

# 28th ANNUAL REPORT

FINANCIAL YEAR 2010-2011

E.COM INFOTECH (INDIA) LIMITED

74,WHISPERING PALMS,  
LOKHANDWALA TOWNSHIP,  
KANDIVALI (EAST),  
MUMBAI- 400 101.

WEBSITE# [www.ecominfotech.biz](http://www.ecominfotech.biz)

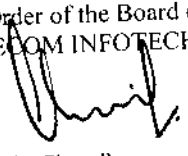
E-MAIL# [admin@ecominfotech.biz](mailto:admin@ecominfotech.biz)

## NOTICE OF ANNUAL GENERAL MEETING AND BOOK CLOSURE

NOTICE is hereby given that the 28th Annual General Meeting of the Members of Ecom Infotech (India) Limited will be held at 74, Whispering Palms, Lokhandwala Township, Kandivali (East), Mumbai-400101, on Saturday the 20<sup>th</sup> August, 2011 at 10.00 A.M. to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March 2011 and report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri J. K. Subramanian who retires by rotation.
3. To appoint Auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.

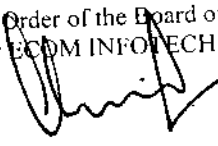
By Order of the Board of the Directors  
For ECOM INFOTECH (INDIA) LTD.

  
Ashwin Chaudhary  
Managing Director  
Place : Mumbai  
Date :

### NOTES :

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll only instead of himself. The proxy need not be a member of the Company. The Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting at its Registered Office.
2. The Register of Members and the Register of Transfers will remain closed from 14/08/2011 to 20/08/2011 (both days inclusive).
3. Members are requested to intimate any changes in their addresses to the Company at their earliest quoting their folio numbers.
4. Members are requested to quote folio numbers in all correspondence and also bring with them the attendance Card which may be submitted at the entrance duly signed.
5. Members who are registered under two or more Ledger Folios are requested to write to the Company for the consolidation, giving particulars of such folios and send the relevant share certificates.
6. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company atleast 7 days before the date of the meeting so that information required may be made available at the Meeting.

By Order of the Board of the Directors  
For ECOM INFOTECH (INDIA) LTD.

  
Ashwin Chaudhary  
Managing Director  
Place : Mumbai  
Date :

## **DIRECTOR'S REPORT**

The Members of  
ECOM INFOTECH (INDIA) LIMITED

The Directors have pleasure in submitting their Report and Accounts for the year ended on 31st March, 2011.

|                                    | 2010-2011 | (Rs. in Laacs)<br>2009-2010 |
|------------------------------------|-----------|-----------------------------|
| Net Sales / Income from operations | 8.99      | 9.80                        |
| Other income                       | 0.005     | 0.00                        |
| Total Expenses                     | 8.57      | 9.21                        |
| Interest                           | 0.00      | 0.00                        |
| Profit / Loss after Interest       |           |                             |
| but before depreciation & Taxation | 0.43      | 0.59                        |
| Depreciation                       | 0.34      | 0.18                        |
| Provision for Taxation             | 0.03      | 0.17                        |
| Net Profit / Loss                  | 0.04      | 0.24                        |
| Profit / (Loss) B/F.               | (48.84)   | (49.08)                     |
| Profit available for Appropriation |           |                             |
| Balance C/F to Balance Sheet       | (48.79)   | (48.84)                     |

### **RESERVES:**

The General Reserve at the end of the year stands at Rs.5, 00,000/-

### **DIVIDEND:**

In view of insufficient profits, the Directors do not recommend any dividend for this year.

### **SALES:**

The net turnover for the year under review amounted to Rs.899673/- as compared to Rs.980004/- last year.

### **OPERATIONS:**

The operations of the company have been reduced because of worldwide recession but Directors are hopeful of better result in the coming year barring unforeseen circumstances.

### **BOARD OF DIRECTORS:**

No changes in the Board of Directors during the year.

### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

The Annual Accounts have been prepared as per the accounting standards prescribed under section 211 (3C) of the Companies Act, 1956 and there are no material departures from the said accounting standards.

The accounting policies selected and the judgements and estimates made 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 the year ended 31st March, 2011.

Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and preventing and detecting fraud and other irregularities.

The annual accounts have been prepared on a going concern basis.

