

# 19<sup>th</sup> Annual Report 2010 - 2011

**UNISYS SOFTWARES &  
HOLDING INDUSTRIES LTD.**



# Unisys Softwares & Holding Industries Ltd.

## BOARD OF DIRECTORS

Jagdish Prasad Purohit	Chairman & Managing Director
Sushil Kumar Purohit	Executive Director
Ashok Bothra	Independent Director
Joharpal Singh	Independent Director

## REGISTERED OFFICE

75C, Park Street  
Kolkata-700 016

## BANKERS

Oriental Bank of Commerce  
Kotak Mahindra Bank Ltd.  
Canara Bank

## AUDITORS

### B. S. Kedia & Co.

Chartered Accountants  
8/1, Lal Bazar Street, 1st Floor,  
Room No. 8, Kolkata - 700 001.

## REGISTRAR & SHARE TRANSFER AGENT

### Purva Share Registry (India) Pvt. Ltd.

No. 9, Shiv Shakti Ind. Estate  
Gr. Floor, J. R. Boricha Marg  
Lower Parel, Mumbai-400 011

## ANNUAL GENERAL MEETING

Date : 27th September 2011  
Time : 12.30 P.M.  
Venue : P-27, Princep Street, 3rd Floor,  
Kolkata-700 072



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Members are requested to bring their copy of Annual Report at the time of Meeting

## NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of UNISYS SOFTWARES & HOLDING INDUSTRIES LTD. will be held on Tuesday, the 27th day of September 2011 at 12.30 P.M. at P-27, Princep Street, 3rd Floor, Kolkata-700 072 to transact the following businesses as :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st March 2011.
2. To appoint Director in place of Mr. Ashok Bothra, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS :

4. To Consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution :

**"RESOLVED THAT** Pursuant to the provisions of Section 260 and all other applicable provisions of the Companies Act, 1956 (the Act) and in terms of Article 87 of the Articles of Association of the Company, Mr. Joharpal Singh, who was appointed as an Additional Director of the Company at the Board meeting held on 13th August 2010 and who holds the office up to the date of this Annual General Meeting in terms of provision of section 260 of the Act, and in whose respect the Company has received a notice from a member under Section 257 of the Act, together with necessary deposit as mentioned in the said section, proposing the candidature of Mr. Joharpal Singh for the office of Director of the Company be and is hereby appointed as Director of the Company."

Kolkata, June 30, 2011

By order of the Board  
For **Unisys Softwares & Holding Industries Ltd.**

### Registered Office :

75C, Park Street, Basement  
Kolkata-700 016.

**Jagdish Prasad Purohit**  
Chairman & Managing Director

**Explanatory Statement Pursuant To Section 173(2) Of The Companies Act, 1956**

**Item No. 4**

The Board of Directors of your Company appointed Mr. Joharpal Singh as an Additional Director of your Company at the Board meeting held on 13th August 2010 to broad base the Board.

Mr. Joharpal Singh, Age 64, B. Com. LLB is having vast experience in the area of Legal & Secretarial matters since last 35 years. He is also familiar to the Company Laws which will surely benefit to the Company. Your Company has received notices from members pursuant to section 257 of the Act, 1956 together with necessary deposit proposing the candidature of Mr. Joharpal Singh for the office of Director of the Company.

He is not holding any shares of the Company either in his name or in the name of his family members as on 31st March 2011.

As on 31st March 2011, he is not having Directorship and Committee Chairmanship in any of the Listed and Public Limited Cos.

**Notes :**

1. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
2. The Register of Member and the Share Transfer Books of the Company will remain closed from 22nd September 2011 to 27th September 2011 (both days inclusive).
3. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
4. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the Depository Participant to the Annual General Meeting.
5. Members desirous of getting any information about the accounts of the Company are requested to send their queries so as to reach at-least seven days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
6. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.
7. Members holding shares in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
8. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for

share transfer/transmission of name/transposition of name.

9. Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (form 2B) to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
10. Members are requested to bring copies of Annual Report to the Annual General Meeting.
11. The Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
12. Members are requested to quote Folio Number/Client ID in their correspondence.
13. The Equity shares of the Company are listed on Kolkata, Mumbai, Delhi, Ahmedabad & Jaipur Stock Exchanges and Listing Fees for the financial year 2011-2012 have been paid to Kolkata & Bombay Stock Exchanges.

Kolkata, June 30, 2011

By order of the Board  
For **Unisys Softwares & Holding Industries Ltd.**

**Registered Office :**

75C, Park Street, Basement  
Kolkata-700 016.

**Jagdish Prasad Purohit**  
Chairman & Managing Director

**DIRECTORS' REPORT & MANAGEMENT  
DISCUSSIONS & ANALYSIS**

To The Members,

Your Directors have pleasure in presenting the Nineteenth Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2011.

(Rs. in Lacs)

Financial Results	Year Ended 31.03.2011	Year Ended 31.03.2010
Income	13458.46	747.92
Profit before Tax & extraordinary item	161.01	9.39
Less : Provision for Taxation	19.35	1.55
Profit after Tax	141.65	7.85
Transfer to General Reserve	28.33	1.57
Add : Profit brought forward from Previous Year	63.08	56.80
Balance carried forward	176.40	63.08

**DIVIDEND**

In order to conserve resources to meet the working capital requirements, your Directors do not propose any dividend for the year under review.

**INDUSTRY STRUCTURE AND DEVELOPMENT**

**Software Industries**

Changing economic and business conditions and rapid technological innovation are creating an increasingly competitive market environment that is driving corporations to transform their operations. Consumers of product and services are increasingly demanding accelerated delivery times and lower prices. Companies are focusing their core competencies and using outsourced technology service providers to adequately address their needs. The role of technology has evolved from supporting corporations to transforming their business. There is an increasingly need for highly skilled technology professionals in the market in which we operate. At the same time, corporations are reluctant to expand their IT departments and increase costs. These factors have increased the reliance of corporations on their outsourced technology service providers and are expected to continue to drive future growth for technology services.

**Non Banking Finance Companies (NBFCs)**

The Indian economy has emerged rapidly from the slowdown caused by the global financial crisis of 2007-09 and remains one of the fastest growing economies of the world. After dipping to 6.8% in 2008-09, GDP growth had recovered sharply to 8% and is projected to remain above this level in 2010-11. Economic and financial events over the year, however, have increased concerns about the sustainability of the growth momentum.

The global economic and financial situation is recovering slowly. The large fiscal deficits and high debt ratios coupled with slow economic growth have created unsettling conditions for business and have potential for causing great volatility in financial markets. It is hard

to visualize strong economic growth in the advanced economies in 2010 and to a large extent in 2011. The implications of this, for India's strategy to return to the 9.0 per cent growth trajectory, are that public policy must promote business confidence and facilitate increased investment.

Apart from above, high current account deficit, particularly in the context of weakening capital inflows, was also a cause of concern, which has hitherto managed to compensate the rising trade deficit. The current account deficit was a manifestation of strong domestic demand and global weakness. This pressure has abated somewhat during the past few months, with rise in exports and slowing (non-oil) imports. However, a strong rebound in India's exports over the past couple of months has considerably reduced the pressure, but India's overall balance of payments remains weaker than expected, putting pressure on the Rupee.

### **OPPORTUNITIES & THREATS**

Global Market is large and rapidly changing-from a mix of legacy client server to web / package-based services. Market openings are emerging across I.T. services, software products, I.T. enabled services and E-businesses, and creating a number of new opportunities for Indian companies. The corporate, government and consumer sector of the Indian domestic market offers a huge opportunity to software and services companies.

The Fundamental drives of India's medium term growth prospects remain intact. However, global developments, in conjunction with Indian Policy responses to the concerns noted above, are likely to make 2011-12 a challenging year.

Global economic and financial conditions can be expected to remain adverse for some time, particularly in the aftermath of Japan's natural disaster. Once the current financial year and commodity volatility subsides, deeper structural factors are likely to slow down economic growth, particularly in developed economics. Fiscal consolidation in Europe and an excess supply overhang in the US will probably moderate growth in the second half, together with increasing expectations of policy rate rise to quell rising inflation.

