b) REMUNERATION COMMITTEE :**

#### **TERMS OF REFERENCE AND REMUNERATION POLICY:**

The Remuneration Committee has been constituted to recommend and review the remuneration packages of the Managing Director, Whole time Directors and to formulate a

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broad policy for management remuneration. The remuneration policy as outlined by the committee aims at recognizing and rewarding performances and achievements, while fixing the remuneration of Directors their contribution by way of their professional approach. This policy is in tune with national and international practices.

### **Constitution :**

The Remuneration Committee comprises of three directors of whom two are Non-Executive Independent Directors and one is an Executive Director. The Chairman of the Remuneration Committee is a Non-Executive Independent Director nominated by the Board.

### **The Committee consists of 3 (three) directors:**

1. S. Sailakshmi
2. K. Ramu
3. Chandan Singhi

The Committee is chaired by S. Sailakshmi

### **CHANGE IN THE COMPOSITION OF THE REMUNERATION COMMITTEE:**

Smt. S. Sailakshmi was appointed as the Chairperson of the Remuneration Committee in place of Shri Chandan Singhi w.e.f. 31<sup>st</sup> October, 2008.

### **Meetings and Attendance:**

The Remuneration Committee met once during the year i.e. on

31<sup>st</sup> October, 2008

And all the directors have attended the meeting.

No Remuneration or Sitting fees has been paid to the Directors of the Company including Whole time Director.

The Shareholdings of directors in the Company as on 31<sup>st</sup> March, 2009 are:

Chandan Singhi: 379536 shares  
K. Ramu: NIL shares  
S. Sailakshmi: NIL shares  
Veera Mohan Arunasalam: NIL shares  
Gunasageran Nadeson: NIL shares

### **c) SHAREHOLDERS COMMITTEE:**

The Board of Directors have constituted a Committee of Directors which functions as

## **OMNI AX'S SOFTWARE LIMITED**

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Shareholders/ Investors Grievance Committee, consisting three directors of whom two are Non-Executive Independent directors and one is Executive Director Chaired by a Non-Executive Independent Director.

**Role:**

The terms of reference of the Shareholders Committee are as under:

1. To specifically look into the redressal of Shareholders Grievances pertaining to :
  - \_ Transfer/ transmission/ transposition of shares.
  - \_ Consolidation/splitting of shares/ folios.
  - \_ Issue of share certificates for lost, subdivided, consolidated, rematerialized, defaced etc.
  - \_ Dematerialisation of shares.
  - \_ Recommend measures to improve the level of investor services.

The company and the Registrar and Share Transfer Agents Cameo Corporate Services Limited attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. The Minutes of the Shareholders committee are noted by the Board of Directors at their meetings.

**Constitution:**

**The Committee consists of 3 (three) directors:**

1. S. Sailakshmi
2. N. Shivaji Rao
3. K. Ramu

The Committee is chaired by S. Sailakshmi

**Meetings and Attendance:**

The Shareholders Committee met 4 (four) times during the year i.e. on 30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 31<sup>st</sup> October, 2008 and 31<sup>st</sup> January , 2009

And all the directors have attended all the four meetings.

**NAME AND DESIGNATION OF THE COMPLIANCE OFFICER:**

SHRI CHANDAN SINGHI, WHOLE TIME DIRECTOR

Tel No. : 044 28342934

Fax No. : 044 28341736

Email ID: [csinghi@hotmail.com](mailto:csinghi@hotmail.com)

Cell No. : +91 98400 19031

## OMNI AX'S SOFTWARE LIMITED

### DETAILS OF INVESTORS COMPLAINTS RECEIVED AND ADDRESSED:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	5	5	0

No Investors grievances remained unattended/ pending for more than 30 days as on 31<sup>st</sup> March, 2009.

### VI. GENERAL BODY MEETINGS :

Location, Date and time, where last three Annual General Meetings were held is given below:

General Body Meeting	Date	Venue	Time	Special Resolutions passed at AGM
AGM for the year 2008	29.09.2008	No. 39, North Usman Road, Basement Building, T. Nagar, Chennai - 600 017.	9.30 A.M.	No
AGM for the year 2007	29.09.2007	No. 39, North Usman Road, Basement Building, T. Nagar, Chennai - 600 017.	10.00 A.M.	No
AGM for the year 2006	30.09.2006	No. 39, North Usman Road, Basement Building, T. Nagar, Chennai - 600 017.	9.30 A.M.	No

No Special Resolutions were passed during the last three Annual General Meetings. No Extraordinary General Meeting was held during the last financial year. No resolution was passed during the last financial year by postal ballot.

### VII. SUBSIDIARIES : NIL

### VIII. CODE OF CONDUCT:

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated to the Directors and members of the Senior Management and they have affirmed compliance with the same. There is no website of the company.

## **OMNI AX'S SOFTWARE LIMITED**

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### **IX. PREVENTION OF INSIDER TRADING :**

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992 as amended from time to time. This code is applicable to all Directors/Officers/Designated Employees. The code ensures the prevention of dealing in company's shares by persons having access to unpublished price sensitive information.

### **X. DISCLOSURES :**

There are no materially significant transactions made by the company with its promoters, the directors or the management, their subsidiaries or relatives etc. which require separate disclosure. In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956. The significant accounting policies which are consistently applied are set out in the Annexure to Notes to the Accounts. Business risk evaluation and management is an ongoing process in the company. No penalties/ strictures have been imposed on the company by any regulatory authority for non-compliance of any law. The Company has complied with the mandatory requirements relating to strengthening the responsibilities of Audit Committee, improving the quality of financial disclosures, including related party transactions and periodical review by the Board and its constituted committees. The Company has adopted the non-mandatory requirements with regard to setting up of a remuneration committee.

