

# ***ALLIED COMPUTERS INTERNATIONAL (ASIA) LIMITED***

## ***Annual Report 2009-2010***

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**BOARD OF DIRECTORS:**

**Mr. Hirji Kanji Patel**  
Chairman & Managing Director

**Mr. Jay Randhir Sampat**  
Director

**Mr. Mansukh Vaghani**  
Director

**Mr. Govindbhai Kara**  
Director

**Mr. Gajendra Singh**  
Additional Director

**Mr. Nilesh Mestry**  
Additional Director

**AUDITORS:**

**M/s. Mahendra Tiwari & Co.**  
Chartered Accountants

**BANKERS:**

**Andhra Bank**  
**HDFC Bank Ltd.**  
**Axis Bank Ltd.**

**SHARE REGISTRAR & TRANSFER AGENT:**

**Bigshare Services Pvt. Ltd.**  
**E-2/3, Ansa Industrial Estate,**  
**Sakivihar Road, Sakinaka,**  
**Andheri-East, Mumbai-400 072.**  
**Tel.No.: 022-40430200**  
**Fax.No:022-6733119**  
**Email: [bigshare@bom7.vsnl.net.in](mailto:bigshare@bom7.vsnl.net.in)**

**REGISTERED OFFICE:**

**501,502 Morya Estate, New Link Road,**  
**Andheri-West, Mumbai-400 053.**

**Tel NO.: 022-65281804.**

**Email: [acicompltd@gmail.com](mailto:acicompltd@gmail.com)**

## NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the Eighth Annual General Meeting of the members of **Allied Computers International (Asia) Limited** will be held on 27<sup>th</sup> September, 2010 at 11 a.m. at 501, Morya Estate, New Link Road, Andheri (W), Mumbai-400 053 to transact, with or without modification(s) the following businesses as:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2010 and the Balance sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Govind Kara, who retires from the office by rotation and being eligible offers himself for re-appointment
3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

**“RESOLVED THAT M/s. Mahendra Tiwari & Co. Chartered Accountants** be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration in addition to the reimbursement of travelling and other out of pocket expenses incurred incidental to their functions, as may be mutually agreed to, between the Board of Directors and the Auditors and that the Board of Directors of the Company be and is hereby authorized to fix the remuneration as aforesaid.”

### **SPECIAL BUSINESS:**

4. **To consider and if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:**

**“RESOLVED THAT Mr. Gajendra Singh** who has been appointed as Additional Director with effect from 30<sup>th</sup> January, 2010 and who in terms of Section 260 of the Companies Act, 1956 holds office of directorship upto the date of this Annual General Meeting and in respect of whom the Company has received Notice in writing from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as candidate for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

**5. To consider and if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:**

**“RESOLVED THAT Mr. Nilesh Mestry** who has been appointed as Additional Director with effect from 15<sup>th</sup> May, 2010 and who in terms of Section 260 of the Companies Act, 1956 holds office of directorship upto the date of this Annual General Meeting and in respect of whom the Company has received Notice in writing from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as candidate for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

**“Resolved further that** the Board of Directors of the Company be and are hereby authorized to do all the acts, and take all such steps as may be necessary to give effect to the above Resolution.

**6. To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** in accordance with the provisions of Sections 16, 94(1)(a), 97 and other applicable provisions, if any, of the Companies Act, 1956, Authorized Capital of the Company be increased from the existing ` 50,00,00,000/- (Rupees Fifty Crore Only) divided into 5,00,00,000 (Five Crores) Equity Shares of ` 10/- each to ` 125,00,00,000/- (Rupees One Hundred and Twenty Five Crores) divided into 12,50,00,000 (Twelve Crores Fifty Lakhs) Equity Shares of ` 10/- each by creation of an additional ` 75,00,00,000 /- (Rupees Seventy Five Crores Only) divided into 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of ` 10/- each.”

**RESOLVED FURTHER THAT** the existing Clause V of the Memorandum of Association of the Company be substituted with the following new Clause:

The Authorised Share Capital of the Company is ` 125,00,00,000 (Rupees One Hundred and Twenty Five Crores Only) divided into 12,50,00,000 (Twelve Crores Fifty Lakhs) Equity Shares of ` 10/-(Rupees Ten only) each.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts and deeds as may be deemed expedient and necessary to give effect to the aforesaid resolution.”

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed herewith.
2. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
3. The Company has listed its shares on Bombay Stock Exchange Limited, Mumbai.
4. The Register of Members and the Share Transfer books will remain closed from 06/09/2010 to 07/09/2010 (both days inclusive)
5. Members or Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
6. All the documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.

**Registered Office:**

**501/503,  
Morya Estate,  
New Link Road,  
Andheri-West,  
Mumbai-400053  
Date: 23rd August, 2010**

**For and on Behalf of the Board**

**For Allied Computers International (Asia) Limited**

**Director**

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

### **ITEM NO: 1**

In view of Increased business activities and expansion plans in hand the Board of Directors appointed Mr. Gajendra Singh as an Additional Director of the Company with effect from January 30, 2010. Under Section 260 of the Companies Act, 1956 Mr. Singh holds the office of Director up to the date of this Annual General Meeting and the Company has received notice from a Member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as candidate for the office of Director.

### **ITEM NO:2**

In view of increased business activities and expansion plans in the hand The Board of Directors appointed Mr. Nilesh Mestry as an Additional Director of the Company with effects from May 31, 2010. Under Section 260 of the Companies Act, 1956 .Mr. Mestry holds the office of Director up to the date of this Annual General Meeting and the Company has received notice from a Member under Section 257 of the Companies Act, 1956 signifying his intention to propose him as candidate for the office of Director.

### **ITEM NO: 3**

The Board of Directors in order to accommodate Preferential Issue and also to undertake various future plans like expansion, diversification, etc related to the industry, has proposed to increase the Authorised Share Capital.

The present Authorised Share Capital of the Company is ` 50,00,00,000/-It is proposed to increase the Authorised Share Capital of the Company from ` 50,00,00,000/-(Rupees Fifty Crores only) to ` 125,00,00,000/-(Rupees One Hundred and Twenty Five Crores only) at ` 10/- each indicating total increase of ` 75,00,00,000/-(Rupees Seventy Five Crores only).The Board of Directors at their meeting held on 26<sup>th</sup> July, 2010 approved the proposal for increase in Authorised Share Capital of the Company and consequent amendments to the Memorandum of Association of the Company.