In India, inflationary pressure are likely to persist and hence result in a further, though moderate, monetary policy tightening the impact of which will be increasingly visible, through rising borrowing costs, in fiscal 2012. Increasing savings, high interest rates, an expected lower rise in currency driven by lower food prices, are likely to help deposits to grow stronger in fiscal 2012. However, in light of inflationary pressures and rising interest rates, there is a likelihood that the credit growth momentum might slow in 2011-12.

The expansion of the economy in the rural areas and particularly in the agricultural infrastructure sector continues to present opportunities of growth for NBFCs with a rural network. NBFCs here will have to rely on their partnership with banks and insurance companies and their own access to rural distribution networks to exploit such opportunities. Apart from the threat imposed by banks, the Reserve Bank of India has also advised NBFCs to reduce dependence on deposits in the next few years. This will have an adverse impact on NBFCs.

Dependence on purely fund-based business continues to be difficult for NBFCs unless they are able to reduce their cost of funds very substantially. The ability of the company to significantly expand its non-fund based activities would remain an area of concern.

### **OPERATIONS & CURRENT YEAR PROSPECTS**

The Sales and income for the year has increased 18 fold during the year under review whereas PBT has increased 17.15 fold to Rs. 161.01 Lac. Even PAT has increased 18 fold

to Rs. 141.65 in comparison to the previous years' figure of Rs. 9.39 Lac. These figures are showing tremendous growth in term of business and profit. The profit was mainly from Investment activities as well as NBFC activities.

The Company is hopeful of doing better in current year and expected to be in the line of what has been achieved in current financial year.

### **BUSINESS SEGMENT**

Your Company offers its services to customers through industry practices in Software development, investment activities in Capital Market as well as in the services of NBFC activities. The Company use to do trading in the Software, by way of developing Software as per need of its clients through hiring professionals or on assignment basis as per mutual understanding.

### **RISK & CONCERNS**

The objective of risk management is to balance the trade-off between risk and returns and ensure optimum risk adjusted return on capital. It entails the identification, measurement and management of risks across the various businesses of the Company. Risk is managed through a framework of policies and principles approved by the Board of Directors and supported by an Independent risk function that ensures that the Company operates within its risk appetite. The risk management function attempts to anticipate vulnerabilities at the transaction level or at the portfolio level, as appropriate, through quantitative or qualitative examination of the embedded risks. The Company continues to focus on refining and improving its risk management systems. In addition to ensuring compliance with regulatory requirements, the Company had developed internal systems for assessing capital requirements keeping in view the business objectives.

The Company has identified following main risks for its business, which needs to be addressed at this point of time :-

1. Credit Risk
2. Market Risk
3. Liquidity Risk
4. Operational Risk

The Company has framed the appropriate business policies to tackle the challenges of above risks and is continually reviewing and modifying these policies in order to face the challenges and come out with the help of Company's business policies.

### **OVERVIEW**

The Company is planning to counter its challenges through focused marketing, tight control on liquidity and margins, cost effective sourcing of services etc. In term of Investment activities, the Company is investing after taking expert opinion from expertise in Capital Market and after studying Balance Sheets, trading pattern for last few years as well as liquidity in the scrip. Further, in term of NBFC activities, Company is disbursing its fund after details enquiry about its Clients, their repayment capacities and goodwill in the market. The Company is also trying to strengthen its presence in Software industry with improved quality of its products and smooth working.

### **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

UNISYS has developed adequate Internal Control Systems in place to ensure a smooth functioning of its business. The Control System provides a reasonable assurance of recording



the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets.

The ICS and their adequacy are frequently reviewed and improved and are documented.

#### **MATERIAL DEVELOPMENT IN HUMAN RESOURCES**

UNISYS's biggest assets are their employees. We are continuously working on innovative initiatives to attract, train, retain and motivate our employees. Our endeavors are driven by a strong set of values imbibed in us and policies that we abide by. Our constant goal, and indeed our biggest strength, is a healthy, happy and prosperous work environment for all our employees.

#### **CAUTIONARY STATEMENT**

Statements in the Management Discussions and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's performance include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government Regulations, tax laws, statues and other incidental factors.

#### **FIXED DEPOSITS**

The Company has not taken any fixed deposits from public during the year.

#### **MANAGEMENT**

There is no Change in Management of the Company during the year under review.

#### **DIRECTORS**

There was a change in the Composition of Board during the year under review.

During the year Mr. Dharampal Sharma has resigned from Board w.e.f. 13th August 2010 and in his place Mr. Joharpal Singh has joined the Board on 13th August 2010 as Non-Executive, Independent Director of the Company.

In accordance with the requirements of the Companies Act, 1956 and as per the provisions of Articles of Association Mr. Ashok Bothra who retires by rotation is eligible, offers himself for reappointment.

Except Mr. Ashok Bothra himself, no other Directors are interested in re-appointment of Mr. Ashok Bothra.

Further, non of the Directors of the Company are disqualified under section 274(1)(g) of the Companies Act 1956.

#### **AUDITORS**

The Auditors M/s B. S. Kedia & Co., Chartered Accountants, Kolkata holds the office until the conclusion of ensuing Annual General Meeting. Your Company has received certificate from the Auditors u/s 224(1B) of the Companies Act, 1956 to the effect that their reappointment if made, will be within the limit prescribed.

The shareholders are requested to appoint the Auditors and fix their remuneration.

#### **COMMENTS ON AUDITOR'S REPORT**

The notes referred to in the Auditor's Report are self explanatory and as such they do not

call for any further explanation as required under section 217(3) of the Companies Act, 1956.

### **CORPORATE GOVERNANCE**

Your Company follows the principles of the effective corporate governance practices. The Clause 49 of Listing Agreement deals with the Corporate Governance requirements which every publicly listed Company has taken steps to comply with the requirements of the revised Clause 49 of the Listing Agreement with the Stock Exchange.

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Company's Auditors on Corporate Governance as stipulated in Clause 49 of the Listing Agreement is included in the Annual Report.

### **INFORMATION TECHNOLOGY**

The Company aims to maintain a scalable computing infrastructure that delivers efficient and seamless services across multiple channels for customer convenience. In order to retain competitive edge, technology infrastructure has been implemented wherever necessary, in alignment with business requirements.

### **COMPLIANCE**

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

New Instructions/guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes. New products and process launched during the year were subjected to scrutiny from the Compliance Standpoint and proposals of financial services were screened from risk control prospective.

### **HUMAN RESOURCES**

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR policies to the growing requirements of the business.

The Company has a structured induction process and management development programmes to upgrade skills of managers. Objective appraisal systems are in place for senior management system.

### **STATUTORY INFORMATION**

The Company being basically in the financial sector, requirement, regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

### **PARTICULARS OF EMPLOYEES**

The relations remain cordial throughout the year between employees and the management  
The information as required by provisions of section 217(2A) of the Companies Act, 1956

read with the companies (Particular of employees) amendments rules, 1988 is reported to be NIL.

**Particulars under Section 217 (1) (e) of the Companies Act, 1956**

The Company is engaged in the business of software trading, investment in shares & securities and of NBFC activities hence the information regarding conservation of energy, Technology Absorption, Adoption and innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is reported to be NIL.

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annuals accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Corporate Social Responsibility (CSR) is commitment of the Company to improve the quality of the workforce and their families and also the community and society at large. The Company believes in undertaking business in such a way that it leads to overall development of all stake holders and Society.

**APPRECIATION**

The Board of Directors wishes to convey their appreciation to all the Company's employees for their performance and continued support. The Directors would also like to thank all the Shareholders, Consultants, Customers, Vendors, Bankers, Service Providers, and Governmental and Statutory Authorities for their continued support.

Kolkata, June 30, 2011

By order of the Board  
For **Unisys Softwares & Holding Industries Ltd.**

**Registered Office :**  
75C, Park Street, Basement  
Kolkata-700 016.

**Jagdish Prasad Purohit**  
Chairman & Managing Director

## ANNEXURE TO THE DIRECTOR'S REPORT

### CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Compliance with the requirements of Corporate Governance is set out below :-

#### Company's philosophy on Code of Governance

Unisys Softwares & Holding Industries Ltd. (UNISYS) is committed to implement sound corporate governance practices with a view to bring about transparency in its operations and maximize shareholders value. The Company's core philosophy on the code of Corporate Governance is to ensure-

- Fair and transparent business practices;
- Accountability for performance;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of promoter, executives and independent directors on the Board.