**PARTICULARS OF EMPLOYEES:**

The company does not have any employees whose particulars are required to be given under section 217(2A) of the Company Act, 1956 read with the companies (Particulars of employees Rule 1975).

**(I) PARTICULARS UNDER SECTION 217(1) (E) OF THE COMPANIES ACT 1956:**

Members for conservation of energy is an on going process and it has resulted in conservation of energy.

**(II) TECHNOLOGY ABSORPTION:**

Research and development (R&D):

|  |     |
|--|-----|
| 01. Specific areas in which R&D carried out by the company | NIL |
| 02. Benefit derived as a result of the above R&D           | N.A |
| 03. Future plan of action                                  | NIL |
| 04. Expenditure on R&D                                     | NIL |

**(III) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

|                                 |                |
|---------------------------------|----------------|
| Earning in Foreign Exchange     | Rs 8, 69,197/- |
| Expenditure in Foreign Exchange | Rs. 21600/-    |

**ACCOUNTS & AUDITOR'S REPORT:**

The observation made by the Auditors in their report has been duly Clarified / explained in the relevant notes forming part of the Annual Accounts which are self-explanatory.

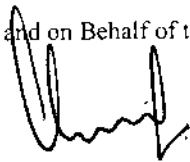
**REPORT ON CORPORATE GOVERNANCE:**

The Report on Corporate Governance is attached to this Report.

**AUDITORS:**

Our current auditors have expressed their ability to continue our audit and the Directors propose to appoint M/S N. K. Jalan & Co. as auditor for the next financial year till the conclusion of the next Annual General Meeting in place of retiring auditor.

For and on Behalf of the Board of Directors.



**DIRECTOR**

For and on Behalf of the Board of Directors.



**DIRECTOR**

Place : Mumbai

Date :

## **REPORT ON CORPORATE GOVERNANCE**

(To be included as part of the Annual Report)

### **I. Company's philosophy of Corporate Governance:**

Our Company believes that corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. Towards this end our company strives to instill and maintain a commitment to do right things.

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

The following are the information on the Board of Directors of the Company: -

#### **1) Composition and Category**

- a) Ashwin K. Chaudary - Executive-Chairman
- b) Priya A. Chaudary - Executive- Director
- c) J. K. Subramanian – Non-Executive Independent
- d) Dalpat Anjaria - Non-Executive Independent

2) Attendance of Directors: The Directors have attended all the Board Meeting.

#### **3) Number of Board of Director Meetings: Four**

Held on: 24/7/10, 23/10/10 & 22/01/11, 28/05/11,

### **III. Audit Committee:**

The Company has appointed an Audit Committee for looking into major traditions with an independent Director Mr. Dalpat Anjaria has been in the finance line. Since the total numbers of non-executive directors were only two the other two members were independent personnel.

### **IV. Remuneration Committee:**

The remuneration of the executive directors are consolidated and fixed. There were no other benefits paid to the Directors except for the consolidated pay. All the compensation was discussed in the Board Meeting and has been passed by the Board.

### **V. Shareholders Committee:**

|  |  |
|--|--|
| Name of Non Executive Director heading the Committee | Mr. Dalpat Anjaria                         |
| Name and Designation of Compliance Officer           | Mr. Ashwin Chaudhary-<br>Managing Director |
| Number of shareholders complaints received           | NIL  |
| Number not solved to satisfaction of shareholders    | NIL  |
| Number of Pending Complaints                         | NIL  |

### **VI. General Body Meeting:**

| Location and time where last three AGM's held | Year      | Date       | Time    | Location  |
|---|-----------|------------|---------|---|
|   | 2007-2008 | 22/08/2008 | 10:00am | 74, Whispering Palms,<br>Lokhandwala Township,<br>Kandivali (East)<br>Mumbai – 400101.  |
|   | 2008-2009 | 19/09/2009 | 10:00am | 74, Whispering Palms,<br>Lokhandwala Township,<br>Kandivali (East).<br>Mumbai – 400101. |

|   |   |
|---|---|
|   | 2009-2010 25/09/2010 10:00am 74, Whispering Palms,<br>Lokhandwala Township,<br>Kandivali (East),<br>Mumbai - 400101 |
| Whether any special resolutions passed in the previous 3 AGM's                                    | NIL   |
| Whether any special resolutions passed last year through postal ballot –details of voting pattern | NIL   |
| Person who conducted the postal ballot exercise   | NIL   |
| Whether any special resolution is proposed to be conducted through postal ballot                  | NIL   |
| Procedure for postal ballot   | NIL   |