### **MEANS OF COMMUNICATION:**

- (i) The Board of Directors of the company approves and takes on record the quarterly and yearly financial results in the proforma prescribed by Clause 41 of the Listing Agreement within one month of the close of the respective period.
- (ii) The approved financial results are forthwith sent to the listed stock Exchanges and are published in the leading national English Newspaper namely Trinity Mirror (English daily). In addition the same is published in local language (Tamil) newspaper namely Makkal Kural (Tamil daily) within forty-eight hours of approval thereof. The same are not sent to the shareholders separately.
- (iii) Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the company.
- (iv) The Company has not made presentations to Institutional Investors or to Analysts.
- (v) Company's Email ID: [omniaxssl@gmail.com](mailto:omniaxssl@gmail.com)

## **OMNI AX'S SOFTWARE LIMITED**

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### **XI. GENERAL SHAREHOLDERS INFORMATION :**

Registered Office : **Ground Floor, A.S. Corporate House,  
No.307, Poonamallee High Road, Kilpauk, Chennai - 600010.**

Number of AGM : **17<sup>th</sup> AGM**

Date : **29<sup>th</sup> September, 2009**

Day : **Tuesday**

Time : **9.30 A.M.**

Venue : **Registered Office of the Company at Ground Floor,  
A.S. Corporate House, No. 307, Poonamallee High Road,  
Kilpauk, Chennai - 600010.**

Financial year : **1<sup>st</sup> April, 2008 to 31<sup>st</sup> March, 2009**

Book Closure date : **22<sup>nd</sup> SEPTEMBER, 2009 TO 29<sup>th</sup> SEPTEMBER, 2009  
(BOTH DAYS INCLUSIVE)**

Dividend payment : **Not Applicable**

Date

#### **LISTING ON STOCK EXCHANGES:**

The Bombay Stock Exchange Limited, Mumbai

**LISTING FEES:** The Company has paid listing fees upto the financial year 2009-2010

#### **REGISTRAR AND TRANSFER AGENTS:**

**CAMEO CORPORATE SERVICES LIMITED,  
#1, SUBRAMANIAM BUILDING,  
CLUB HOUSE ROAD,  
MOUNT ROAD,  
CHENNAI 600 002.**

## OMNI AX'S SOFTWARE LIMITED

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### SHARE TRANSFER SYSTEM:

The share transfers in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt by the Registrar and Transfer Agent so long as the documents have been clear in all respects. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository participants. The company as per SEBI Guidelines offers the facility of transfer cum demats. There are no pending share transfers and requests for demat as on 31<sup>st</sup> March, 2009. In compliance with the Listing Agreement with the Stock Exchanges, a Practising Company Secretary carries out an Audit of the System of Transfer and a certificate to that effect is issued.

### SHARE PRICES:

**Stock Code: 532340**

### Market Price Data:

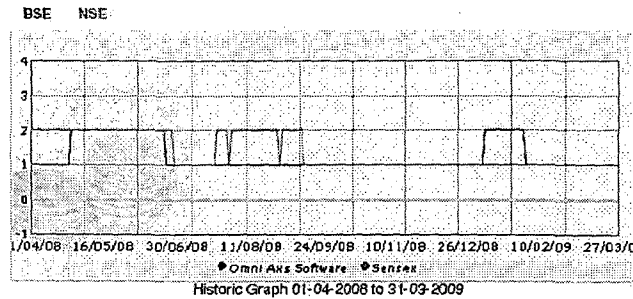
High, low (based on the closing prices) and number of shares traded during each month in the financial year 2008-2009 on the Bombay Stock Exchange Limited

BOMBAY STOCK EXCHANGE LIMITED			
Month	High (Rs.)	Low (Rs.)	Total Number of Shares Traded
April - 2008	1.59	1.00	27289
May - 2008	2.00	1.62	95326
June - 2008	2.03	1.41	32764
July - 2008	1.34	0.90	146458
Aug - 2008	1.23	0.96	98832
Sept - 2008	1.50	0.97	65292
Oct - 2008	1.48	0.90	204721
Nov - 2008	1.15	0.82	136136
Dec - 2008	1.59	1.10	17105
Jan - 2008	2.22	1.20	130300
Feb - 2008	1.50	1.09	30442
Mar - 2009	1.20	0.95	61015

## OMNI AX'S SOFTWARE LIMITED

### PERFORMANCE OF SHARE PRICE OF THE COMPANY IN COMPARISON TO THE BSE SENSEX

#### Historic Graphs



(For selected period)	BSE	NSE
High	2.22	
Low	0.82	

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report is included in the Directors Report and forms part of the Annual Report.

#### XII. COMPLIANCE CERTIFICATE OF THE AUDITORS :

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed to the Directors Report and Management Discussion and Analysis. The certificate from the Statutory Auditors will be sent to the listed Stock Exchanges alongwith the Annual Reports of the Company.

#### XIII. CHIEF EXECUTIVE OFFICER CERTIFICATE :

The Chief Executive Officer has certified to the Board as required under Clause 49(v) of the Listing Agreement and the same is annexed to and forms part of this report.



**OMNI AX'S SOFTWARE LIMITED**

**SHARE HOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2009**

Category	Shares	%
<b>A. Promoters Holdings</b>		
1. Promoters		
Indian Promoters	1185836	6.8869
Foreign Promoters	—	—
2. Persons Acting in concert	—	—
<b>Sub-Total</b>	<b>1185836</b>	<b>6.8869</b>
<b>B. Non Promoters Holdings</b>		
3. Institutional Investors		
a) Mutual Funds and UTI	—	—
b) Banks, Financial Institutions, Insurance Companies, (Central/ State Govt/ Institutions/ Non-Government Institutions)	—	—
c) FIs	—	—
<b>Sub-Total</b>	<b>—</b>	<b>—</b>
4. Others		
a) Private Bodies Corporate	5,710,216	33.1628
b) Clearing Members	1200	0.0070
c) Indian Public	10316007	59.9114
d) NR/OCBs	5500	0.0319
e) Any other (Please Specify)	—	—
Shares in Transit		
Forfeited Shares		
Foreign National		
<b>Sub-Total</b>	<b>16032923</b>	<b>93.1131</b>
<b>Grand Total</b>	<b>17218759</b>	<b>100</b>

## OMNI AX'S SOFTWARE LIMITED

### DISTRIBUTION SCHEDULE AS ON 31.03.2009

No. of Equity Shares Held	No. of Shareholders	%	No. of Shares	%
Upto 5000	2595	58.0796	771062	4.4780
5001 – 10000	918	20.5461	816543	4.7421
10001 – 20000	380	8.5049	638145	3.7061
20001 – 30000	166	3.7153	442562	2.5702
30001 – 40000	71	1.5890	265479	1.5418
40001 – 50000	109	2.4395	526856	3.0597
50001 – 100000	121	2.7081	933725	5.4227
100001 and above	108	2.4171	12824387	74.4791
<b>Total</b>	<b>4468</b>	<b>100.0000</b>	<b>17218759</b>	<b>100.0000</b>

#### Dematerialisation of Shares and Liquidity:

The company's shares are available for trading on both the depositories in India viz., National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31<sup>st</sup> March, 2009 the details of shares in demat mode and in physical mode are as under:

No. of shares in Physical mode: 8150129

No. of shares in dematerialized mode NSDL: 64,86,942

CDSL: 25,81,688

The company's shares are traded on the Bombay Stock Exchange Limited.