Increase in Authorised Share Capital would necessitate amendment to Clause V of the Memorandum of Association and of Company and would require members approval by passing an Ordinary Resolution .None of the directors may be considered to be interested or concerned in this Resolution.

## **DIRECTOR'S REPORT TO THE SHAREHOLDERS**

*To the Members,*

Your Directors present the **Eighth Annual Report** of the Company together with the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2010.

### **FINANCIAL RESULTS:**

The financial results of the Company for the year under review as compared to the previous year are summarized below for your consideration:

	Year ended 31.3.2010 Amount (₹ in Lakhs)	Year ended 31.3.2009 Amount (₹ in Lakhs)
Sales & Other Income	<b>1103.55</b>	696.34
Profit before tax and appropriations	<b>14.73</b>	2.39
Profit (After Tax)	<b>10.93</b>	1.58
Add: Balance brought forward from previous year	<b>75.18</b>	73.59
Profit available for disposal	<b>86.11</b>	75.18
Proposed Dividend	<b>0</b>	0
Transfer to General Reserve	<b>0</b>	0
Profit carried forward	<b>86.11</b>	75.18

### **Operations:-**

The Company in its current Financial Year 2009-2010 has achieved a strong and desirable growth as compared to the previous year 2008-2009. Such growth is reflected from the increase in revenue earned by the Company which stands at Rs. 1103.55 lakhs as compared to Rs.696.34 in the previous year .Your Board seeks to consistently perform better in ensuing years.

**Dividend:**

In view of the expansion-cum-diversification programmes undertaken by the Company, your Directors have decided to conserve the reserves for meeting the capital expenditure for the said programmes. No dividend has therefore been recommended for the year under review.

**Directors:**

As per the provisions of Companies Act, 1956, Mr. Govind Kara, Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

During the Year Mr. Gajendra Singh and Mr. Niles Mestry were appointed as an Additional Directors of the Company w.e.f. 30<sup>th</sup> January, 2010 and 31<sup>st</sup> May, 2010 respectively. Necessary Resolution is given in the Notice for regularizing their appointment.

**Fixed Deposits:**

The Company did not accept or renew any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules framed thereunder.

**Particular of Employees:**

Pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees), Rules, 1975, none of the employees of the Company is drawing salary or commission which exceeds the limit set out in the above Section. The Board is, therefore, not required to furnish any information in this regard.

**Corporate Governance & Management Discussion & Analysis Report**

Your Company endeavors to maximize the wealth of the shareholders by managing the affairs of the Company with a pre-eminent level of accountability, transparency and integrity. A report on Corporate Governance including the relevant Auditor's Certificate regarding compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with the Stock Exchange is annexed Management Discussion and Analysis Report is also annexed.

**Code of Conduct:**

Code of Conduct for the Directors and the Employees of the Company has been laid down by the Board and it is internally circulated and necessary declaration has been obtained.



**Listing:**

The Company's Securities continue to be listed on the Bombay Stock Exchange Limited; Mumbai the Company has paid the requisite Annual Listing Fees for the year 2009-10, to the above Exchange.

**Research and Development:**

The R&D department of the company has been arduously working to provide quality value for money to provide quality value for money to the customers in keeping with market funds.

**Corporate Sustainability:**

Health, safety and concern for the environment are the focus areas of Company's Corporate Sustainability (CS) activities. The programs undertaken by company focus on environment sustainability as well as economic empowerment through Information Technology and Health awareness.

**DIRECTORS RESPONSIBILITY STATEMENT:**

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

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the accounts for the period ended on 31<sup>st</sup> March, 2010 on a going concern basis

**AUDITORS:**

In terms of provisions of Section 224 of the Companies Act, 1956, M/s. Mahendra Tiwari & Co. retires at the Annual General Meeting and being eligible, offer themselves for re-appointment. They have submitted a certificate pursuant to the provisions of Section 224(1B) of the Companies Act, 1956, that if their re-appointment be made for another term will be within the prescribed limits. Your Directors recommend their appointment.

**Acknowledgements:**

Your Directors wish to thank and place on record their appreciation of the valuable support given by Company's Customers, Shareholders, Distributors and Bankers the Directors would also like to thank the Employees for their contribution for their contribution to the Company.

**Registered Office:**  
**501/503, Morya Estate,**  
**New Link Road,**  
**Andheri-West,**  
**Mumbai-400053**  
**Date: 23rd August, 2010**

**For and on Behalf of the Board**  
**Director**  
**Allied Computers International (Asia) Limited**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Business Overview:**

The year 2009 was a difficult year for the entire world. Not only did this have an impact on the demand environment in the laptop Industry, it also had a huge impact on economic metrics like foreign exchange rates economic growth expectations and the cost structures globally.

Rapidly changing global economic and business conditions are creating an increasingly competitive environment that is driving companies to transform their operations globally. While the expectations of the customers have increased manifold; your Company is committed to satisfy clients with improved quality of service.

During this year, your Company focused in strengthening its service offerings and enhancing the solutions and Capabilities to address the business requirements to its customers.

### **Future Outlook:**

The Company is continuing to strengthen its presence with a clear focused approach which would help increase revenue growth, improve profitability as well as de-risk the Company from economic slowdowns.

### **Opportunities and Threats:**

The Company's business has its own opportunities which are addressed and the threats faced by the Company include competitive risks and technology obsolescence risks. The Company's risk management process addresses the same.

### **Internal Control and Adequacy:**

Your Company has established reasonably sound system of controls in the operational areas. These controls have been evolved in line with the size of the operations and organizational requirements and are adequate to protect the enterprise resources. These controls have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with the applicable statutes, safeguarding assets from unauthorized use or losses, excluding transactions with proper and ensuring compliance of corporate policies. The Company has a well defined delegation of power with

authority limits for approving revenue as well as expenditure. The Audit Committee constituted under the provisions of Section 292A and the Listing Agreement has been provided in the Corporate Governance Report.

### **Human Relations:**

The Company believes that its employees are at the core of its corporate purpose. They are the key in achieving its vision and are primary source of competitive advantage. Your Company has always stood by its commitment harnessing and developing its people resources in the best possible manner for achievement of its goals and objectives. All through the year the level of people engaged has been of the highest order, which has impacted the process business growth and up gradation of various systems in a significant way.