A report on the implementation of the Corporate Governance Code of the Listing Agreement by the Company is furnished below.

The Certificate of Corporate Governance from the Statutory Auditors of the Company confirming compliance of the conditions of Corporate Governance is annexed hereto.

### BOARD OF DIRECTORS

#### Composition of Directors

The Constitution of Board of Directors of the Company is governed by the Company's Act 1956 and the Clause 49 of listing agreement. The Company's Board comprises a combination of executives and non-executive Directors. The Board presently consists of 4 Directors and its mix provides a combination of professionalism, knowledge and experience required in the line of Business of the Company. The Board is responsible to manage business of the Company. The functions, responsibilities, role and accountability of the Board are well defined.

The Board of Directors met 6 times on 31st May, 13th August, 12th November and on 29th December in year 2010 and on 8th February and 11th February in year 2011 during the financial year 2010-2011.

Details of Composition of Board, category of the Directors and their attendance at Board Meetings and last Annual General Meeting, number of other directorship are given below :-

Name	Designation	Board Meetings Attended	Whether Attended AGM	Committee Membership	Committee Chairmanship	No. of Directorship in other Public Ltd. Co.
Jagdish Prasad Purohit*	Chairman & Managing Director	6	Yes	7	2	4
Sushil Kr. Purohit	Executive Director	6	Yes	3	Nil	1
Dharampal Sharma*	Independent Director	2	Yes	2	1	Nil
Ashok Bothra	Independent Director	6	Yes	6	2	5
Joharpal Singh*	Independent Director	4	No	Nil	Nil	Nil

\*Appointed and Resigned w.e.f. 13th August 2010

**AUDIT COMMITTEE**

The Committee of the Board of Directors was reconstituted with effect from 13th August 2010.

The Audit Committee consists of two Independent Directors & the Managing Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of Unisys Softwares & Holding Industries Ltd. (the "Company") in fulfilling its oversight responsibilities with respect to (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, stock exchanges and others, (b) the Company's compliances with legal and regulatory requirements, (c) the Company's independent auditors' qualification and independence, (d) the audit of the Company's Financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

**Authority and Responsibilities**

The Audit Committee reviews the Company's financial reporting process, disclosure of accounting treatment, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter, Compliance with listing and other legal requirements relating to financial statements, disclosure norms, internal control systems, risk management policies, accounting policies and practices, ensuring the quality and appropriateness of the Company's accounting and financial disclosures as well as quarterly/half yearly financial statements. It recommends appointment of Statutory Auditors, fixes audit fees and reviews internal control systems, 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, scope for observations of the auditors and adequacy of the internal audit function, discussion with internal auditors, any significant findings and follow up there on, To review the functioning of the Whistle Blower mechanism, Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate etc.

In addition to the above, Audit Committee reviews the followings :

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors and qualification in draft audit report;
4. Internal audit reports relating to internal control weaknesses;
5. To review the annual financial statements and to recommend their adoption to the Board, with particular reference to disclosure of any related party transaction.

6. To review the Quarterly financial statements and recommend their adoption to the Board.

7. The appointment, removal and terms of remuneration of the Chief internal auditor;

As required under Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement, the new "Terms of Reference" of the Audit Committee were approved by the Board of Directors at its meeting held on 13th August 2010.

The members of Audit Committee met four times on - 31st May, 13th August and on 12th November in year 2010 & on 8th February 2011 during the financial year ended on 31st March 2011.

Name	Number of Meetings Held	Meetings Attended
Mr. Jagdish Prasad Purohit	4	4
Mr. Ashok Bothra*	4	4
Mr. Joharpal Singh#	4	2
Mr. Dharampal Sharma#	4	2

\*Chairman of Committee

#Mr. Joharpal Singh has appointed and Mr. Dharampal Sharma has resigned from Committee w.e.f. 13th August 2010 (both are Independent Directors)

**REMUNERATION COMMITTEE**

Since the Company does not have remuneration Committee (constitution of which is a non-mandatory requirement), the details pertaining to the same are not provided

**Details of Remuneration paid to Directors**

The payment of salary to Directors was Nil during the financial year 2010-2011 apart from payment of Directors' sitting Fees to Independent Directors for attending Board and Committee Meetings.

No Stock option has been allotted to any of the Directors during the financial year 2010-2011.

None of the Independent Directors holds any shares in their name or in the name of their relatives.

**SHARE TRANSFER COMMITTEE**

The Board of Directors has constituted Share Transfer Committee under the Chairmanship of Mr. Jagdish Prasad Purohit; whole time Director Mr. Sushil Kr. Purohit with other Independent Director namely Mr. Ashok Bothra.

The members of Share Transfer Committee met eighteen times on 10th June, 19th June, 30th June, 31st July, 10th August, 31st August, 10th September, 20th September, 20th October, 10th November, 30th November, 10th December and on 20th December in year 2010 & on 31st January, 10th February, 19th February, 28th February and on 10th March in year 2011 during the financial year ended on 31st March 2011.

<b>Name</b>	<b>Number of Meetings Held</b>	<b>Meetings Attended</b>
Mr. Jagdish Prasad Purohit*	18	18
Mr. Sushil Kr. Purohit	18	18
Mr. Ashok Bothra	18	18

\*Chairman of Committee

**INVESTORS' GRIEVANCE COMMITTEE**

The Board of Unisys Softwares & Holding Industries Limited has constituted a Committee of Directors, which inter-alia also functions as "Shareholders/Investors" Grievance Committee, consisting of three members, chaired by a Non-Executive, Independent Director. The Committee meets once a month and inter-alia, deals with various matter relating to:

- Transfer/transmission/transposition of shares;
- Consolidation/splitting of shares/folios;
- Issue of Share Certificates for lost, sub-divided, consolidated, rematerialize, defaced etc;
- Review of Shares dematerialized and all other related matters; and
- Investors' grievances and redressal mechanism and recommend measures to improve the level of Investor Services.

The Share Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry India Pvt. Ltd. attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies etc.

The Minutes of Shareholders/Grievances Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

**Compliance Officer**

The Company has appointed Mr. Pravin Sawant, as a Compliance Officer within the meaning of Listing Agreement.

**DETAILS OF SHAREHOLDERS' COMPLAINTS DURING THE YAER**

During the year the Company has received 1 complaint from its Members which was being resolved during the year and there were Nil Complaints at the end of Financial Year ending on 31st March 2011. Further, as required under Clause 47C of the Listing Agreement, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

**Composition of Committee and Meetings attended**

During the year, twelve meetings of the Committee of Directors were held on April 2, May 3, June 1, July 1, August 2, September 1, October 1, November 2, and December 1st in year 2010 and on January 3, February 1 and March 2 in year 2011.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Mr. Dharampal Sharma*	Chairman	Independent, Non-Executive	5
Mr. Joharpal Singh*	Chairman	Independent, Non-Executive	7
Mr. Jagdish Prasad Purohit	Member	Executive, Managing Director	12
Mr. Ashok Bothra	Member	Independent, Non-Executive	12

\*Chairman of Committee (replacement between two Independent Directors w.e.f. 13th August 2010)

**GENERAL BODY MEETINGS**

Location & time for the last three Annual General Meetings:

Annual General Meeting	Date & Time	Venue
18th Annual General Meeting	28th July 2010, 12.30 PM	P-27, Princep Street, 3rd Floor, Kolkata - 700 072.
17th Annual General Meeting	16th September 2009, 1.30 PM	P-27, Princep Street, 3rd Floor, Kolkata - 700 072.
16th Annual General Meeting	22th September 2008, 11.30 AM	P-27, Princep Street, 3rd Floor, Kolkata - 700 072.

**SPECIAL RESOLUTION PASSED AT LAST THREE ANNUAL GENERAL MEETINGS:**

Special Resolution was passed for Appointment of Mr. Ashok Bothra as an Additional Director of the Company in the meeting of Board of Directors held on 20th February 2010 during the financial year 2009-10.

No Special Resolutions have been passed in remaining two out of last three Annual General Meetings.