Under the Depository system the International Securities Identification Number (ISIN) allotted to the Company's Shares is

INE9369B01019 Fully paid

IN9369B01017 Partly paid

**Outstanding GDRs/ADRs/ Warrants: Nil**

## **OMNI AX'S SOFTWARE LIMITED**

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### **SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:**

As stipulated by SEBI, a qualified practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total listed and paid up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

### **Company Registration details**

**The Company is registered in the State of Tamilnadu. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L30006TN1992PLC022439.**

**Address for Correspondence:** Ground Floor, A.S. Corporate House,  
No.307, Poonamallee High Road, Kilpauk,  
Chennai - 600010.

In terms of Clause 47(f) of the Listing Agreement of Stock Exchanges, investors may please use the following exclusive e-mail id for redressal of Investor requests/complaints:-  
E-mail : [investorcomplaintsomni@yahoo.com](mailto:investorcomplaintsomni@yahoo.com).

**Factory Location** : Nil

**For and on behalf of the Board**  
**Sd/- Sd/-**  
**Whole time Director Director**  
**(Chandan Singhi) (S. Sailakshmi)**

**Place: Chennai**  
**Date: 03.09.2009**

### **DECLARATION REGARDING COMPLIANCES BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a code of conduct for the members of the Board and Senior Management Personnel. I confirm that the company has, in respect of the financial year ended 31<sup>st</sup> March, 2009, received from the members of the Board and Senior Management Team of the Company, a declaration of compliance with the code of conduct as applicable to them.

**Sd/-**  
**Chandan Singhi**  
**Whole time Director**

**Place: Chennai**  
**Date: 03.09.2009**

**OMNI AX'S SOFTWARE LIMITED**

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**AUDITORS CERTIFICATE REGARDING COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

**REGISTRATION NO. OF THE COMPANY : 18-022439**  
**NOMINAL CAPITAL: RS. 20,00,00,000/-**

**TO**  
**THE MEMBERS OF OMNI AX'S SOFTWARE LIMITED**  
**CHENNAI**

We have examined all the relevant records of M/s. **OMNI AX'S SOFTWARE LIMITED** for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with BSE for the financial year ended on 31st March, 2009. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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 the Corporate Governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the company has complied with the applicable mandatory conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement and the company has adopted the non-mandatory requirements with regard to setting up of a remunerative committee.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that the Registrar and Share Transfer Agents of the Company have maintained records to show Investors' Grievances against the Company and have certified that as on 31st March, 2009 there were no investor grievances remaining unattended pending for a period exceeding one month.

**Sd/-**  
**C.N. Srinivasan**  
**Chartered Accountant**  
**Membership No. 200/18216**

**Date: 03.09.2009**  
**Place: Chennai**

## **OMNI AX'S SOFTWARE LIMITED**

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**CERTIFICATION BY CEO/CFOs issued pursuant to revised Clause 49 of the Listing Agreement.**

The Board of Directors  
**OMNIAX'S SOFTWARE LIMITED**  
**CHENNAI.**

**Re: Financial Statements for the year 2008-09 - Certification by CEO**

I, Chandan Singhi, Whole time Director of M/s. **OMNI AX'S SOFTWARE LIMITED , CHENNAI** on the basis of review of the financial statements and the Cash Flow Statement for the financial year ending 31st March, 2009 and to the best of my knowledge and belief, hereby certify that:

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year ended 31st March, 2009 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. Based on my observance and on the basis of submission received through sub-certification process, I certify that internal controls for financial reporting are established, maintained and are effective considering the nature and size of the business. Further, no deficiencies have been observed in design or operation of such internal controls for the period covered by this report.
5. We further certify that :
  - (a) There have been no significant changes in internal control during this year.
  - (b) There have been no significant changes in accounting policies during this year.
  - (c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems.

**Sd/-**  
**(Signature of the Certifying Authority)**  
**Chandan Singhi**  
**Whole time Director**

**Date: 03.09.2009**  
**Place: Chennai**

## **OMNI AX'S SOFTWARE LIMITED**

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### **AUDITOR'S REPORT**

#### **TO THE MEMBERS OF OMNI AX'S SOFTWARE LIMITED**

I have audited the attached Balance Sheet of M/s. Omni Ax's Software Limited, ("the Company") as at 31<sup>st</sup> March 2009 and the Profit and Loss Account and cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion or these financial statements based on my audit.

I conducted my audit in accordance with the auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditors Report) Amendment Order, 2004 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 ("the Act"), I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Attention is invited to item numbers (11&12) of schedule 16 forming part of the financial statements regarding non provisioning of diminution in value of investments and non confirmation of balances of loans and advances, sundry debtors and sundry creditors. Consequently the net current assets and the losses would change accordingly in the event of any differences in these accounts.
3. Further to my comments in the Annexure referred to above, I report that:
  - i) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purposes of my audit;
  - ii) In my opinion, proper books of account as required by law have been kept by the company so far as appears from my examination of those books;
  - iii) The Balance Sheet, Profit and Loss Account and cash flow statement dealt with in this report are in agreement with the books of accounts;
  - iv) In my opinion, the Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

## **OMNI AX'S SOFTWARE LIMITED**

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V) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2009 and taken on record by the Board of Directors, I report that none of the directors is disqualified as at 31<sup>st</sup> March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956; and

vi) In my opinion and to the best of my information and according to the explanations given to me, the said accounts give the information required by the Companies Act, 1956 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 Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2009;

b) In the case of the Profit and Loss Account, of the Profit of the Company 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. The Cash Flow Statement has been prepared by the company in accordance with the requirements of Clause 32 of the listing agreements entered into with the Stock Exchange.