### **Risk and its Management:**

The company may encounter the following risks in its business:

- Political Risks
- Economic Risks
- Competitive Risks
- Human Resource management Risks
- Technology obsolescence Risks

To mitigate the same, the Company has constantly endeavored to broaden the charter to include opportunities as well as threats.

### **Corporate Sustainability:**

Health, safety and concern for the environment are the focus areas of Company's Corporate Sustainability (CS) activities. The programs undertaken by company focus on environment sustainability as well as economic empowerment through Information Technology and Health awareness.

### **Cautionary Statement:**

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

The Company undertakes No obligations to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise .Actual results, performances or achievements could differ materially from those expressed or implied in such statements.

***Registered Office:***

***For and on Behalf of the Board***

***501/2/3,  
Morya Estate,  
New Link Road,  
Andheri-West,  
Mumbai-400053  
Date: 23rd August, 2010***

***For Allied Computers International (Asia) Limited***

***Director***

## **CORPORATE GOVERNANCE REPORT**

### **INTRODUCTION:**

The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreements with the Stock Exchange.

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Transparency and Accountability are the two basic tenets of Corporate Governance. Responsible Corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. To succeed, we believe, requires the highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment on which we have an impact.

The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Clause 49 of the listing Agreement. The Board of Directors of your Company is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a critical role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an active, informed and Independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best governed companies across the globe.

### **BOARD OF DIRECTORS:**

The Board currently comprises of Six directors out of which five of them are Independent Directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchange.

The Directors believe that the Board has a combination of skill and experience which enables it to provide effective strategic leadership and proper governance of the Company

Auditors' certificate on corporate governance regarding its compliance is annexed as a part of Annual Report.

Name	Category	Attendance at Annual General meeting	Directorships and Chairmanships/ Memberships in Other Companies*			Shareholding (In Shares)
			No. of Directorships	Committee Positions		
				Member	Chairman	
Mr.Hirji Patel	Managing Director/Chairman	Yes	0	0	0	0
Mr. Jay Sampat	Non Executive Director /Independent	Yes	0	0	0	0
Mr. Mansukh Vaghani	Non Executive Director/ Independent	Yes	0	0	0	0
Mr. Gajendra Singh**	Non Executive Director/ Independent	Not Applicable	0	0	0	0
Mr.Nilesh Mestry **	Non Executive Director /Independent	Not Applicable	0	0	0	0
Mr.Govindbhai Kara	Non Executive Director	Yes	0	0	0	0

**\*\* - Mr.Nilesh Mestry was appointed on 31<sup>st</sup> May, 2010.**

**\*\* - Mr.Gajendra Singh was appointed on 30<sup>th</sup> Jan, 2010.**

### **BOARD MEETINGS:**

The Board meets at regular intervals to discuss and decide on Company /business policy and strategy apart from other normal Board business. The agenda for the Board /Committee meetings is generally accompanied by background notes and other material information which is circulated to Directors in advance to facilitate discussion for taking an informed decision.

During the Financial year ended 31<sup>st</sup> March, 2010 six Board meetings were held on 30.04.2009, 07.07.2009, 25.09.2009, 31.10.2009, 16.11.2009, 30.11.2009 and 30.01.2010.The maximum interval between any two meetings was well within the maximum allowed gap of four months.

### **BOARD BUSINESS:**

The normal business of the Board includes:

- Corporate annual plan and operating framework;
- Quarterly business performance reports;
- Board remuneration policy and individual remuneration packages of Directors;

- Convening meeting of shareholders of the Company, setting the agenda thereof and ensuring that a satisfactory dialogue with shareholders takes place ;
- Declaration /Recommendation of dividend;
- Review of functioning of the Board and its Committees;
- Review of functioning of the Subsidiary Companies;
- Annual review of accounts for adoption by shareholders;
- Quarterly and annual results announcements;
- Significant development in the human resources and industrial relations fronts;
- Risk evaluation control;
- Compliance with all relevant legislations and regulations.

## **COMMITTEES OF BOARD**

The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out the clearly defined role which is considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Board has established the following Statutory and Non Statutory Committees:-

### **AUDIT COMMITTEE:**

#### **Composition of Audit Committee:**

The Company has a qualified and Independent Audit Committee comprising of 2 Non Executive Directors. The Broad terms of reference of the Audit Committee are in consonance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. All the members have financial and accounting knowledge. The names of the members of the Audit Committee are:

<b>Name of Members</b>	<b>Status</b>
<b>Mr. Jay Sampat</b>	<b>Chairman</b>
<b>Mr. Hirji Patel</b>	<b>Member</b>
<b>Mr. Mansukh Vaghani</b>	<b>Member</b>

#### **The terms of reference of the Audit Committee are broadly as under:**

- Overview of the Company's financial reporting process and the Disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with the External auditor
- Reviewing the Company's financial and risk management policies.



- Reviewing with management the half-yearly and annual financial statements, before submission to the Board, focusing primarily on:
- changes in accounting policies and practices;
- major accounting entries, qualifications and accounting issues based on the management's discretion and judgment;
- compliance with the accounting standards;
- compliance with the stock exchange and legal requirements, concerning financial statements;
- any related party transactions; and
- Internal audit processes and systems.

#### **SHAREHOLDERS COMMITTEE :**

The Shareholders' Committee is entrusted with the responsibility to address the shareholders and investors complaints with respect to transfer of shares, Non-receipt of Annual report, Non-receipt of declared dividends, etc. and ensures an expeditious share transfer process in line with the proceedings of the Share Transfer Committee. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agent of the Company, and also provides continuous guidance to improve the service levels for investors. The Shareholders Committee met Four Times during the year ended March, 31, 2010. The Shareholders committee's composition is as follows:

<b>Name of Members</b>	<b>Status</b>
<b>Mr. Jay Sampat</b>	<b>Chairman</b>
<b>Mr. Hirji Patel</b>	<b>Member</b>
<b>Mr. Mansukh Vaghani</b>	<b>Member</b>

#### **REMUNERATION COMMITTEE:**

It deals with all elements of Remuneration package and Approval of compensation payable to Executive Directors and Non Executive Directors. The Company pays remuneration to its Managing Director, by way of salary, perquisites and allowances. The Remuneration has been paid as approved by the Board, in accordance with the approval of the Shareholders and within the overall ceiling prescribed by Section 198 and 309 of the Companies Act.