**PASSING OF RESOLUTION BY POSTAL BALLOT:**

During Financial Year 2010-11, Resolutions have been passed to increase Authorized Capital from Rs. 21.00 Crore to Rs. 25.00 Crore only. Further, Resolutions to have been passed to issue and allot 30.00 Lac convertible warrants (convertible into Equity Shares of Rs. 10/- only) at a price of Rs. 100/- per Warrant to meet working capital requirements.

No Resolution has been passed during Financial Year 2008-09 and Financial Year 2009-10 by way of Postal Ballot Rules, 2001.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

**EXTRA-ORDINARY GENERAL MEETING**

No Extra-Ordinary General Meeting was being held in last three years.



**BOARD DISCLOSURES****Risk Management**

The Company has a Risk Management Policy which has been adopted by the Board of Directors, currently, the Company's risk management approach comprises of the following:-

- Governance of Risk
- Identification of Risk
- Assessment of Control of Risk

The risks have been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Risk Officer will make a presentation periodically on risk management to the Board of Directors and the Audit Committee. The Board and the Audit Committee provides oversight and review the risk management policy periodically.

**SUBSIDIARIES**

The Company does not have any material non-listed Indian subsidiary whose turnover or net worth (i.e. paid-up capital and free reserves exceeding 20% of the consolidated turnover or networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

**INSIDER TRADING**

The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purposes of prevention of Insider Trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a `Code of Conduct` for Prevention of Insider Trading (The Code) with effect from October 1, 2002. The Code is applicable to all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Compliance Officer has been appointed for monitoring adherence to the said Regulations.

**DISCLOSURES**

- (a) There are no transactions with related parties i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.
- (b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.

- (c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. Further, we affirm that no personnel have been denied access to the Audit Committee.
- (d) **Reconciliation of Share Capital:-** A qualified Practicing Company Secretary carried out Secretarial Audit on quarterly basis to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) and the total issued and listed capital. The reconciliation of share capital audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

#### **DISCLOSURES ON NON-MANDATORY REQUIREMENTS**

The Company has adopted/complied with the following non-mandatory requirements as prescribed in Annexure I D to Clause 49 of Listing Agreement with the Stock Exchange :-

- a) None of the Independent Directors on the Board of the Company has served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.
- b) The Company has not setup Compensation and Remuneration Committee.
- c) We publish our quarterly results and half yearly results in widely circulated newspapers whereas we did not send half yearly results to any of shareholders.
- d) The financial statements of the Company are unqualified.
- e) The Board of Directors of the Company at its meeting held on 13th August 2010 have adopted the Whistle Blower Policy and appointed on ombudsperson. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy. No Employee has been denied access to the Audit Committee.

#### **MEANS OF COMMUNICATIONS**

- The Company regularly provides information to the Stock Exchanges as per the requirements of the listing Agreement.
- The Quarterly/Half Yearly/Nine Months & Annual Results have been submitted to Bombay Stock Exchange Ltd. and published in the leading English Newspapers i.e. Financial Express and in vernacular language Newspaper i.e. Mahanayak.
- Company posts its Quarterly Results/Half Yearly/Nine Months & Annual Results on its website [www.unisyssoftware.com](http://www.unisyssoftware.com).

- Official News releases have been posted on its web portal [www.unisyssoftware.com](http://www.unisyssoftware.com).
- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report will be posted to the shareholders of the Company.

#### SHAREHOLDERS' INFORMATION

##### a. Next Annual General Meeting

The information regarding 19th Annual General Meeting for the financial year ended on 31st March 2011 is as follows :-

**Day & Date** : 27th September 2011  
**Time** : 12.30 P.M.  
**Venue** : P-27, Princep Street, 3rd Floor, Kolkata - 700 072.

b. **Financial Year** : 1st April to 31st March.

c. **Future Calendar** :

Subject Matter	Date
Financial Reporting of 1st Quarter ended on 30th June 2011	12th August, 2011
Financial Reporting of 2nd Quarter ended on 30th September 2011	15th November, 2011
Financial Reporting of 3rd Quarter ended on 31st December 2011	15th February 2012
Financial Reporting of 4th Quarter ended on 31st March 2012	30th May 2012
Date of Annual General Meeting	During August 2012

d. **Date of Book Closure** : September 22 to September 27, 2011 (both days inclusive)

e. **Dividend Payment** : Nil

f. **Listing of Shares** : Kolkata, Mumbai, Ahmedabad, Delhi & Jaipur Stock Exchanges.

**Custody Charges &** : Annual Custody Charges to NSDL & CDSL and Annual Listing

**Listing Fees** : Fees for Financial year 2010-2011 have been paid to both BSE & CSE.

h. **Stock Code** : 531831 on BSE, 10013102 on CSE

i. **Depository (ISIN Code)**: INE574C01012

## j. Market Price Data :

Month	Price on BSE (Rs.) & Volume			BSE Sensitive Index	
	High	Low	Volume	High	Low
April 2010	46.00	37.40	288154	18047.46	17276.80
May 2010	43.25	36.30	89421	17536.86	15960.15
June 2010	66.30	37.35	214284	17919.62	16318.39
July 2010	83.05	65.00	489420	18237.56	17395.58
August 2010	84.30	72.10	115035	18475.27	17819.99
September 2010	84.90	65.00	330106	20267.98	18027.12
October 2010	82.85	69.25	1352038	20854.55	19768.96
November 2010	89.90	65.00	329751	21108.64	18954.82
December 2010	129.00	70.45	334321	20552.03	19074.57
January 2011	150.00	114.05	385102	20664.80	18038.48
February 2011	147.00	100.30	266532	18690.97	17295.62
March 2011	147.85	115.00	1259280	19575.16	19071.47

## k. Registrar &amp; Share Transfer Agent.

M/s. Purva Sharegistry (India) Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address :

**M/s. Purva Sharegistry (India) Pvt. Ltd.**

No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011, Tel : 022-23016761, website : www.purvashare.com

## l. Share Transfer Systems

The Share transfer is processed by the Registrar & Share Transfer Agent, M/s. Purva Sharegistry (India) Pvt. Ltd. and approved by Share Transfer Committee, if the documents are complete in all respects, within 21 days from the date of lodgment.

## m. Shareholding Pattern as on 31st March 2011

Categories	No. of Shares	% of Shareholding
Promoters, Directors & Relatives & Person acting in concert	5559400	24.17
Indian Bank	100	0.00
NRI/OCBS	16235	0.07
Private Corporate Bodies	4204627	18.28
Indian Public (including HUF & Clearing Members)	13219838	57.48
<b>Total .....</b>	<b>23000200</b>	<b>100.00</b>

**o. Categories of Shareholders as on 31st March 2011**

No. of Equity Shares held	No. of Share holders	% of Total Holders	No. of Shares Held	Value	% of Total Holding
1-5000	1477	72.44	286493	2864930	1.25
5001-10000	115	5.64	96704	967040	0.42
10001-20000	61	2.99	93700	937000	0.41
20001-30000	27	1.32	67421	674210	0.29
30001-40000	16	0.78	59640	596400	0.26
40001-50000	19	0.93	92311	923110	0.40
50001-100000	43	2.11	353252	3532520	1.54
100001 & Above	281	13.78	21950679	219506790	95.44
<b>Total ...</b>	<b>2039</b>	<b>100.00</b>	<b>23000200</b>	<b>230002000</b>	<b>100.00</b>

**n. Distribution of Shareholding as on 31st March 2011**

Category	No. of Share Holders	% of Share Holders	No. of Shares Held	% of Share Holding
Individuals	1855	90.98	12183748	52.97
Directors & Relatives	16	0.78	5559400	24.17
Non-Resident Indians	8	0.39	16235	0.07
Indian Bank	1	0.05	100	0.00
Body Corporate	117	5.74	4204627	18.28
Local Mutual Funds	0	0.00	0	0.00
Hindu Undivided Families	32	1.57	908559	3.95
Clearing Members	10	0.49	127531	0.56
<b>Total ...</b>	<b>2039</b>	<b>100.00</b>	<b>23000200</b>	<b>100.00</b>

**p. Dematerialization of Shares & Liquidity**

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

**Procedures for dematerialization / re-materialization of Equity Shares:-**

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/ CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within one month from the date of issue of Shares.

