

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Nineteenth Annual Report on the working of the Company along with the audited Balance Sheet and Profit Loss Account for the year ended 31st March 2013.

FINANCIAL RESULTS

	Rs. In Lacs	Rs. In Lacs
	2012 - 13	2011 - 12
Sales Income	519.76	462.44
Profit/ (Loss) before tax	(00.79)	57.56
Profit/ (Loss) after tax	(00.79)	57.56
Balance carried to Balance Sheet	(652.57)	(651.78)

DIVIDEND

No dividend has been recommended for the year.

OPERATIONS

The Company is making all out efforts to market the various software products developed by it – software in the areas of designing and planning in Textile industry, Inventory Management, Hotel Management, Payroll Management etc. And also the company recently launched the e-commerce website called www.theflamingo.co.in for marketing the goods through web. The company's turnover had increased from Rs.462.44 lacs in the previous year to Rs.519.76 lacs in the current year. The software product marketed by the company had good response during the year, hence there is good growth in the turnover of the company during the year. However Your directors are confident of registering substantial increase in turnover and profits in the coming years.

FUTURE PLAN

The company would further push its marketing efforts for the sale of various software programmes it has developed. And would soon restart its dot com operation, which was core strength of the company in the past. Since the company had good customers in textile business, now launching a textile product trading dot.com portal, the domain is already finalized, it will launching the portal shortly, which will additional revenue to the company and good margin. it has started operations in the textile products also which have given tremendous increase in its turnover.

ARCHANA SOFTWARE LIMITED

The company has issued detailed Public Statement in Terms of Regulation 15 (2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for the Attention of the Equity Shareholders Cash Offer for Acquisition of Equity Shares from Shareholders on 22/02/2013. Total No of Shares 12,85,470 (21.19%) by Acquirer Mr. S.Vasanth Kumar Sundaravadivelu. (Ref: The Financial Express (English All Editions), Janasatha (Hindi All Editions), Navasakthi (Marathi Mumbai Edition) & Makkal Kural (Tamil – Chennai Editions)

Name of the Sellers	Address of the Sellers	No. & % of Shares/ Voting Rights held Before the Off-Market Transactions		No. & % of Shares/ Voting Rights held After the Off-Market Transactions	
		No. of Shares	%	No. of Shares	%
Mr. R.Rajasankar	No.9, Bishop Avenue, Mylapore, Chennai – 600 004.	52200	0.86	Nil	Nil
Mr.D.Ravisankar	No.9, Bishop Avenue, Mylapore, Chennai – 600 004.	10	0	Nil	Nil
Mr.S.Durai	No.9, Bishop Avenue, Mylapore, Chennai – 600 004.	10	0	Nil	Nil
Mr.R.Vallabai	No.9, Bishop Avenue, Mylapore, Chennai – 600 004.	150000	2.47	Nil	Nil
Mr.V.P.Ramanathan	No.9, Bishop Avenue, Mylapore, Chennai – 600 004.	10010	0.16	Nil	Nil
Mr.K.R.Jain	No.9, Bishop Avenue, Mylapore, Chennai – 600 004.	40500	0.67	Nil	Nil
M/s. Sankar Homes (P) Ltd.	48, South Boag Road, T.Nagar, Chennai – 600 017.	1032740	17.02	Nil	Nil
Total		1285470	21.19		

Information Pursuant to Section 217(1) (E) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Since the Company is engaged in the Computer Software Development, the question of conservation of Energy and Technology Absorption does not arise.

B. FOREIGN EXCHANGE EARNING AND OUTGO

There was no foreign exchange expenses and income during the year.

C. PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956.

During the year, no employee was paid more than Rs.5,00,000/- per month or Rs.60,00,000/- per annum.