Given below are the details of remuneration paid to Directors during the financial year 2009-2010:

<b>Director</b>	<b>Sitting Fees</b>	<b>Salary &amp; allowances</b>	<b>Perquisites</b>
-----------------	---------------------	--------------------------------	--------------------

<b>Mr.Hirji Patel</b>	<b>Nil</b>	<b>24,00,000</b>	<b>Nil</b>

Company does not have any stock option plans and hence such instrument does not fall part of the remuneration package payable to any Executive Director and / or Non Executive Director.

During the period under review, none of the directors were paid any performance linked incentive.

**Code of Conduct:**

The Board of Directors plays an important role in ensuing good governance practices. All the Board members and senior managers shall observe the highest standards of ethical conduct and integrity and shall work to the best of the ability and judgment.

In particular the board members and senior managers shall:

1. Maintain and help the Company in maintaining the highest degree of corporate governance practices.
2. Act in utmost good faith and exercise due care, diligence and integrity in performing their official duties.
3. Maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and shall not use it for their personal gain or advantage.
4. Not commit any offence involving moral turpitude or any act contrary to laws or oppose to public policy.
5. Ensure compliance with all SEBI regulations as also regulations issued and set by other statutory and regulatory bodies as may be applicable to them from time to time.

The Company has confirmed and certified that all the members of the Board of Directors and senior management have affirmed that they have complied with the code of conduct for directors and senior managers in respect of the financial year 2009-10.

**1. General Body Meeting:**

The last four Annual General Meetings were held as under;

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Location</b>
31.03.2006	30 <sup>th</sup> September, 2006	10.00 a.m.	501,Morya Estate New link Road, Andheri- West, Mumbai-400 053

31.03.2007	29 <sup>th</sup> September, 2007	10.00 a.m.	501,Morya Estate New link Road, Andheri- West, Mumbai-400 053
31.03.2008	31 <sup>st</sup> December, 2008	10.00 a.m	Ram Manohar Tripathi Sabhagrah, Milind Nagar , Ghatkopar-West, Mumbai-400 053
31.03.2009	31 <sup>st</sup> December,,2009	9.00 a.m.	501,Morya Estate New link Road, Andheri- West, Mumbai-400 053

All the matters are set out in the respective notices were passed by the Shareholders. No special resolution was required to be put through postal ballot last year.

**General Shareholders Information:**

Annual General Meeting : 8<sup>th</sup> Annual General Meeting.

Date : 27<sup>th</sup> September, 2010

Time : 11.00 am

Venue : 501, Morya Estate, New Link Road,  
Andheri (West) Mumbai-400 053

**Means of Communication :**

Quarterly Results	Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchange as per the requirements of the Listing Agreement, which enables the Exchanges to put the same in their websites.
Whether Management Discussion and Analysis is a part of the Annual Report	Yes
In which newspapers normally published in	NavShakti and Free Press Journal

**Financial Calendar (2010-2011) (Tentative)**

**Quarterly Results:**

Quarter ending June 30, 2010 : Second week of August, 2010

Quarter ending September 30, 2010 : Last week of October, 2010

Quarter ending December 31, 2010 : Last week of January, 2010

Quarter ending March 31, 2010 : Last week of May, 2010

***Book Closure date(s) : 6<sup>th</sup> September 2010 to 7<sup>th</sup> September 2010  
(Both Days Inclusive)***

**Dividend payment date(s)** : Not Applicable

**Listing of Equity shares on Stock Exchange:** Bombay Stock Exchange Ltd. (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400 001

**Disclosures:**

- During the year, there were no transactions of material nature of the Company with the Promoters, Directors, Management, their relatives, or subsidiaries of the Company etc. that had potential conflict with the interest of the Company at large.
- There were no instances of non-compliances by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to the capital markets

**Stock Code** : **The Bombay Stock Exchange Limited, Mumbai**

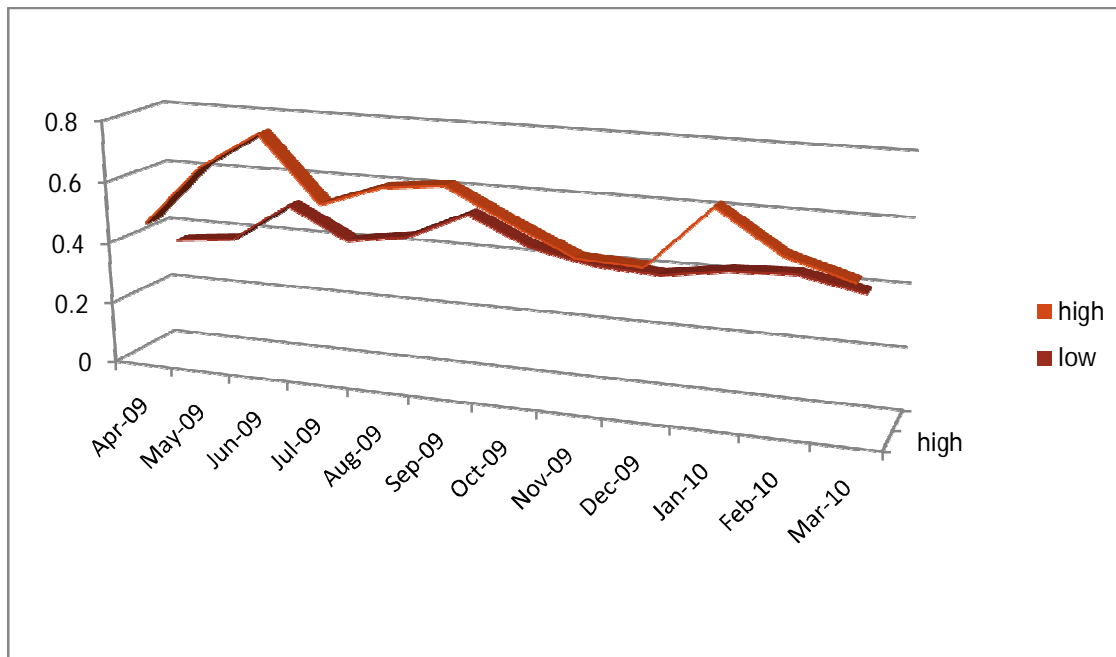
**Scrip Name** : **Allied Computers International (Asia) Limited**

**Scrip Code** : **532919**

**Market Information:**

Monthly wise high and low price of the Company's shares at Bombay Stock Exchange Limited (BSE) during the year 2009-2010.