The Shares of Company are listed on both Kolkata & Bombay Stock Exchange. 81.71% of the Company's Equity Share Capital held under Public category has been dematerialized up to 31st March 2011.

**q. Nomination**

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

**r. Requirement of PAN Card in case of Transfer of Shares in Physical Form**

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

**s. For the Attention of Shareholders holding shares in electronic form**

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

**t. Brief Resume of the Directors Seeking Re-Appointment**

- Mr. Ashok Bothra, Age 46, B. Com., is having vast experience in the areas of Finance, Taxation, Company Laws and Capital Market. Beside this, he is having a good skill to understand the requirements of various constitutional organizations. He is having an overall experience of more than 20 Years in the above mentioned fields. He is an Independent Director of the Company.

He is not holding any shares of the Company either in his name or in the name of his family members as on 31st March 2011.

As on 31st March 2011, he is on the Board of Directors of the following Companies.

Sr. No.	Name of the Company
1.	Blue Circle Services Limited
2.	JMD Telefilms Industries Limited
3.	Dynamic Portfolio Management & Services Limited
4.	Asianlak Capital & Finance Limited
5.	First Financial Services Limited

Further, he is having 2 Committee Chairmanship and 6 Committee Membership in various listed cos. where he is holding position as Director.

**u. Details on use of Public Funds obtained in the last three years :**

Sum of Rs. 300.00 Lac has been raised via Preferential Issue of Warrants, later on converted into Equity Shares and this fund has been utilized for investment in Capital Market related activities i.e. in Shares and Mutual Funds.

**v. Investors Correspondence**

Shareholders can contact the following Officials for secretarial matters of the Company:-

Mr. Pravin Sawant - unisys.softwares@gmail.com

**w. Outstanding GDRs./ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity :**

Not Applicable.

**x. Code of Conduct**

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

**y. Address for Correspondence**

75C Park Street, Basement,  
Kolkata - 700 016.

## **CHAIRMAN & MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT**

As required by Clause 49 of Listing Agreement, the Managing Director and CEO's Declaration for Code of Conduct is given below:

To  
The Members of  
**Unisys Softwares & Holding Industries Limited**

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain 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) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the auditors and the Audit committee
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.
- (e) We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current Financial Year.

**For Unisys Softwares & Holding Industries Ltd.**

Place : Kolkata  
Date : 30th June 2011

**Jagdish Prasad Purohit**  
Chairman & Managing Director



**SECRETARIAL COMPLIANCE REPORT FOR THE YEAR  
ENDED 31ST MARCH 2011**

The Board of Directors,  
**Unisys Softwares & Holding Industries Limited**  
Kolkata

We have examined the registers, records and papers of Unisys Softwares & Holding Industries Limited as required to be maintained under the Companies Act, 1956, (hereinafter referred to as "The Act"), the rules made thereunder and also the provisions contained in the Memorandum of Association and Articles of Association of the Company for the year ended 31st March 2011.

On the basis of our examination as well as information and explanations furnished by the Company and the records made available to us, we report that:

1. The Company has kept and maintained all registers and records as per the provisions of the Companies Act 1956 (the Act) and the rules made there under and all entries therein have been duly recorded during the year.
2. The Company has duly filed the forms and return with the Registrar of Companies or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company has given proper notice along with the agenda for convening of Board Meeting, Committee Meetings and Annual General Meetings during the year.
4. The proceedings of the Meetings were properly recorded in the Minutes Books during the year.
5. The Board of Directors of the Company is duly constituted during the year.
6. The Company has obtained all the necessary approvals from the Board and Shareholders as required by the Act during the year.
7. The Company has not accepted any Deposit in terms of Section 58A of the Act read with Companies (Acceptance of Deposit) Rules, 1975 during the year.
8. The Company has complied with the provisions of section 154 of the Act during the year.
9. The Company has delivered all the certificates on lodgments thereof for transfer or any other purpose in accordance with the provisions of the Act during the year.
10. The Company has not declared dividend during the year.
11. The Company has not paid remuneration to the Managing Director during the year in terms of section 198, 269, 309 read with Schedule XIII of the Act.
12. The Company has not appointed any sole selling agent in terms of section 294 of the Act during the year.
13. The Company has not given any loan in terms of section 295 of the Act during the year.

14. The Company has not entered into any transactions, which falls under section 297 of the Act during the year.
15. The Directors have disclosed their interest in terms of section 299 of the Act.
16. The Company has not appointed any person as a place of profit in terms of section 314 pf the Act during the year.
17. The Company has complied with the provisions of section 372A of the Act.
18. The Company has complied with the applicable provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997, SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, SEBI (Prohibition of Insider Trading ) Regulations, 1992 during the year.
19. The Company has issued 30,00,000 Equity Shares @ Rs. 100/- per Share on Preferential basis and has raised fund of Rs. 30.00 Crore during the financial year 2010-11.
20. The Company has altered its Memorandum of Association and Articles of Association with respect to the Share Capital of the Company during the year under scrutiny at its Extra-Ordinary General Meeting held on 28th January 2011 and has complied with the provisions of the Act. Further, the amendments to the Articles have been registered with Registrar of Companies.
21. There was no prosecution initiated against the Company, or Show Cause Notices received by the Company, for offences under the Act.

For **VKM & Associates**  
Company Secretaries

Place : Mumbai  
Date : June 30, 2011

**Vijay Kumar Mishra**  
Partner

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Unisys Softwares & Holding Industries Ltd.

We have examined the compliance of the conditions of Corporate Governance by Unisys Softwares & Holding Industries Ltd. (The Company) for the year ended 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with all stock exchanges where the Shares of Company are listed.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an 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, the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

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

For **B. S. Kedia & Co.**  
Chartered Accountants

Place : Kolkata  
Date : June 30, 2011

**Vikash Kedia**  
Proprietor  
Membership No.066852

## AUDIT REPORT

### To the Members of Unisys Softwares & Holding Industries Limited

We have audited the attached Balance Sheet of Unisys Softwares & Holding Industries Limited as at 31st March 2011 and also the Profit & Loss Account for the year ended on that day annexed hereto. 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 have conducted our audit in accordance with auditing standards generally accepted in India. Those standards required 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 included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- a. As required by the Companies (Auditors' Report) Order, 2003 issued by the Department of Company Affairs in terms of Section 227 (4A) of the Companies Act 1956, we enclose in the Annexure, a statement on the matter specified in the said Order to the extent applicable;
- b. Further to our comments in the Annexure referred in paragraph 1 above, attention is invited to the following on accounts:
  - (i) The Company has no provision for non performing assets as per Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 of Reserve Bank of India.
- c. Further to our comments in the annexure referred to in paragraph 1 above -
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts'
  - iv. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement together with notes of accounts 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 written representations received from the Directors, as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 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, give the information required by the Companies Act 1956, and give a true and fair view in conformity with the accounting principles generally accepted in India :-
1. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
  2. in the case of the Profit and Loss Account, of the Profit for the year ended on that date;
  3. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For B. S. Kedia & Co.**  
Chartered Accountants

Place : Kolkata  
Date : June 30, 2011

**Vikash Kedia**  
Proprietor  
Membership No.066852

## ANNEXURE TO THE AUDITORS' REPORT

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

1. (a) The Company has maintained proper books of records showing full particulars including quantitative details and situations of fixed assets (i.e. softwares).
- (b) Fixed Assets (i.e. Software) have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanation given to us, the Company has not made any substantial disposal during the year.
2. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

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.

On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

3. (a) According to the information and explanation given to us and on the basis of records furnished before us, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) In view of above, Clause 4(iii)(a),(b),(c) and (d) of Companies (Auditors' Report) Order, 2003 are not applicable.
- (c) According to the information and explanation given to us and on the basis of records furnished before us for the verification, the Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (d) In view of above, clause 4(iii)(e), (f) and (g) of Companies (Auditors' Report) Order, 2003 are not applicable.
4. In our opinion and according the information & explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of business with regard to purchase and sales. During the course of our Audit, we have not observed any continuing failure to correct major weakness of internal audit.
5. (a) In our opinion and according the information & explanations given to us, the particulars of contract or arrangements that were required to be entered in the register maintained under Section 301 of the Companies Act 1956 have been so entered in the said register.
- (b) In respect of transactions entered exceeding the value of five lac in the register maintained in pursuance of Section 301 of the Companies Act 1956, according

to information and explanation given to us, the transactions made pursuant of such contracts or arrangements have been made at prices which are prima-facie reasonable having regard to prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public during the year hence Clause 4(vi) of Companies (Auditors' Report) Order 2003 is not applicable.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We are informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act 1956 in respect of products dealt with by the Company.
9. (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including Provident Fund, Investors' Education & Protection Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, CESS and any other statutory dues have been regularly deposited in time during the year with appropriate authorities and there are no undisputed statutory dues payable for a period of six months from the date they became payable as at 31st March 2010.  
  