Place: Chennai  
Date: 30/06/2009

Sd/-  
C.N.SRINIVASAN  
Chartered Accountant  
Membership No.200/18216

## **OMNI AX'S SOFTWARE LIMITED**

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### **ANNEXURE TO THE AUDITOR'S REPORT**

**Annexure referred to in my report to the members of M/s.Omni Ax's Software Limited ("the Company") for the year ended 31<sup>st</sup> March 2009.**

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b. All the assets are physically verified by the management during the year and there is regular programme of verification which, in my opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.  
c. The company the normal course of the business had sold software assets for rupee 5.11 lakhs and there is no substantial reduction in the fixed assets.
2. The company does not have any inventory. Accordingly, paragraph 4(ii) of the order is not applicable
3. The Company has not taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. The Company has not granted loans to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraph 4(iii) of the order is not applicable.
4. In my opinion and according to the information and explanations given to me there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and for the sale of goods and services. During the course of my audit, I have not observed any continuing failure to correct major weaknesses in internal controls.
5. The company has not entered into any contracts or arrangements attracting the provisions of section 301 of the Companies Act, 1956. Accordingly, paragraph 4(v) of the order is not applicable
6. The company has not accepted any deposit from the public and hence provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975 are not applicable. Accordingly, paragraph 4(vi) of the order is not applicable
7. In my opinion, the company has an internal audit system commensurate with the size and nature of its business.



## **OMNI AX'S SOFTWARE LIMITED**

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8. I am informed that the company has not been required by the Central Government to maintain cost records under section 209(1) (d) of the Companies Act, 1956. Accordingly, paragraph 4(viii) of the order is not applicable
9.
  - a. According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has been generally regular in depositing the undisputed statutory dues including Income tax, Service Tax and other applicable statutory dues with the appropriate authorities.
  - b. According to the information and explanations given to me, no undisputed amounts payable in respect of income tax, service tax and other applicable statutory dues as at 31<sup>st</sup> March 2009 were outstanding for a period of more than six months from the date they became payable.
10. The company has accumulated losses at the end of the financial year which are less than fifty percent of its net worth. The company has not incurred cash losses during the financial year but not in the immediately preceding financial year.
11. The company has taken loan from Bank against Fixed Deposit and has not defaulted in repayments of dues to the said Bank.
12. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly paragraph 4(xii) of the Order is not applicable.
13. The company is not a chit fund / nidhi/ mutual benefit fund/ society. Accordingly paragraph 4(xiii) of the Order is not applicable.
14. The company is not dealing or trading in shares, securities, debentures and other investments. The Investments in shares, securities, debentures and other forms of investments were held in the name of the company.
15. According to the information and explanations given to me, the company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly paragraph 4(xv) of the Order is not applicable
16. The company has not taken any term loan during the year covered by this audit. Accordingly paragraph 4 (xvi) of the Order is not applicable.
17. According to the information and explanations given to me and on an overall examination of the balance sheet of the company, in my opinion that the company has not raised any funds on short-term basis for long term Investments. Accordingly paragraph 4 (xvii) of the order is not applicable. All assets have been funded by the shareholder's funds.
18. The company has not made any preferential allotment of shares to any parties or companies during the financial year. Accordingly paragraph 4 (xviii) of the order is not applicable.

**OMNI AX'S SOFTWARE LIMITED**

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19. The company has not issued any debentures during the period covered by my audit Accordingly paragraph 4 (xix) of the Order is not applicable.
20. The company has not raised any money by public issue during the financial year Accordingly paragraph 4(xx) of the Order is not applicable.
21. According to the information and explanations given to me, I report that no material fraud on or by the company has been noticed or reported during the course of audit.

**Place: Chennai**  
**Date : 30/06/2009**

Sd/-  
**C.N.SRINIVASAN**  
**Chartered Accountant**  
**Membership No.200/18216**

**OMNI AX'S SOFTWARE LIMITED**

**Balance Sheet as at 31 ST MARCH 2009**

Particulars	SCH	As at March 31,2009 Rs	As at March 31, 2008 Rs
<b>SOURCES OF FUNDS</b>			
<b>SHARE HOLDERS' FUNDS</b>			
Share Capital	1	172,187,590	172,187,590
Reserves & Surplus	2	46,454,253	46,454,253
<b>LOAN FUNDS</b>			
Secured Loans	3	2,028,664	-
Unsecured Loans		-	-
Deffered Tax Liability (Net)	4	1,767,093	2,969,815
		<b>222,437,600</b>	<b>221,611,658</b>
<b>APPLICATION OF FUNDS</b>			
Goodwill on Amalgamation		53,762,872	53,762,872
<b>FIXED ASSETS</b>			
Gross Block		12,820,563	12,820,563
Less: Depreciation		11,376,358	11,389,981
Add: Depreciation Adjustment		91,821	91,820
Net Block		1,536,026	1,522,402
Capital Work In Progress (at Cost)		22,406,725	22,917,725
		23,942,751	24,440,127
<b>INVESTMENTS</b>			
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Interest Accrued on Investments		-	-
Inventories		-	-
Sundry Debtors	7	9,757,168	81,723,168
Cash and Bank Balances	8	6,607,029	6,845,911
Loans and Advances	9	84,774,511	72,876,506
Sub Total		101,138,708	161,445,585
Less: <b>CURRENT LIABILITIES AND PROVISIONS</b>			
Current Liabilities	10	26,659,250	80,496,030
Provisions	11	133,270	377,496
<b>NET CURRENT ASSETS</b>		74,346,188	80,572,060
Miscellaneous Expenditure (to the extent not written off or adjusted)	12	348,286	914,040
Profit & Loss Account		36,056,991	37,641,558
		<b>222,437,600</b>	<b>221,611,658</b>
Significant Accounting Policies & Notes to Accounts	16		