Month	Bombay Stock Exchange Limited	
	High(₹)	Low(₹)
April 2009	0.46	0.36
May 2009	0.66	0.38
June, 2009	0.78	0.51
July, 2009	0.57	0.41
August, 2009	0.64	0.44
September, 2009	0.66	0.53
October, 2009	0.56	0.44
November, 2009	0.47	0.40
December, 2009	0.46	0.39
January, 2010	0.66	0.42
February, 2010	0.53	0.43
March, 2010	0.47	0.39



**Registrar & Transfer Agents: M/S Big Share Services Private Limited**

E-2, Ansa Industrial Estate,  
Saki Vihar Road, Saki Naka,  
Andheri-(East), Mumbai-400 072  
Tel: 28470652/28470653  
Fax: 28475207

**Compliance Officer : Mr. Jay Sampat**

**SHAREHOLDING PATTERN AS ON MARCH 31, 2010:**

Category	No of Shares held	Percentage of Shareholding
Promoter	46046292	24.23%
Private Bodies Corporate	24728896	13.01%
Individual Shareholders holding upto Rs. 1 lakh.	75099814	39.52%
Individual Shareholders holding above Rs. 1 lakh.	40687591	21.41%
NRI/OCB's/Clearing Members	3486927	1.83%
<b><u>Total</u></b>	<b>190049520</b>	<b>100%</b>

**Distribution Of Shareholding As On March 31<sup>st</sup> 2010:**

<u>No. of Equity Shares Held</u>	<u>No. of Shareholders</u>	<u>Percentage of Shareholders</u>	<u>Total Amt</u>	<u>Percentage of Amount.</u>
Up to – 5000	8149	70.62	17269152	9.09
5001 – 10000	1600	13.87	14368781	7.56
10001 – 20000	771	6.68	12470509	6.56
20001 – 30000	339	2.94	8834519	4.65
30001 – 40000	119	1.03	4357209	2.29
40001 – 50000	194	1.68	9436936	4.97
50001 - 100000	196	1.70	15336657	8.07
100001 and above	171	1.48	107975757	56.81
Total	11539	100.00	190049520	100.00

**Total number of shares dematerialized as on 31.03.2010:-**

<u>Depository</u>	<u>No of Shares</u>	<u>% of Paid Up Capital</u>
NSDL	57270815	30.14
CDSL	84721985	44.58
Physical	48056720	25.28
<b>Total</b>	<b>190049520</b>	<b>100.00</b>

**Depositories:** Central Depository Services (India) Limited (CDSL)  
National Securities Depository Limited (NSDL)

**ISIN No:** INE335I01023

**Compliance:**

A Certificate has been obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance and is attached to this Report.

**Registered Office & Address for Correspondence:**

501/2/3 Morya Estate,  
New Link Road,  
Andheri-West,  
Mumbai-400 053

Tel no: 022-65281804

Email: [acicompltd@gmail.com](mailto:acicompltd@gmail.com)

## **CEO/CFO CERTIFICATION**

I Mr. Hirji Patel, Chairman of M/s. Allied Computers International (Asia) Limited, hereby certify that:

- (a) I have reviewed Financial Statements and the Cash Flow Statements for the Financial Year ended March 31, 2010 and to the best of my knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading;
  - (ii) 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.
- b. To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2010 are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financing reporting and I have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies;
- d. i) There has not been any significant change in internal control over financial reporting during the year under reference;
- ii) There has not been any significant change in Accounting policies during the year; and
- iii) Instances of significant fraud, if any of which we have become aware, and involvement therein, if any, of the management or an employee having a significant role in Companies internal control system over financial reporting shall be disclosed.

**For Allied Computer International (Asia) Limited**

**Place: Mumbai**  
**Date: 23<sup>rd</sup> August, 2010**

**Managing Director**

## **CERTIFICATION ON CORPORATE GOVERNANCE**

To  
The Members,  
Allied Computers International (Asia) Limited,

We have examined the compliance of condition of corporate governance by Allied Computers International (Asia) Limited as stipulated in clause 49 of the listing Agreement 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 procedures and implementation thereof, adopted by the Company for the compliance of condition of corporate governance. It is neither an audit nor an expression of 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, We certify that the Company has complied with the condition of corporate governance as stipulated in clause 49 of the listing agreement excepting for the composition of the Board of Directors and no investor grievance(s) is/are pending for a period exceeding one month against the Company.

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

***For Mahendra J. Tiwari & Co.***  
Chartered Accountants

***Mahendra J. Tiwari***  
Partner

**Place: Mumbai**  
**Date: 23<sup>rd</sup> August, 2010**



**MAHENDRA TIWARI & CO.**  
CHARTERED ACCOUNTANTS

**M. J. TIWARI**  
PARTNER

*H.O.: C-501, SEALAND TOWER, JESAL PARK, BHAYENDER (E), MUMBAI – 401 105*

## **AUDITOR'S REPORT**

To,  
The Members of Allied Computers International (Asia) Limited

We have audited the attached Balance Sheet of "Allied Computers International (Asia) Limited", as at **31<sup>st</sup> March, 2010** and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we 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 the management's as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- i) 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.
- ii) In our opinion, proper books of account, as required by law, except cost records as required under Section 209 (1) (d), have been kept by the Company so far as appears from our examination of the books;
- iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with

the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

- v) On the basis of the written representations received from the directors, as on 31<sup>st</sup> March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2010 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes and schedules thereon 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, 2010 and;
  - b.) In the case of Profit & Loss account of the loss of the Company for the year ended on      that date.

**For Mahendra Tiwari & Co.**  
***Chartered Accountants***

**(Mahendra J. Tiwari)**  
***Partner***  
**M. No.: 118416**

**Place: Mumbai**  
**Date: 16<sup>th</sup> August, 2010**

## **ANNEXURE TO THE AUDITORS REPORT**

( Referred to in paragraph 3 of our report of even date )

- i) a) The company has maintained proper records showing the full particulars, including the quantitative details and situation of its fixed assets  
  
b) As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the Company and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.  
  
c) No sales of fixed assets have been affected during the year and the business is continuing as a going concern.
- ii) a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
  
b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
  
c) The Company is maintaining proper records of the inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
- iii) a) The company has not taken loans from firm or company covered in the register maintained under section 301 of the Companies Act, 1956.  
  