**VII. Disclosures:**

|   |     |
|---|-----|
| i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large | NIL |
| ii) Disclosure of accounting treatment, if different, from that prescribed in Accounting Standards with explanation                         | NIL |
| iii) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any                | NA  |
| iv) Whistle Brower policy and affirmation that no personnel has been denied access to the audit committee                                   | NA  |

**VIII. Means of Communication:**

|   |   |
|---|---|
| i) Half yearly report sent to each household of shareholders              | NO  |
| ii) Quarterly results   | YES   |
| iii) Newspapers wherein results normally published                        | Free Press Journal (English), Mumbai ;<br>Navshakti (Marathi), Mumbai |
| iv) Any website, where displayed  | NO  |
| v) Whether it also displays official news releases; and                   | NO  |
| vi) The presentations made to institutional investors or to the analysts. | NO  |
| vi) Whether MD&A is a part of annual report or not.                       | NO  |

**IX) General Shareholders information:**

|   |  |                 |   |
|---|--|-----------------|---|
| i) AGM: Date , Time, and venue  | Date<br>20/08/2011   | Time<br>10:00am | Location<br>74, Whispering Palms,<br>Lokhandwala Township,<br>Kandivali (East).<br>Mumbai – 400101. |
| ii) Financial Calendar  | 01/04/2010 -- 31/03/2011   |                 |   |
| iii) Date of Book closure   | 14/08/11 TO 20/08/11 (Both days inclusive)   |                 |   |
| iv) Dividend payment date   | Not Recommended  |                 |   |
| v) Listing on Stock Exchange  | Bombay Stock Exchange  |                 |   |
| vi) Stock code  | 531533   |                 |   |
| vii) Market Price Date : High, Low during each month in last financial year                   | Month  | High Price      | Low Price   |
|   | April 2010   | 6.61            | 5.23  |
|   | May 2010   | 6.01            | 5.20  |
|   | June 2010  | 6.37            | 5.42  |
|   | July 2010  | 6.76            | 5.76  |
|   | August 2010  | 6.29            | 5.22  |
|   | September 2010   | 5.70            | 4.61  |
|   | October 2010   | 8.35            | 5.05  |
|   | November 2010  | 8.66            | 5.10  |
|   | December 2010  | 5.10            | 3.83  |
|   | January 2011   | 6.36            | 4.25  |
|   | February 2011  | 6.50            | 4.97  |
|   | March 2011   | 5.76            | 4.24  |
| viii) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index, etc. | Not available  |                 |   |
| ix) Registrar and Transfer Agents   | <b>Sharex Dynamic (India) Pvt. Ltd.,</b><br>Unit 1, Luthra Indl. Premises, Safed Pool,<br>Andheri – Kurla Road, Andheri – East,<br>Mumbai - 400 072. |                 |   |
| X) Share Transfer System  | Same as above (Computerized)   |                 |   |