For and on behalf of board of directors

As per my report of Even date

Sd/-  
Chandan Singhi  
Whole time Director

Sd/-  
Sailakshmi  
Director

Sd/-  
C.N.Srinivasan  
Chartered Accountant  
Membership No. : 200/18216

Place: Chennai  
Date : 30/06/2009

**OMNI AX'S SOFTWARE LIMITED**

**Profit and Loss Account for the Year ended March 31, 2009**

Particulars	Sch	As on March 31, 2009 Rs.	As on March 31, 2008 Rs.
<b>INCOME</b>			
Sales		-	16,745,888
Service Income		6,158,236	5,970,000
Other Income	13	11,665,181	3,955,462
		<b>17,823,417</b>	<b>26,671,350</b>
<b>EXPENDITURE</b>			
Increase / Decrease in Inventories		-	-
Cost of Software Purchased	14	-	15,878,904
Administrative Expenses	15	16,846,508	42,829,522
Depreciation		239,926	1,302,579
Diminution in value of Investment		-	719,999
Miscellaneous Expenditure Written off		565,754	565,754
		<b>17,652,188</b>	<b>61,296,757</b>
<b>PROFIT/ (LOSS) BEFORE TAX</b>		<b>171,229</b>	<b>(34,625,407)</b>
Excess Provision Reversed		253,550	233,951
Provision for Taxation- Current		-	-
Provision For Deferred Tax - Asset		(39,227)	(361,125)
Provision For Fringe Benefit Tax		42,934	30,071
<b>PROFIT / (LOSS) AFTER TAX</b>		<b>421,072</b>	<b>(34,060,402)</b>
Add: Deferred Tax Provision no longer required		1,163,495	-
Add: Last Year Provision adjusted		-	-
Add: Balance Brought Forward		(37,641,558)	(3,581,156)
Balance Carried to Balance sheet		<b>(36,056,991)</b>	<b>(37,641,558)</b>
Earnings Per Share - Basic & Diluted (Rs.)		0.02	(1.98)
Weighted Average Number of Shares		17,218,759	17,218,759
Notes to Accounts	16		

For and on behalf of board of directors

As per my report of Even date

Sd/-  
Chandan Singhi  
Whole time Director  
Place: Chennai  
Date :30/06/2009

Sd/-  
Sailakshmi  
Director

Sd/-  
C.N.Srinivasan  
Chartered Accountant  
Membership No. : 200/18216

# OMNI AX'S SOFTWARE LIMITED

## Schedules forming part of Accounts

Particulars	As at	As at
	March 31, 2009	March 31, 2008
<b>Schedule 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorized</b>		
20000000 Equity Shares of Rs.10/- each	200,000,000	200,000,000
<b>Issued and Subscribed &amp; Paid Up:-</b>		
17218759 Equity Shares of Rs.10/- each	172,187,590	172,187,590
	<b>172,187,590</b>	<b>172,187,590</b>
<b>Schedule 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
Shares Forfeited Account	2,504,505	2,504,505
Share Premium Account	43,949,748	43,949,748
Profit & Loss Account	-	-
	<b>46,454,253</b>	<b>46,454,253</b>
<b>Schedule 3</b>		
<b>SECURED LOANS</b>		
Loan from Andhra Bank against Fixed Deposit	2,028,664	-
	<b>2,028,664</b>	<b>-</b>
<b>Schedule 4</b>		
<b>DEFERRED TAX LIABILITY</b>		
Opening Balance	2,989,815	3,330,940
Less:Deferred Tax Asset / Liability - Depreciation	(1,202,722)	(361,125)
Closing Balance - Net Deferred Tax Liability	<b>1,787,093</b>	<b>2,969,815</b>
<b>Schedule 6</b>		
<b>INVESTMENTS</b>		
<b>Investments In Subsidiary Companies</b>		
	-	-
<b>Trade Investments</b>		
	-	-
<b>Others</b>		
<b>Investments In Quoted Shares - Fully Paid</b>		
a) Telesys Software Limited **	2,755,510	-
Cost of 2823800 (P.Y.Nil) Equity Shares of Rs.10/- Each		
b) Shapre Infotech Limited	1	720,000
Cost of 1001626(P.Y.1001626) Equity Shares of Rs.10/- Each		
** (Market Value is not Available since No trading)		
Less: Provision for diminution	-	719,999
	<b>2,755,511</b>	<b>1</b>
<b>Investments In Unquoted Shares - Fully Paid</b>		
a) Baghmar Finance Ltd	1,500,000	1,500,000
Cost of 325000 (P.Y 325000) Equity Shares of Rs.10/- Each		
b) Chenitian Color Chem Pvt Ltd	-	10,000,000
Cost of Nil (P.Y 40000) Equity Shares of Rs.10 Each		
c) Gigo Soflogic Pvt Limited	5,300,000	131,000
Cost of 130000 (P.Y 28200) Equity Shares of Rs.10/- Each		
d) Goldfin Capital Pvt Limited	300,000	300,000
Cost of 30000 (P.Y 30000) Equity Shares of Rs.10/- Each		
e) Lusaka Investment & Trading Company Pvt Limited	-	850,000
Cost of Nil (P.Y 10000) Equity Shares of Rs.100/- Each		
f) J.C.Bio Tech Ltd	1,500,000	1,500,000
Cost of 150000 (P.Y. 150000) Equity Shares of Rs.10/- Each		
g) Greenpath Energy Pvt Ltd	4,500,000	-
Cost of 90000 (P.Y.Nil) Equity Shares of Rs.10/- Each		
h) Sambhav Energy Limited	18,125,000	10,000,000
Cost of 362300 (P.Y. SAM) Equity Shares of Rs.10/- Each		
	<b>33,980,511</b>	<b>24,281,001</b>