(b) According to the information and explanation given to us there are no disputes pending before the authorities in respect of Sales Tax, Income Tax, Custom Duty and CESS.
10. The Company does not have accumulated losses as at the end of financial year and has not incurred cash losses in the current financial year and in the immediate preceding financial year.
11. According to the records made available to us and information and explanation given to us by the management, the Company has not defaulted in repayment of any dues to financial institutions or banks.
12. According to the information and explanations given to us, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not chit fund, nidhi, mutual fund and societies and accordingly clause 4(xiii) of Companies (Auditors' Report) Order, 2003 is not applicable.
14. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts relating to dealing in shares, securities and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name or are in the process of transfer in its name, except to the extent of the exemption granted section 49 of the Act.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from Banks & Financial Institutions. Accordingly Clause 4(xv) of Companies (Auditors' Report) Order, 2003 is not applicable.

16. In our opinion and according to the information and explanations given to us, the Company has not obtained any Term Loan. Accordingly Clause 4(xvi) of Companies (Auditors' Report) Order, 2003 is not applicable.
17. According to the information and explanations given to us and on the basis of and overall examination of the Balance Sheet of the Company, no funds raised on short term basis have been utilized for long term investment and vice versa.
18. The company has not made preferential allotment of shares to parties and/or to the companies covered in the register maintained under section 301 of the Companies Act 1956. Therefore, the provisions of clause 4(xviii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
19. During the period, the Company has not issued unsecured debentures on private placement basis and therefore, the provisions of clause 4(xix) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
20. The Company has not raised any money through public issue during the year and therefore, the provisions of clause 4(xx) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
21. During the course of examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the period nor we have been informed of such instances by the management.

For **B. S. Kedia & Co.**  
Chartered Accountants

Place : Kolkata  
Date : June 30, 2011

**Vikash Kedia**  
Proprietor  
Membership No.066852



**BALANCE SHEET AS AT MARCH 31, 2011**

	Schedule	31.3.2011 Rupees	31.3.2010 Rupees
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	230,002,000	200,002,000
Reserves and Surplus	2	327,111,171	42,945,860
		<u>557,113,171</u>	<u>242,947,860</u>
<b>APPLICATION OF FUNDS</b>			
Fixed Assets	3	17,282,600	-
Investments	4	1,127,611,701	456,240,410
<b>Current Assets, Loans &amp; Advances</b>			
Sundry Debtors	5	611,356,214	74,092,094
Cash & Bank Balances	6	6,081,013	5,842,438
Deposits & Advances	7	388,999,687	163,917,668
		<u>1,006,436,914</u>	<u>243,852,200</u>
<b>Less : Current Liabilities &amp; Provisions</b>			
Sundry Creditors	8	1,079,183,362	103,244,591
Liabilities & Provisions		517,106,719	355,978,197
		<u>1,596,290,081</u>	<u>459,222,788</u>
Net Current Assets		(589,853,167)	(215,370,588)
<b>Miscellaneous Expenditure</b> (To the Extent not written off & Adjusted)			
Issue Expenses		623,037	698,037
Deferred Revenue Expenditure		1,449,000	1,380,000
TOTAL		<u>557,113,171</u>	<u>242,947,860</u>
Notes forming part of the accounts & Significant Accounting Policies	13		

As per our report of even date

For **B. S. Kedia & Co.**  
Chartered Accountants**Vikash Kedia**  
Partner  
Membership No.066852**Jagdish Prasad Purohit**  
Chairman & Managing DirectorPlace : Kolkata  
Date : June 30, 2011**Sushil Kr. Purohit**  
Director

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

	Schedule	31.3.2011 Rupees	31.3.2010 Rupees
<b>INCOME</b>			
Sales		1,330,449,118	73,221,444
Other Income	9	15,396,560	1,570,135
		<b>1,345,845,678</b>	<b>74,791,579</b>
<b>EXPENDITURE</b>			
Purchases		1,323,738,550	73,159,185
Depreciation on Fixed Assets	3	613,400	-
Payment & Provision to Employees	10	1,958,306	292,750
Administrative Expenses	11	3,434,683	400,569
		<b>1,329,744,939</b>	<b>73,852,504</b>
Profit before Tax		16,100,739	939,075
Provision for Taxation		1,935,428	154,534
Profit available for Appropriation		14,165,311	784,541
Transfer to General Reserve		2,833,062	156,910
Profit brought forward from previous year		6,308,035	5,680,404
Profit carried to Balance Sheet		<b>17,640,284</b>	<b>6,308,035</b>
Earnings Per Share (Basic & Diluted) (Face Value Rs. 10/- per share)	12	0.62	0.04
Notes forming part of the accounts & Significant Accounting Policies	13		

As per our report of even date

For **B. S. Kedia & Co.**  
Chartered Accountants

**Vikash Kedia**  
Partner  
Membership No.066852

**Jagdish Prasad Purohit**  
Chairman & Managing Director

Place : Kolkata  
Date : June 30, 2011

**Sushil Kr Purohit**  
Director

SCHEDULES TO ACCOUNTS	31.03.2011 Rupees	31.03.2010 Rupees
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
250,00,000 (Previous Year 210,00,000)		
Equity Shares of Rs. 10/- each fully paid-up	<b>250,000,000</b>	210,000,000
<b>Issued, Subscribed &amp; Paid-up</b>		
230,00,200 (Previous Year 200,00,200)		
Equity Shares of Rs. 10/- each fully paid-up	<b>230,002,000</b>	200,002,000
	<b>230,002,000</b>	<u>200,002,000</u>
<b>SCHEDULE 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
Profit & Loss Account - Balance	<b>17,640,284</b>	6,308,035
General Reserve	<b>3,056,387</b>	223,325
Share Premium Account	<b>306,414,500</b>	36,414,500
	<b>327,111,171</b>	<u>42,945,860</u>

**SCHEDULE 3**  
**FIXED ASSET**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2010	Additions Adjustments For the year	As at 31.03.2011	As at 01.04.2010	For the Year	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
Softwares	-	17,896,000	-	-	17,896,000	-	17,896,000	-
<b>TOTAL</b>	<b>-</b>	<b>17,896,000</b>	<b>-</b>	<b>-</b>	<b>17,896,000</b>	<b>-</b>	<b>17,896,000</b>	<b>-</b>
Previous Year	-	-	-	-	-	-	-	-

**SCHEDULE 4**  
**INVESTMENTS**  
**QUOTED (AT COST)**

Name of Scrip	Quantity Amount (Rs.)		Quantity Amount (Rs.)	
	As on 31.03.2011		As on 31.03.2010	
GHCL Limited	94,998	8,551,774	94,998	8,551,774
Seamac Ltd	1,930	1,446,396	1,930	1,446,396
Golden Tobacco Ltd	43,829	6,497,787	79,878	11,842,165
Orissa Sponge Ltd	-	-	185,000	64,037,476
Axon Infotech Ltd	800,000	16,000,000	800,000	16,000,000
Nouveau Multimedia Ltd	11,000	1,975,744	-	-
DB Int (Stock Broking) Ltd	196,975	13,250,080	-	-
Spice Mobile Ltd	496,716	53,010,040	-	-
Chise Ltd	3,322	631,596	-	-
Mideast Intergrated Steel Ltd	50,000	750,000	-	-
RPP Infra Ltd	440,067	29,083,325	-	-
JMD Telefilms Industries Ltd	2,000,000	126,318,487	-	-
Gujrat CV Ltd	6,000	515,760	-	-
Kaveri Tele Ltd	130,000	14,955,713	-	-
	<b>Total ....</b>	<b>272,986,701</b>		<b>101,877,810</b>
(Market Value of Quoted Investments as on 31st March 2011 is Rs. 7,73,99,420/- )				
<b>Un-Quoted (At Cost)</b>				
Investment in Un-Quoted Shares & Securities		854,625,000		354,362,600
	<b>Total ....</b>	<b>1,127,611,701</b>		<b>456,240,410</b>