There is no party covered in the register maintained under section 301 of the Companies Act, 1956, to which the company has granted loans.  
  
b) The Loans taken from/granted to the Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956, are without specifying the repayment period, rate of interest etc.  
  
c) In absence of any terms and conditions specified for the loan, we are unable to comment upon the timely repayment of principal and interest.

d) Subject to above, there is no overdue amount of loan taken from or granted to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956

- iv) In our opinion and accordingly to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchases on inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- v)
  - a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered
  - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupee five lacs in respect of any party during the year have been made at a price which are reasonable having regard to prevailing market prices at the relevant time.
- vi) According to the information and explanations given to us, the company has not accepted any deposits from the Public. No order has been passed by the Company Law Board.
- vii) The Directors themselves conduct the affairs of the company. The company does not have a formal system of internal audit but there are adequate checks and controls at all levels.
- viii) The Company is not maintaining cost records prescribed under section 209 (1) (d) of the Companies Act, 1956 for the products of the company.
- ix)
  - a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Sales Tax, Excise duty, Cess and other material statutory dues applicable to it.
  - b) According to the information and explanation given to us, undisputed amounts payable in respect of wealth tax, customs duty, excise duty and cess were in arrears, as at 31<sup>st</sup> March 2010 for a period of more than six months from the date they become payable.
  - c) According to the information and explanations given to us, there are dues of sales tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute.
- x) There are no accumulated losses of the Company as on 31<sup>st</sup> March, 2009. The Company has not incurred any cash losses (excluding depreciation) during the financial year covered by our audit and the immediately preceding financial year

- xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institutions, bank or debenture holders.
- xii) As per the information and explanations given to us the company has not granted any loans and advances on the basis of security by way of pledge of share's debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore the provision of clause4 (xiii) of the Companies (Auditors Report) Order 2003 are not applicable to the Company
- xiv) In our opinion, the Company is not dealing or trading in shares, securities, debenture and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditors Report) Order 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The Company has not raised any term loan during the year.
- xvii) According to the information and explanations, given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments. No long terms funds have been used to finance short-term except permanent working capital.
- xviii) We are informed that the company has not made any preferential allotment of shares to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The company has not issued debentures and hence requirement of reporting regarding creation of securities in respect of debentures issued dose not arise.
- xx) The company has not raised any money by public issue during the year.
- xxi) As per the information and explanations given to us, no instance of material fraud on or by the Company has been noticed or reported during the year.

For Mahendra Tiwari & Co.  
*Chartered Accountants*

**(Mahendra J. Tiwari)**  
*Partner*  
M. No.: 118416

Place: Mumbai  
Dated: 16<sup>th</sup> August, 2010

## BALANCE SHEET AS ON MARCH 31, 2010

Amount In Rupees

PARTICULARS	SCHEDULE	As at 31 <sup>st</sup> March 2010	As at 31 <sup>st</sup> March 2009
<b>I. SOURCES OF FUNDS:</b>			
<b>A.SHARE HOLDER'S FUNDS</b>	<b>A</b>	190,049,520.00	190,049,520.00
Equity Share Capital	<b>B</b>	20,412,171.48	19,319,008.64
Reserve And Surplus			
		210,461,691.48	209,368,528.64
<b>B. LOAN FUNDS</b>			
Secured Loans	<b>C</b>	28,600,113.41	34,400,386.82
Unsecured Loans	<b>D</b>	28,351,607.34	8,486,308.57
NET DEFERRED TAX		56,951,720.75	42,886,695.39
(NET)LIABILITY		42,447.00	195,391.00
	<b>TOTAL</b>	<b>267,455,859.23</b>	<b>252,450,615.03</b>
<b>II.APPLICATION OF FUNDS</b>			
<b>A. FIXED ASSETS</b>	<b>E</b>	112,038,812.42	116,427,317.85
Gross Block		47,695,362.65	36,349,242.28
Less: Provision of Depreciation			
		64,343,449.77	80,078,075.57
Net Block:			
<b>B. INVESTMENTS</b>	<b>F</b>	-	-
<b>C.WORKING CAPITAL: CURRENT ASSETS, LOANS &amp; ADVANCES:</b>			
Inventory	<b>G</b>	10,021,445.09	24,943,445.09
Sundry Debtors	<b>H</b>	96,791,162.45	54,278,163.26
Cash And Bank Balances	<b>I</b>	13,573.51	14,763,251.77
Loans and Advances	<b>J</b>	75,220,772.34	27,018,175.28
Deposits	<b>K</b>	37,024,940.42	65,313,006.86
		219,071,893.81	186,316,042.26
<b>Less:-CURRENT</b>			

<b>LIABILITIES &amp; PROVISIONS</b>			
Trade Creditors	<b>L</b>	14,617,706.05	6,688,423.36
Provisions	<b>M</b>	5,221,510.30	8,123,985.55
Other Exp. Creditors	<b>N</b>	836,539.00	3,847,364.89
		20,675,755.35	18,659,773.80
<b>NET WORKING CAPITAL</b>		198,396,138.46	167,656,268.46
<b>D. Miscellaneous Expenditure</b>		4716271.00	4716271.00
<b>Notes to the Accounts</b>	<b>TOTAL U</b>	<b>267,455,859.23</b>	<b>252,450,615.03</b>

The Schedule referred to above form an integral part of the Balance Sheet.  
In terms of our report of even date.