## OMNI AX'S SOFTWARE LIMITED

Particulars	As at	As at
	March 31, 2009	March 31, 2008
<b>Schedule 7</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured)		
(a) Debts Outstanding for a Period Exceeding Six Months		
Considered Good	9,281,168	-
Considered Doubtful	-	-
(b) Others		
Considered Good	476,000	81,723,168
Considered Doubtful	-	-
Less : Provision for Doubtful Debts	-	-
Directors or Other Officers	-	-
	<b>9,757,168</b>	<b>81,723,168</b>
<b>Schedule 8</b>		
<b>CASH AND BANK BALANCES</b>		
Cash on hand		
	477,045	170,084
Bank Balance -		
- With Scheduled Banks on Current Accounts	3,879,984	6,675,828
- In Fixed deposit	2,250,000	-
- With Others	-	-
	<b>6,607,029</b>	<b>6,845,911</b>
<b>Schedule 9</b>		
<b>LOANS AND ADVANCES</b>		
Unsecured Considered Good Advances		
Recoverable in cash or kind for value to be Received	79,200,626	70,534,493
Electricity Deposit	3,000	3,000
Rental Advance	2,244,700	194,700
Telephone Deposit	3,000	3,000
Sales Tax Deposit	20,000	20,000
Tax Deducted at Source		
For the Year 2004-2005	198,238	198,238
For the Year 2005-2006	447,609	447,609
For the Year 2006-2007	670,767	670,767
For the Year 2007-2008	804,699	807,699
For the Year 2008-2009	1,181,872	-
Considered Doubtful	-	-
	<b>84,774,511</b>	<b>72,879,506</b>
Less: Provision for doubtful Debts	-	-
	<b>84,774,511</b>	<b>72,879,506</b>
Note:		
Advances recoverable in cash or kind or for value to be received include Intercompany Loans & Advances		
<b>Schedule 10</b>		
<b>CURRENT LIABILITIES</b>		
(a) Total Outstanding Dues to Micro and Small Enterprises		
	-	-
(b) Total Outstanding Dues to Creditors other than Micro and Small Enterprises		
	6,659,250	80,496,030
© Towards Advance Received from Customer	20,000,000	-
	<b>26,659,250</b>	<b>80,496,030</b>
<b>Schedule 11</b>		
<b>PROVISIONS</b>		
Provision For Expenses	24,735	39,907
Provision for Fringe Benefit Tax	42,934	37,371
Provision for Taxation	-	-
Tds Payable	65,601	300,218
	<b>133,270</b>	<b>377,496</b>

## OMNI AX'S SOFTWARE LIMITED

Particulars	As at March 31, 2009	As at March 31, 2008
<b>Schedule 12</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
Opening Balance	914,040	1,479,794
Less: Written off during the year	565,754	565,754
Closing Balance	<u>348,286</u>	<u>914,040</u>
<b>Schedule 13</b>		
<b>Other Income</b>		
Interest Received (Less : CY Tds Rs.1181872/-, LY Rs.804699/-)	3,457,181	1,718,944
Profit on Sale of Computer	600,000	-
Profit on Sale of Shares	69,000	172,108
Profit on Sale of Assets	139,000	2,084,410
Recovery of Loss on Sale of Shares	7,400,000	-
	<u>11,665,181</u>	<u>3,955,462</u>
<b>Schedule 14</b>		
<b>Cost of Software</b>		
Cost of Software Packages	-	15,878,904
	<u>-</u>	<u>15,878,904</u>
<b>Schedule 15</b>		
<b>Administrative Expenses</b>		
Travelling & Conveyance	334,447	189,290
Staff Welfare Expenses	344,789	79,794
Share Transfer Agent Fees	-	20,000
Salaries & Bonus	3,870,897	4,712,965
Rent	363,825	30,000
Rates & Taxes	11,236	68,104
Printing & Stationary	259,435	120,285
Postage & Telephone	89,732	95,354
Office Maintenance	274,660	87,540
Office Expenses	239,748	21,884
Repairs & Maintenance		
Building : Rs. 50200.00		
Computers : Rs. 19740.00	69,940	85,576
Misc Expenses	247,642	61,332
Loss on Sale of Shares - Long Term	50,000	20,655,000
Loss on Sale of Shares - Short Term	9,700,000	934,653
Legal Expenses	-	20,000
Listing Fees	15,000	15,964
ROC Fees	15,500	-
Securities Transaction Tax	-	5,998
Interest Paid	8,704	109,227
Electricity Charges	96,191	95,829
Consultancy Fees	57,100	24,000
Auditor Remuneration	27,575	25,000
Advertisement Expenses	35,000	157,700
Bank Charges	20,087	23,527
Training Cost	-	2,357,500
Manpower Contract	715,000	12,833,000
	<u>16,846,508</u>	<u>42,829,522</u>

For and on behalf of board of Directors

As per my report of Even date

Sd/-  
Chandan Singhi  
Whole time Director  
Place:Chennai  
Date: 30/06/2009

Sd/-  
Sailakshmi  
Director

Sd/-  
C.N.Srinivasan  
Chartered Accountant  
Membership No. : 200/18216

Schedules forming part of Accounts SLM METHOD

SCHEDULE 5 : FIXED ASSETS

Descriptions	Gross Block			Depreciation / Amortization				Net Block		
	As at 01.04.2008	Additions	Deletions	As at 31.03.2009	Upto 01.04.2008	For the period	Deletion	Upto 31.03.2009	As at March 31, 2009	As at March 31, 2008
Computers & Other Peripherals	8,488,971	-	-	8,488,971	8,742,521	-	253,550	8,488,971	-	(253,550)
Office Equipments	2,168,523	-	-	2,168,523	1,030,767	103,004	-	1,133,771	1,034,752	1,137,756
Furniture & Fixtures	2,163,069	-	-	2,163,069	1,616,693	136,922	-	1,753,615	409,454	546,376
Add: Difference in Dep	-	-	-	-	-	-	-	-	91,821	91,820
Work in Progres	4,003,485	-	-	4,003,485	-	-	-	-	4,003,485	4,003,485
Computer Under Installation	18,914,240	-	511,000	18,403,240	-	-	-	-	18,403,240	18,914,240
	12,820,563	-	511,000	12,820,563	11,389,981	239,926	253,550	11,376,358	1,536,026	1,522,402



## **OMNI AX'S SOFTWARE LIMITED**

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### **SCHEDULE 16**

#### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

##### **1. Significant Accounting Policies**

###### **a) Basis of preparation of financial statements**

The Financial Statements have been prepared in accordance with the generally accepted accounting principles on accrual basis and comply with the accounting standards referred to in section 211 (3C) of the Companies Act, 1956 as adopted consistently by the company. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis. The estimates and assumption used in these financial statements are based upon the management's evaluations of the relevant facts and circumstances as of the date of the financial statements.