<b>SCHEDULES TO ACCOUNTS</b>	<b>31.03.2011</b> Rupees	31.03.2010 Rupees
<b>SCHEDULE 5</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>Sundry Debtors</b>		
(Unsecured, Considered good)		
Outstanding for more than six months	-	170,000
Others	<b>611,356,214</b>	73,922,094
	<b>611,356,214</b>	<b>74,092,094</b>
<b>SCHEDULE 6</b>		
<b>Cash &amp; Bank Balances</b>		
Cash Balance	<b>5,809</b>	202,062
Balance with Scheduled Bank	<b>6,075,204</b>	5,640,376
	<b>6,081,013</b>	<b>5,842,438</b>
<b>SCHEDULE 7</b>		
<b>Loans And Advances</b>		
(Unsecured, Considered good)		
Inter Corporate Deposit	<b>220,589,979</b>	-
Advance Tax	<b>1,600,000</b>	-
Advances for Software Developments	<b>92,295,000</b>	92,295,000
Advances for Other Activities	<b>73,700,300</b>	62,381,500
Share Application (Pending Allotment)	<b>97,000</b>	8,697,000
TDS & Others	<b>717,408</b>	544,168
	<b>388,999,687</b>	<b>163,917,668</b>
<b>SCHEDULE 8</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
Sundry Creditors	<b>1,079,183,362</b>	103,244,591
<b>Liabilities &amp; Provisions</b>		
For Expenses	<b>479,394</b>	57,477
Advances	<b>514,224,234</b>	343,795,000
Other Advance	-	11,891,318
VAT Payable	<b>464,623</b>	-
For Taxation	<b>1,935,428</b>	231,362
For Fringe Benefit Tax	<b>3,040</b>	3,040
	<b>517,106,719</b>	<b>355,978,197</b>

SCHEDULES TO ACCOUNTS	31.03.2011 Rupees	31.03.2010 Rupees
<b>SCHEDULE 9</b>		
<b>OTHER INCOME</b>		
Profit from Purchase & Sale of Shares	-	700,650
Short Term Capital Gain	11,303,725	869,485
F & O Profit	163,711	-
Interest Recd.	3,929,124	-
	<u>15,396,560</u>	<u>1,570,135</u>
<b>SCHEDULE 10</b>		
<b>PERSONNEL EXPENSES</b>		
Salary to Staff	1,800,000	262,750
Staff Welfare Expenses	158,306	30,000
	<u>1,958,306</u>	<u>292,750</u>
<b>SCHEDULE 11</b>		
<b>ADMINISTRATION EXPENSES</b>		
Conveyance & Travelling	137,516	17,191
Legal & Professional Charges	36,000	19,500
Advertisement	32,292	11,690
Printing & Stationery	51,190	32,886
Postage & Telephone	66,912	11,434
RTA Fees & Expenses	81,881	19,565
Miscellaneous Expenses	139,135	31,880
Bank Charges	4,279	331
Share Holders' Meeting Expenses	37,550	13,300
Listing & Depository Fees	195,367	187,192
Books & Periodicals	10,200	-
Freight, Coolie & Cartage	88,210	-
Deferred Revenue Expences W/off	161,000	-
Directors' Sitting Fees	100,000	-
Finance Brokerage	1,577,500	-
Share Issue expenses w/off	75,000	-
Rent	120,000	-
Value Added Tax (VAT)	481,606	30,000
Auditors Remuneration	39,045	25,600
	<u>3,434,683</u>	<u>400,569</u>
<b>SCHEDULE 12</b>		
<b>EARNING PER EQUITY SHARE</b>		
Net Profit after tax available for Equity Shareholders	14,165,311	784,541
No. of Equity Shares	23,000,200	20,000,200
Basic and Diluted Earning per Share (Rs.)	0.62	0.04

## SCHEDULE 13

### ACCOUNTING POLICIES & NOTES FORMING PART OF THE ACCOUNTS

#### SIGNIFICANT ACCOUNTING POLICIES

##### GENERAL

##### Basis of Preparation of Financial Statements

1. The Financial Statements are prepared on mercantile basis under the historical cost convention in accordance with the generally accepted accounting principles in India, Accounting Standards notified under section 211(3C) of the Companies Act 1956, read with the Companies (Accounting Standard) Rules, 2006 and the other relevant provisions of the Companies Act, 1956.

##### Fixed Assets

2. All Fixed Assets are stated at Cost less accumulated Depreciation. Costs include purchase price and all other attributable costs of bringing the assets to working condition for intended use.

##### Depreciation

3. Depreciation on all assets is charged proportionately from the date of acquisition/ installation on written down value method at rates prescribed in Schedule XIV of the Companies Act, 1956. Assets costing less than Rs. 5000/- individually have been fully depreciated in the year of purchase.

##### Investments

4. Stock/Securities acquired and intended to be held for a longer period are classified as Investments.
5. Investments are valued at cost of acquisition with the provision where necessary for diminution, other than temporary, in the value of investments.

##### Revenue Recognition

6. Income is accounted on accrual basis except Dividend.

##### Retirement Benefit

7. None of the Employee has completed the service period to become eligible for payment of gratuity.

##### Income Tax

8. Provision for taxes comprising of current tax is measured in accordance with Accounting Standard 22- "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.
9. Tax expenses comprise of current and deferred tax.
10. Provision for current income tax and fringe benefit tax is made on the basis of relevant provisions of Income Tax Act, 1961 as applicable to the financial year.

11. Deferred Tax is recognized subject to the consideration of prudence on timing differences, 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.

**Provisions, Contingent Liabilities & Contingent Assets**

*Disclosures in terms of Accounting Standards (AS 29) Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India :-*

12. The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
13. A disclosure for a contingent liability is made when there is a possible obligation or present obligation that probably will not require an outflow of resources or where reliable estimate of the amount of the obligation cannot be made.
14. Contingent Assets are neither recognized nor disclosed.

**NBFC Companies**

15. Information as required in terms of paragraph 13 of Non Banking Financial (Non Deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is given in separate annexure.

**Others**

16. None of the Raw Materials, Stores, Spares and Components consumed or purchased during the year have been imported.
17. None of the Earnings / Expenditures is in Foreign Currency.
18. Balance of Debtors, Creditors, Deposits, Loans and Advances are subject to confirmation.
19. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated if realized in the ordinary course of business. The provision for depreciation and all known liabilities are adequate and not in excess of the amounts reasonably necessary.
20. Investments of the Company have been considered by the management to be of a long term nature and hence they are long term investments and are valued at cost of acquisitions.

**Segment Report**

21. Segment reporting as defined in Accounting Standard 17 as the Company was primarily engaged in the business of Software and hardware and Mobile phones trading. (Segment Report as under).

<b>1.</b>	<b>Segment Revenue</b>	
	Sale of Software & Hardware/Mobile	13,304.49
	Investment Activities	114.68
	Other Operational Activities	39.39
	<b>Total -</b>	<b>13,458.56</b>



<b>2.</b>	<b>Segment Profit</b>	
	Sale of Software & Hardware/Mobile	40.30
	Investment Activities	120.71
	Other Unallocated Activities	-
	<b>Total -</b>	<b>161.01</b>
<b>3.</b>	<b>Capital Employed</b>	
	Software & Hardware/Mobile	110.20
	Investment Activities	5,288.10
	Other Unallocated Activities	172.83
	<b>Total -</b>	<b>5,571.13</b>

### Notes to Accounts

22. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value state, if realized in the ordinary course of business. Provisions for all known liabilities are adequate and not in excess of the amount considered necessary for the same.