**Mahendra Tiwari & Co.**  
*Chartered Accountants*

**ON BEHALF OF THE BOARD**

**Mahendra Tiwari**  
(Partner)

Hirji Patel  
(Director)

Place: Mumbai  
Date: 16<sup>th</sup> August, 2010

**PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2010.**

**Amount in Rupees.**

<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>As at 31<sup>st</sup> March 2010</b>	<b>As at 31<sup>st</sup> March 2009</b>
<b>I. INCOME</b>			
Sales – Computer H/W, Parts, Accessories, Electronics	P	70,595,652.94	40,209,848.20
Sales – Service	P	39,448,933.50	29,423,867.35
Other Income	P	310,400.57	-
	<b>TOTAL</b>	<b>110,354,987.01</b>	<b>69,633,715.55</b>
<b>II. EXPENDITURE</b>			
Cost of Materials	Q	70,764,755.34	38,057,539.61
Employees Costs	R	3,511,997.50	4,236,288.00
Operating and Administration Expenses	S	13,413,836.17	5,837,042.51
Depreciation		11,346,120.38	13,947,321.92
Miscellaneous Expenses Written off	O	1,516,113.00	1,516,113.00
Financial Expenses	T	4,530,261.78	5,800,764.99
Exceptional items – Loss on Fire		3,798,500.00	-
	<b>TOTAL</b>	<b>108,881,584.17</b>	<b>69,395,070.03</b>
Profit Before Taxation		1,473,402.84	238,645.52
Provision for Taxation		533,184.00	80,328.08
Provision for Differed tax(Asset)		(152,944.00)	-
Profit After Taxation		1,093,162.84	158,317.44
Profit B/f From Previous Year		7,517,854.64	7,359,537.20
Amount available for Appropriations		8,611,017.48	7,517,854.64
<b>APPROPRIATIONS</b>			
Proposed Dividends		-	-
Dividend Distribution Tax		-	-
Transfer to General Reserve		-	-
Balance carried forward		<b>8,611,017.48</b>	<b>7,517,854.64</b>
<b>Notes to the Accounts</b>	<b>U</b>		

The Schedule referred to above form an integral part of the Balance Sheet.

In terms of our report of even date.



**Mahendra Tiwari & Co.**  
*Chartered Accountants*

ON BEHALF OF THE BOARD

Mahendra Tiwari  
(Partner)

Hirji. Patel  
(Director)

Place: Mumbai  
Date: 16<sup>th</sup> August, 2010

## SCHEDULE "U"

### Significant Accounting Policies and Notes to the Accounts

Notes annexed to and forming part of the Balance Sheet as at 31<sup>st</sup> March, 2010 and Profit and Loss Account for the twelve months ended 31<sup>st</sup> March, 2010.

#### 1. Significant Accounting Policies :

##### a) Basis of Accounting :

The accounts have been prepared under the historical cost on an accrual basis as a going concern. Revenue recognition and expenses incurred are accounted on accrual basis and applicable mandatory standards and in accordance with the requirement of the Companies Act, 1956.

##### b) Revenue Recognition :

Sales: Income from Product Sales/Services Charges is recognized upon completion of sales and rendering of the services respectively. Sales are inclusive of duty but accounted net of sales tax, whenever applicable. Income includes inter-divisional transfer at market price. The value of such inter divisional transfer is included in the value of materials purchase & sales.

##### c) Dividend and Interest :

Dividend income from investments is recognized when right to receive to payment is established. Interest income is accounted on its accrual on a time proportion.

##### d) Employees' Remuneration: The Company's contribution to the Provident Fund are charged to Profit & Loss for the period.

##### e) Depreciation: Depreciation is charged on Fixed Assets (except in case of Land) on Straight Line Method and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

##### f) Fixed Assets: Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. All costs relating to the acquisition and installation of fixed assets are capitalized and include financing costs relating to the borrowed funds attributable to construction or acquisition of fixed assets upto the date the assets are put to use.

##### g) Impairment of Assets :

An asset is treated and impaired when the carrying cost of Assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which as asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

- h) Investments: Investments are classified as long term investment.
- i) As per the revised policy management has decided to value all investments at lower of cost or market value and accordingly diminution in value of investments as at year end is suitably adjusted in the accounts as per Accounting Standards issued by the Institute of Chartered Accountants of India.
  - i) Inventories: Since the product/item in which the company is dealing is subject to technological changes fluctuation the valuation of closing stock is taken as per the management certificate.
  - ii) Service Components are valued at cost.
- j) Foreign Currency Transaction: Any income or expenses on account of exchange difference is either in settlement or on transaction is recognized as per revenue gain/loss.
- k) Income Tax : In view of the carried forward losses, no provision for Income Tax has been made, however provision has been made for the Fringe Benefit Tax.

Provision for current income tax is based on the assessable profits computed in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

- l) Deferred Tax Assets / Liabilities: Deferred Tax assets or liability for timing difference between the profits per financial statements and the profit offered for income tax, based on tax rates that have been enacted or substantively enacted as at the Balance sheet date. Deferred Tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available, against which it can be realized. The carrying amount of deferred tax assets is reviewed at each Balance Sheet Date and reduced if sufficient taxable profits are not like to be available to realize all or part of the deferred tax assets.
- m) Prior Period Expense/Income: All identifiable items of income and expenditure pertaining to prior period are accounts as per "Prior Period Adjustment".
- n) Retirement Benefits:  
Since no employees who has put in stipulated number of years of service no provision has been made towards retirement benefits.
  - a) Gratuity :  
No Provision is made in the accounts in respect of Gratuity payable to staff. These are charged in the accounts as and when paid.
  - b) Provident Fund :  
Annual contribution to Provident Fund is charges to the Profit and Loss Account.

- c) Leave Encashment :  
No Provision is made in the accounts in respect of future liability of Leave Encashment payable to the staff. These are charged in the accounts as and when paid.
- o) Borrowing cost:  
Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.
2. Going Concern Assumption :  
The accounts are prepared on the going concern assumption.
3. Amount payable/receivable in respect of sundry creditors, sundry debtors, loans given, unsecured loan obtained, advances recoverable, bank balance etc. are subject to reconciliation and confirmation.
4. Segment Reporting: N.A.
5. Related Party Disclosure :

In accordance with the Accounting Standards (AS-18) on Related Party Disclosure, where control exists and where key management personnel are able to exercise significant influence and, where transactions have taken place during the year, along with description of relationship as identified, are given below:

A. Relationship – Key Management Personnel

Name	Designation
Shri. Hirji Kanji Patel	Managing Director

B. The following transactions were carried out with related parties in the ordinary course of business:-

Related Transactions	Key Management Personnel
Remuneration	24,00,000

6. Expenditure in Foreign Currency : Rs. NIL (Previous year Rs. NIL)
7. Earnings per share (EPS): The numerators and denominators used to calculate Basic and Diluted Earnings Per Share.