###### **b) Revenue recognition**

Revenue from software development is recognized based on software developed or time spent in person hours or person weeks and billed to customers as per the terms of specific contracts.

Revenue from software development services comprises income from time and materials and fixed price contracts. Revenue is recognized in accordance with the terms of the contract with the customer. Revenue with respect to time- and material contracts is recognized as related services are performed. Revenue from fixed-price contracts is recognized in accordance with the percentage of completion method. Income from services is recognized on accrual basis. Income from interest on loans forming part of other income is recognized on accrual basis.

###### **c) Fixed Assets**

Fixed assets are stated at historical cost less accumulated depreciation.

###### **d) Depreciation**

Depreciation on fixed assets is provided on **Straight Line Basis** at the rates prescribed in schedule XIV to the Companies Act, 1956. The expenditure incurred towards the acquisition of Assets for Research and Development have been capitalized and no depreciation has been provided for. Depreciation is provided on Assets sold up to the point of sale. Depreciation on Additions to fixed assets are provided on pro rata basis from the date of purchase up to 31st march.

## **OMNI AX'S SOFTWARE LIMITED**

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### **e) Taxes on Income**

The Company has made necessary provision for Income Tax, taking in account the allowances and exemptions under the Income Tax Act, 1961. Deferred Tax resulting from timing difference between book and tax profits accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize.

### **f) Investments**

Investments are classified as long-term investments and current investments. Long-term investments are stated at cost and any decline other than temporary in the value of such investments is charged to the Profit and Loss Account. Current investments are stated at lower of cost and market value. Investments are held in the name of the company. As on date of the Balance Sheet all investments made by the companies are long term investments only.

### **g) Impairment**

At each balance sheet date, the Company reviews the carrying amounts of fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a Pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the profit and loss account.

## **2. Notes on Accounts**

1. Miscellaneous Expenditure represents preliminary expenses amortized over period of ten years and public issue expenses to be written off over a period of five years. The Filing fees to ROC in authorized capital which is not considered revenue expenditure and is amortized over the period of five years.
2. The company is engaged in development of software, which as per Accounting Standard 17 is considered the only reportable business.
3. Deferred Tax: In accordance with Accounting Standard 22 (Accounting of Taxes Income) issued by the Institute of Chartered Accountants of India, Deferred Tax liability/ (Asset) attributed to timing difference relating to depreciation has been recognized at (Rs.39,227) as on 31.03.2009 (as on 31.03.2008 Rs. 3,61,12

## OMNI AX'S SOFTWARE LIMITED

Deferred Tax Asset).

Dep as per Books	Rs. 2,39,926
Dep as per IT Act	Rs. 1,24,517
Tax on the Timing Difference	Rs. 39,227 (Net Deferred Tax Asset)

4. Employee Benefits: The Company is not adopting Accounting Standard (AS) 15 "Employee Benefit" and no provisions made in books of account as the liability on account of gratuity as on 31.03.2009 is not material.

5. Related Party Disclosure: As per Accounting Standard 18, issued by the institute of Chartered Accountants of India, the disclosure of transaction with the related parties are given below:

Name of the Company	Balance as on 31 <sup>st</sup> March, 2009	Maximum outstanding during the year
Nil	Nil	Nil

Key Management Personnel (KMP):

Chandan Singhi, Whole time Director

Nature of Transaction	Nature of Relationship	Amount
Directors Remuneration	KMP	NIL
Sitting Fees	KMP	NIL

1. Auditors Remuneration:	2008-2009	2007-2008
	Rs.	Rs.
Audit Fees (Excluding Service Tax)	20,000	20,000
Income Tax Matters	5,000	5,000
	<u>25,000</u>	<u>25,000</u>

6. Contingent Liabilities - NIL

7. Expenditure in Foreign Currency NIL

8. CIF Value of imports Capital Goods NIL

9. Earnings Per Share:

Earning per share is calculated by dividing the profit attributable to the equity shareholders by the number of equity shares outstanding during the year.

## **OMNI AX'S SOFTWARE LIMITED**

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	2008-09	2007-0
Profit after Taxation (Rs.in Lakhs)	4.21	(340.6)
Weighted Number of Equity Shares		
Outstanding	17218759	17218759
Earning Per Share Rs.	0.02	(1.98)
Face Value per Share Rs.	10	10

10. The company is engaged in the development of computer software. The production and sale of such software cannot be expressed in any generic form. Hence it is not possible to give the quantitative details of sale and information required under paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956.

11. Information pursuant to the provisions in Part II of Schedule VI of the Companies Act, 1956 Expenditure on employees drawing remuneration of Rs. 1,00,000/- or more per annum when employed throughout the year or Rs. 2,00,000/- or more per month when employed for part of the year Nil.

12. Diminution in value of investments: It is reported by the management that in respect of investments made to Shapre Infotech Limited the quoted company the market price as at the year end is not ascertainable, there are no activities in the said company and hence a provision for diminution in value of investments of Rs.7,19,999/- had been made in the books so as to make the value of investments Rs.1/- . Telesys Software Limited no market rates are available and hence a provision for diminution could be determined. In case of non-quoted companies if figures are not available to determine any diminution in value. If there is any drop in the share price below the cost this will have a bearing on the profitability.

13. Confirmation of balances in respect of certain Debtors, Creditors & Loan Advances are not made available. If there be any changes this will have an impact on the Balance Sheet figures.

14. Previous Year's figures have been regrouped or restated where necessary to confirm to the current year's presentation.