| xi) Distribution of Shareholding   | Shares or Debentures of Nominal Value  | No. of Holders | % of Holders | Total Amount | % of Amount |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|--|--|----------------|--------------|--------------|-------------|--|---------------|-------------|---------------|---------|--------|------------------|---------|--------|---------------|---------|------|--|-------|-------|
|  | Upto to 5000   | 1915           | 81.11        | 3860340      | 75.11       |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|  | 5001 to 10000  | 227            | 9.61         | 1941610      | 38.11       |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|  | 10001 to 20000   | 114            | 4.83         | 1816330      | 35.51       |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|  | 20001 to 30000   | 33             | 1.40         | 833060       | 16.26       |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|  | 30001 to 40000   | 24             | 1.02         | 848950       | 16.54       |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|  | 40001 to 50000   | 11             | 0.47         | 508931       | 9.91        |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|  | 50001 to 100000  | 17             | 0.72         | 1209570      | 23.71       |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|  | 100001 to Above  | 20             | 0.85         | 3924710      | 76.21       |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|  | Total  | 2361           | 100.00       | 50271000     | 100.00      |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
| xii) Dematerialization of shares as on 31/03/2011  | <table><thead><tr><th></th><th>No. of Shares</th><th>% of Shares</th></tr></thead><tbody><tr><td>Demat Holding</td><td>3627490</td><td>72.16%</td></tr><tr><td>Physical Holding</td><td>1399610</td><td>27.84%</td></tr><tr><td>Total Capital</td><td>5027100</td><td>100%</td></tr><tr><td></td><td>=====</td><td>-----</td></tr></tbody></table> |                |              |              |             |  | No. of Shares | % of Shares | Demat Holding | 3627490 | 72.16% | Physical Holding | 1399610 | 27.84% | Total Capital | 5027100 | 100% |  | ===== | ----- |
|  | No. of Shares  | % of Shares    |              |              |             |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
| Demat Holding  | 3627490  | 72.16%         |              |              |             |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
| Physical Holding   | 1399610  | 27.84%         |              |              |             |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
| Total Capital  | 5027100  | 100%           |              |              |             |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
|  | =====  | -----          |              |              |             |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
| xiii) Outstanding GDRs /ADRs/ Warranty or Convertible instruments, conversion date and likely impact on equity | NONE   |                |              |              |             |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
| xiv) Plant Locations   | 74, Whispering Palms, Lokhandwala Township, Kandivali (East), Mumbai - 400 101.  |                |              |              |             |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |
| xv) Address for correspondence   | Same as above  |                |              |              |             |  |               |             |               |         |        |                  |         |        |               |         |      |  |       |       |

It hereby declare that all the members of the Board affirmed to the code of conduct and approved at Board Meeting on 28<sup>th</sup> May, 2011.

For ECOM.INFO TECH (INDIA) LTD.

ASHWIN K CHAUDARY  
MANAGING DIRECTOR

Place : Mumbai

Date :



### AUDITORS CERTIFICATE

We have examined the compliance of the conditions of Corporate Governance by **E.COM INFOTECH (INDIA) LIMITED** ('the Company') for the year ended 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the company with The Stock Exchange, Mumbai.


The compliance of conditions of corporate governance is the responsibility of the 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 referred to above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

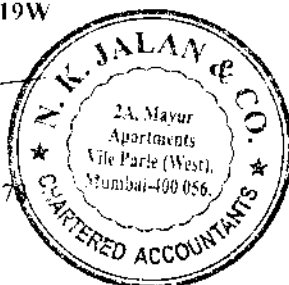
In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

Based on confirmation received from the Company's Share Transfer agent/ registrar and representations made by the management no investor grievance is pending for a period exceeding one month against the company as per records of the Company.

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

For N K Jalan & Co.  
Chartered Accountants  
Firm Reg. No. 104019W

  
N K Jalan  
Proprietor  
Membership No. 1187



Place : Mumbai  
Date : 30<sup>th</sup> July, 2011

To  
The Members of  
E.Com Infotech (India) Limited.

We have audited the attached Balance Sheet of E.COM INFOTECH (INDIA) LIMITED, ('the Company') as at 31st March, 2011, and also the Profit and Loss Account of the Company for the period ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies 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.

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

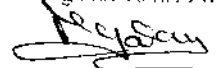
Further to our comments in the above paragraphs, annexure referred to in Paragraph (1) above we report that:-

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit.
- b) In our opinion, proper books of Account as required by law have been kept by the company, so far as appears from our examination of the books of accounts.
- c) The Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of Account.
- d) In our opinion, the Balance Sheet and Profit & Loss account dealt with by this report have been prepared in compliance with the accounting standards referred to in sub-section 3 (C) of Section 211 of the Act, to the extent applicable to the Company.
- e) Based on the written representation received from the directors of the Company and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as director as referred in section 274(1)(g) of the Companies Act, 1956.
- f) The following are the qualifications to the audited Accounts for the year ended 31st March, 2011:-
  - i) The Company has not provided for an outstanding amount of Rs.3,65,79,872/- shown as receivable from Sundry Debtors which is doubtful of recovery.
  - ii) The Company has not provided for the accruing liability on account of the gratuity payable to its employees on the basis of actuarial valuation as required by the Accounting Standards issued by the Institute of Chartered Accountants of India.
  - iii) The Debit and Credit Balances of the parties appearing in the Balance Sheet are subject to confirmation.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to what is stated in Clause 2 (f) above and read with the qualifications appearing in the notes to accounts appearing in Schedule give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:-
  - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011, and
  - b) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.
  - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.
  - d)

Place: Mumbai  
Date: 28th May, 2011.