	2008-2009	2007-2008
Profit(Loss) attributable to the Shareholders (Rs.)	1093163	158317
Basic/Weighted average number of Equity Shares	190049520	190049520
Nominal Value of Equity Shares (Rs.)	1	1
Basic/Diluted Earning Per Share	0.06	0.008

8. As per the information available with the company, there are no small scale undertakings to whom the company owes a sum which is outstanding for more than 30 days.
9. No provision is made in respect of Gratuity and Leaves Encashment (Previous year – not ascertained and provided for). This is in contravention to with the Accounting Standard 15 issued by the Institute of Chartered Accountants of India in respect of accounting for retirement benefits.
10. Whole Time Directors' Remuneration: During the year remuneration have been paid to the whole time directors. Rs.24.00 Lacs. (Previous year Rs. 24.65 Lacs.)
11. Previous year figures have been regrouped rearranged wherever necessary.

#### QUANTITATIVE INFORMATION :

##### C. DETAILS OF PURCHASES, SALES AND STOCKS

Details of Opening Stock	2009-10	2008-09
ITEM/PRODUCT	QTY.	QTY.
TRADED	NOS.	NOS.
Barebone / Unit	653	2,128
CPU	442	1,127
HDD	658	2,431
Memory	715	1,782
Total	2,468	7,468
Details of Purchases	2009-10	2008-09
ITEM/PRODUCT	QTY.	QTY.
TRADED	NOS.	NOS.
Barebone / Unit	928	635
CPU	435	260
HDD	390	620
Memory	241	375
Total	1,994	1,890
Details of Sales	2009-10	2008-09
ITEM/PRODUCT	QTY.	QTY.
TRADED	NOS.	NOS.
Barebone / Unit	1192	2,110
CPU	398	945
HDD	666	2,193

Memory	570	1,442
Total	2,826	6,990
Details of Closing Stock	2009-10	2008-09
ITEM/PRODUCT	QTY.	QTY.
TRADED	NOS.	NOS.
Barebone / Unit	389	653
CPU	479	442
HDD	382	858
Memory	386	715
Total	1,636	2,668

**B. DETAILS OF PURCHASES, SALES AND STOCKS**

Details of Scrap*	2009-10	2008-09
ITEM/PRODUCT	QTY.	QTY.
TRADED	NOS.	NOS.
Barebone / Unit	23	29
CPU	22	42
HDD	43	33
Memory	15	35
Total	103	139

\* Part of the cost of goods sold

AS PER OUR REPORT OF EVEN DATE

For and on behalf of the Board,

**For Mahendra Tiwari & Co.**  
**Chartered Accountants**

**For Allied Computers International (Asia) Ltd.**

Mahendra Tiwari  
Partner  
Membership No.118416

Mansukh Vaghani  
Director

Hirji K. Patel  
Director

Place : Mumbai  
Date : 16<sup>th</sup> August, 2010

CASH FLOW STATEMENT FOR THE FIFTEEN MONTHS ENDED 31<sup>ST</sup> MARCH, 2010.

A. CASH FLOW FROM OPERATING ACTIVITIES

Rs. In Lakhs

	2009-2010	2008-2009
Net Profit/Loss before Tax and extra Ordinary item	14.73	2.39
Adjustments for :		
Depreciation	113.46	139.47
Finance Charges	45.30	58.01
Preliminary Expenses W/off	15.16	15.16
Interest Income		
Plant & Machinery W/off		
Provision for diminution in shares		
Prior period expenditure		
Operating Flow before working Capital Changes	188.65	215.03
Adjustments for :		
Increase / (Decrease) in Inventories	-149.22	-240.63
Increase / (Decrease) in Trade & Other Receivable	425.13	27.48
Increase / (Decrease) in Trade Payable & Provisions	20.16	50.47
Increase / (Decrease) in Loans & Advances	199.15	86.30
Cash generated from Operating activities		
Income Tax Provision / Paid	3.80	0.80
Interest Paid		
Net Cash flow from operating Activities A	687.67	139.45

B. CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Fixed Assets / CWIP		
Sale of Fixed Assets	5.90	
Sale of Investments		
Increase in Preliminary Expenses		
Net Cash flow from Investing Activities B	5.90	

C. CASH FLOW FROM FINANCING ACTIVITIES

Increase in Equity Shares		
Interest & Finance charges	45.30	58.01
Increase in Borrowings – Bank	-58.00	13.01
Increase / (Decrease) in Unsecured Loans	198.65	-90.49
Net Cash Flow from Financing Activities C	185.95	-19.47

NET INCREASE / (DECREASE) IN		
CASH OR CASH EQUIVALENT A+B+C	879.52	119.98
CASH & CASH EQUIVALENTS–OPENING BALANCE	147.63	17.54
CASH & CASH EQUIVALENTS–CLOSING BALANCE	0.14	147.63

AS PER OUR REPORT OF EVEN DATE

For and on behalf of the Board,

**For Mahendra Tiwari & Co.**  
***Chartered Accountants***

**For Allied Computers International (Asia) Ltd.**

Mahendra Tiwari  
Partner  
Membership No.118416

Mansukh Vaghani  
Director

Hirji K. Patel  
Managing Director

Place : Mumbai  
Date : 16<sup>th</sup> August, 2010



## Allied Computers International ( Asia) Limited

Regd.Office: 501/2/3Morya Estate, New Link Road, Andheri-West, Mumbai-53

### ATTENDANCE SLIP

I/ We hereby record my/ our presence at the 8<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, the 27<sup>th</sup> September, 2010 at Regd. Office: 501/503, Morya Estate, New Link Road, Andheri-West, Mumbai- 400 053.

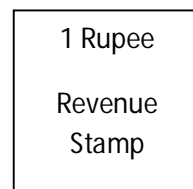
DP ID No.*:	L. F. No.:
Client ID No.*:	No. of Shares held:
Name and address of the Shareholder(s)	
If Shareholder(s), Please sign here	If Proxy, Please sign here

### PROXY FORM

I / we -----of ----- in the district of ----- being a member / members of the above named company, hereby appoint ----- of ----- or failing him / her ----- of ----- as my / our Proxy to vote for me / us on my / our behalf at the 24<sup>th</sup> Annual General Meeting of the company to be held on Tuesday, the 29<sup>th</sup> September, 2009 at Regd. Office: 501/2/3, Morya Estate, New Link Road, Andheri-West, Mumbai- 400 053.

Signed this ----- day of ----- 2010

Signature:



Note: This form duly completed and signed should be deposited at the Registered Office of the company not later than 48 hours before the time of the meeting.