**For & on behalf of the Board**

**As per my report attached of even date**

**Sd/-  
Chandan Singhi  
Whole time Director**

**Sd/-  
Sailakshmi  
Director**

**Sd/-  
C.N.Srinivasan  
Chartered Accountant  
Membership No.200/18216**

**Place: Chennai  
Date: 30.06.2009**

# OMNI AX'S SOFTWARE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

Particulars	(Rs. in Lakhs)	
	2008-2009	2007-2008
<b>A: CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/Loss After Tax And Extra Ordinary Items	1.28	(344.21)
Adjustment for:		
-Depreciation	2.40	13.03
-Miscellaneous expenses written off	5.66	5.66
- Loss on sale of Shares	96.81	215.90
- Loss on Sale of Assets	(1.39)	-
Provision for Diminution in Investments	-	7.20
-Other Income	(108.57)	(39.55)
Operation Profit Before Working Capital Changes	(3.81)	(141.98)
Adjustment for:		
-Trade Receivables & Other Assets	600.68	(505.51)
-Current Liabilities & Provisions	(520.52)	735.69
- Interest Received	108.57	17.19
<b>Net Cash From Operating Activities</b>	<b>184.91</b>	<b>105.38</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES:</b>		
- Purchase of Fixed Assets	-	(354.64)
-Sale of Fixed Assets	6.50	460.35
- Addition to Investments	(208.81)	(230.00)
Sale of Investments	13.00	76.82
<b>Net Cash used in Investing Activities</b>	<b>(187.31)</b>	<b>(47.47)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES:</b>		
-Proceeds From Issue Of Share Capital	-	-
Increase In Unsecured Loan	-	-
- Fees paid for Increase In Authorised Capital	-	-
<b>Net Cash From Financing Activities</b>	<b>-</b>	<b>-</b>
<b>D: NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2.39)</b>	<b>57.92</b>
<b>E.Cash &amp; Cash equivalents at the beginning of the year</b>	<b>68.46</b>	<b>10.54</b>
<b>F.Cash and Cash Equivalents at the end of the year</b>	<b>66.07</b>	<b>68.46</b>

Place :Chennai  
Date :30/06/2009

Sd/-  
Chandan Singh  
Whole time Director

Sd/-  
Sallakshmi  
Director

### AUDITORS CERTIFICATE

I have examined the attached cash flow statement of Omni Ax's Software Limited (the Company) for the year ended 31st March 2009. The statement has been prepared by the company in accordance with the requirements of Listing Agreement and is based on and in agreement with the Corresponding Profit and Loss Account and Balance Sheet of the company covered by my report of even date to the members of the company.

Place :Chennai  
Date :30/06/2009

Sd/-  
C.N.Srinivasan  
Chartered Accountant  
Membership No. : 200/18216

## **OMNI AX'S SOFTWARE LIMITED**

### **Balance Sheet Abstract and Company's General Business Profile as per Part IV Schedule VI of the Companies Act, 1956.**

I. Registration Details	
Registration No.	: 022439
State Code	: 18
Balance Sheet Date	: 31.03.2009
II. Capital Raised during the year (Amount Rs. in Thousands)	
Public Issue	: Nil
Rights Issue	: Nil
Bonus Issue	: Nil
Private Placement	: Nil
III. Position of Mobilisation and Deployment of Funds (Amount Rs. in Thousands)	
Total Liabilities	: 222,437.60
Total Assets	: 222,437.60
Source of Funds	
Paid-up Capital	: 172,187.59
Reserves & Surplus	: 46,454.25
Secured Loans	: 2,028.67
Unsecured Loans	: 0.00
Deferred Tax Liability (Net)	: 1,767.09
Application of Funds	
Goodwill	: 53,762.87
Net Fixed Assets	: 1,536.03
Capital Work in Progress	: 22,406.72
Investments	: 33,980.51
Net Current Assets	: 74,346.19
Miscellaneous Expenditure	: 348.29
Accumulated Losses	: 36,056.99
IV. Performance of the Company (Amount Rs. in Thousands)	
Total Income	: 17,823.42
Total Expenditure	: 17,652.19
Profit Before Tax	: 171.23
Profit After Tax	: 421.07
Earnings Per Share (Rs.)	: 0.02
Dividend Rate (%)	: Nil
V. Generic Names of Principal Products/Services of the Company (as per monetary terms)	
Item Code No.	: N.A.
Product Description.	: Software Development

**OMNI AX'S SOFTWARE LIMITED**

**PROXY FORM**

**17<sup>th</sup> ANNUAL GENERAL MEETING**

Reg. Folio No./DP ID & Client ID\* \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_

in the district of \_\_\_\_\_ being a Member / Members of **OMNI AX'S SOFTWARE LIMITED** hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my /our Proxy to attend and vote for me/us on my/our behalf at the 17<sup>th</sup> Annual General Meeting of **Omni Ax's Software Limited** to be held on Tuesday, 29<sup>th</sup> September, 2009 at 9.30 a.m. at the Registered Office of the Company at Ground Floor, A.S. Corporate House, No.307, Poonamallee High Road, Kilpauk, Chennai - 600010 or any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Signature(s) of the Shareholder(s)

Signature of Proxy

**NOTE:** This form must be deposited at the Registered Office of the Company not later than 48 hours before the time of the Meeting.

\*Applicable for investors holding shares in electronic (dematerialized) form.

**OMNI AX'S SOFTWARE LIMITED**

Ground Floor, A.S. Corporate House, No.307, Poonamallee High Road, Kilpauk, Chennai - 600010  
Email Id: [omniaxssl@gmail.com](mailto:omniaxssl@gmail.com)

To be handed over at the entrance of the Meeting Hall

**ATTENDANCE SLIP**

**17<sup>th</sup> ANNUAL GENERAL MEETING**

I hereby record my presence at the 17<sup>th</sup> ANNUAL GENERAL MEETING held on Tuesday, 29<sup>th</sup> September, 2009 at 9.30 a.m. at the Registered Office of the Company at Ground Floor, A.S. Corporate House, No.307, Poonamallee High Road, Kilpauk, Chennai - 600010

Reg. Folio No./DP ID & Client ID\* \_\_\_\_\_

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

Full Name of the Shareholder (in block letters)	Signature
**Full Name of the Proxy (in block letters)	Signature

\* Applicable for Investors holding Shares in electronic (Dematerialized) form. \*\* (To be filled in if the Proxy attends instead of the Member)

BOOK-POST

**If undelivered please Return to :-**

**REGISTERED OFFICE**

Ground Floor, A.S. Corporate House,  
No.307, Poonamallee High Road,  
Kilpauk, Chennai - 600 010.