### Contingent Liabilities

23. Contingent Liabilities not provided for - Rs Nil

### Particulars of Director's Remuneration (In Rupees)

24. Rs. Nil has been paid to Directors as Remuneration for the Year apart from Directors sitting fees. (P.Y. Rs. Nil)

### Related Party Transactions

25. Key Management Personnel -
- Mr. Jagdish Prasad Purohit - Managing Director
  - Mr. Sushil Kr. Purohit - Executive Director
26. Subsidiary & Group Companies or Companies under same management - Not Any.
27. Details of transactions with related parties -

Transaction with related parties	Subsidiary Companies	Key Management Personnel & Relatives
Remuneration	-	Nil
	( - )	(Nil)
<b>Investments:</b>		
Investment in Subsidiary	( - )	( - )
	( - )	( - )
Investment in Group Cos.	Nil	-
	Nil	( - )

**Differed Tax on Income**

28. Differed Tax Asset (Net) for the year ended 31st March 2011 amounts to Rs 14,49,000/-

29. Remuneration to Auditors

Particulars	31.03.2011	31.03.2010
Remuneration to Auditors for Audit Purpose	<b>39,045</b>	<b>25,600</b>

**Earning per Equity Share**

	Unit	31.03.2011	31.03.2010
Net Profit after Tax available for Share holders	Rs.	141,65,311	7,84,541
No. of Equity Shares	No.	23000200	20000200
Basis & Diluted Earning Per Share (Rs.)	Rs.	0.62	0.0

\*The Company does not have any outstanding dilutive potential equity shares.

31. Sundry Debtors and creditors are subject to confirmation and reconciliation.

32. There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2011. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

33. Information pursuant to provisions of paragraph 3,4(C) and 4(D) of Part II of Schedule VI of the Companies Act, 1956 to the extent applicable is as under:

34. Details of Software and hardware sales and purchases in respect of stock in trade:

Opening Stock		Purchases		Sales		Closing Stock	
Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
-	-	87,950	91,32,08,814	87,950	91,72,40,762	-	-
-	-	(804)	(7,31,59,185)	(804)	(7,32,21,444)	-	-

35. Details of Mobile Phones sales and purchases in respect of stock in trade:

Opening Stock		Purchases		Sales		Closing Stock	
Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
-	-	1,46,900	41,05,29,736	1,46,900	41,32,08,356	-	-
-	-	(-)	(-)	(-)	(-)	-	-

36. Previous years' figures have been regrouped, rearranged wherever necessary to make them comparable with those of current year.

As per our report of even date

For **B. S. Kedia & Co.**  
Chartered Accountants

**Vikash Kedia**  
Partner  
Membership No.066852

**Jagdish Prasad Purohit**  
Chairman & Managing Director

Place : Kolkata  
Date : June 30, 2011

**Sushil Kr. Purohit**  
Director

**Statement of Cash Flow Annexed to the Balance Sheet  
as at 31st March, 2011**

	31.03.2011	Rs. in Lacs 31.03.2010
	Rs.	Rs.
<b>A. Cash Flow from Operating Activities</b>		
<i>Net Profit before tax and extraordinary Items</i>	<b>16,100,739</b>	939,075
<i>Adjustments for</i>		
<i>Depreciation</i>	<b>613,400</b>	-
<i>Preliminary/ Share issue exp. Written off</i>	<b>623,037</b>	-
<i>Interest Received</i>	<b>3,929,124</b>	-
<i>Operating profit before working capital changes</i>	<b>21,266,300</b>	939,075
<i>Adjustments for</i>		
<i>Decrease (Increase) in Trade and other Receivables</i>	<b>(537,264,120)</b>	(73,529,510)
<i>Inventories</i>	-	-
<i>Loans &amp; Advances</i>	<b>(225,082,019)</b>	6,785,984
<i>Increase (Decrease) in Trade Payable and Provisions</i>	<b>1,137,067,293</b>	388,952,903
<i>Cash Generated from operations</i>	<b>374,721,154</b>	322,209,377
<i>Income Tax Paid For The Year</i>	<b>(2,004,428)</b>	(1,534,534)
<b>Net Cash From Operating Activities</b>	<b>388,731,931</b>	322,993,918
<b>B. Cash Flow From Investing Activities</b>		
<i>Decrease (Increase) in Fixed Assets</i>	<b>(17,282,600)</b>	-
<i>Sale of Investments</i>	<b>(671,371,291)</b>	(316,567,141)
<i>Depreciation on Fixed Assets</i>	<b>(613,400)</b>	-
<i>Interest Received</i>	<b>(3,929,124)</b>	-
<i>Preliminary/ Share issue exp. Written off</i>	<b>(548,037)</b>	-
<b>Net Cash from Investing Activities</b>	<b>(693,744,452)</b>	(316,567,141)
<b>C. Cash Flow From Financing Activities</b>		
<i>Proceeds from Preferential Issue of Shares</i>	<b>300,000,000</b>	-
<b>Net Cash used in Financing Activities</b>		
<i>Net Increase in Cash &amp; Cash Equivalents</i>	<b>238,575</b>	5,046,776
<i>Opening Balance of Cash &amp; Cash Equivalents</i>	<b>5,842,438</b>	795,662
<i>Closing Balance of Cash &amp; Cash Equivalents</i>	<b>6,081,013</b>	5,842,438

**For and on behalf of the Board**

**Jagdish Prasad Purohit**

Chairman & Managing Director

Kolkata, June 30, 2011

We have verified the attached Cash Flow Statement of Unisys Softwares & Holding Industries Ltd. derived from Audited Financial Statements and the books and records maintained by the Company for the year ended 31st March, 2011 and found the same in agreement therewith.

**For B. S. Kedia & Co.**  
Chartered Accountants

**Vikash Kedia**  
Partner

Kolkata, June 30, 2011

Membership No.066852

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI  
TO THE COMPANIES ACT, 1956**

**Balance Sheet Abstract and Company's General Business Profile**

**I Registration Details**

Registration No.	:	56742
State Code No.	:	21
Balance Sheet Date	:	31.03.2011

**II Capital raised during the year**

Public Issue	:	Nil
Right Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	3000

**III Position of Mobilisation and Deployment of Funds (Amount in Rs. in Thousands)**

Total Liabilities	:	557113
Total Assets	:	557113

**Sources of funds**

Paid-up Capital	:	230002
Reserves & Surplus	:	327111
Secured Loans	:	Nil
Unsecured Loans	:	Nil

**Application of funds**

Net Fixed Assets	:	17283
Investments	:	1127612
Net Current Assets	:	-589853
Miscellaneous Expenditures	:	2072
Accumulated losses	:	Nil

**IV Performance of Company (Amount in Rs. in Thousands)**

Turnover	:	1345846
Total Expenditure	:	1329745
Profit before taxes	:	16101
Profit after taxes	:	14165
Earning Per Share	:	0.62
Dividend rate	:	Nil

**V Generic Names of Three Principal Products/Services of the Company**

<u>Product Description</u>	<u>Item Code No.</u>
NBFC	N.A.
SOFTWARE DEVELOPMENT	N.A.

# Unisys Softwares & Holding Industries Ltd.

75C, Park Street, Kolkata-700 016

## PROXY FORM

I/We \_\_\_\_\_ resident of \_\_\_\_\_ in the district of \_\_\_\_\_ being member/members of the above named Company, hereby appoint \_\_\_\_\_ resident of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him \_\_\_\_\_ resident of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, the 27th day of September 2011 at 12.30 A.M., at P-27, Princep Street, 3rd Floor, Kolkata-700 072 and any adjournment thereof.

Registered Folio No./DP-Client ID \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

Signed by the said \_\_\_\_\_

Signature of Proxy \_\_\_\_\_

Attested by Shareholder \_\_\_\_\_

Affix  
Revenue  
Stamp



# Unisys Softwares & Holding Industries Ltd.

75C, Park Street, Kolkata-700 016

## ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting of the Company held on Tuesday, the 27th day of September 2011 at 12.30 A.M., at P-27, Princep Street, 3rd Floor, Kolkata-700 072.

Name of Shareholder/s \_\_\_\_\_

Father/Husband's Name \_\_\_\_\_

Name of Proxy or Company Representative \_\_\_\_\_

Registered Folio No./DP-Client ID \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Signature of the Shareholder(s) or Proxy or Company Representative \_\_\_\_\_

**No gift of any nature will be distributed at the Annual General Meeting**

## BOOK-POST

*If undelivered, please return to :*

**Unisys Softwares & Holding Industries Ltd.**  
75C, Park Street, Kolkata-700 016