For N K Jalan & Co.  
Chartered Accountants  
Firm Reg No. 104019W

  
N. K. Jalan (Proprietor)  
Membership No. 11878

# ANNEXURE TO THE AUDITOR'S REPORT

1. (a) The Company has maintained proper record to show full particulars including quantitative details and situation of Fixed Assets; (b) The management has stated that the assets have been physically verified during year in a phased periodical manner. No material discrepancies were noticed on such verification, which in our opinion is reasonable having regard to the size of the Company and nature of the assets. No discrepancies were noticed by the management on such verification as compared with the available book records; (c) None of the Fixed Assets have been disposed-off during the year.
2. The Company has only a transaction of purchase and sale does not have any inventory in the year under review and therefore the valuation and verification of inventories is not applicable.
3. As explained to us the Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
4. According to the information and explanations given to us, the Company has not entered into any transaction either for purchase of goods and materials or for rendering services in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 exceeding Rs.5,00,000 - or more in respect of each such party.
5. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of business for the purchase of fixed assets and for rendering of service. In our opinion, and accordingly to the information and explanations given to us, there is no continuing failure to correct major weakness in Internal Control.
6. We are informed by the Management that the Company has not accepted any deposits from the public.
7. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
8. The maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956.
9. There were no undisputed amounts payable in respect of Income-Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty, outstanding for a period of more than six months from the date they became payable as on 31st March, 2011. The provisions of Employees State Insurance Act, 1948 and Provident Fund Act, are not applicable to the Company.
10. The accumulated losses at the end of the financial year are less than fifty percent of its net worth but the Company has not incurred cash losses in this financial year, nor in the financial year preceding this year.
11. There are no amounts outstanding to financial institution or bank or debenture holders.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture or other securities.
13. The Company is not a Chit Fund, Nidhi or Mutual benefit society. Hence the requirements of item (xii) of paragraph 4 of the order is applicable to the Company.
14. The Company has kept adequate records of its transactions and contracts in shares, securities, debentures and other investments and timely entries have been made therein.
15. According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. There were no term loans obtained by the Company therefore the question of application does not arise.
17. There has been no funds raised either for short-term basis or for long-term investments. Therefore, there is no question of wrong application of funds.
18. According to information and explanations given to us, no preferential allotment of shares has been made by the Company to Companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures. Hence the requirements of Clause (xix) of paragraph 4 of the order is not applicable.
20. The Company has not raised any money by public issue during the financial year under review.
21. According to the information and explanations given to us, a fraud on or by the company has not been noticed or reported during the year.

Place: Mumbai  
Date: 28th May, 2011.



For N K Jalan & Co.  
Chartered Accountants  
Reg. No. 104019W

K Jalan (Proprietor)  
Membership No. 11878

**E.COM INFOTECH (INDIA) LIMITED**  
(Formerly Known as "Everest Marketing Limited)

**BALANCE SHEET AS ON 31ST MARCH 2011**

| <b><u>SOURCES OF FUNDS</u></b>                     | <b><u>SCHEDULE</u></b> | <b><u>31.03.2011</u></b> | <b><u>31.03.2010</u></b> |
|--|------------------------|--------------------------|--------------------------|
| <b><u>SHAREHOLDERS FUND</u></b>                    |                        |                          |                          |
| Share Capital                                      | A                      | 45,810,000.00            | 45,810,000.00            |
| Reserves & Surplus                                 | B                      | 500,000.00               | 500,000.00               |
|  |                        | <u>46,310,000.00</u>     | <u>46,310,000.00</u>     |
| <b><u>LOAN FUNDS</u></b>                           |                        |                          |                          |
|  | TOTAL Rs.              | <u>46,310,000.00</u>     | <u>46,310,000.00</u>     |
| <b><u>APPLICATION OF FUNDS</u></b>                 |                        |                          |                          |
| <b><u>FIXED ASSETS</u></b>                         |                        |                          |                          |
| Gross Block  | C                      | 1,873,152.96             | 1,873,152.96             |
| Less : Depreciation                                |                        | <u>1,751,356.96</u>      | <u>1,717,405.96</u>      |
|  |                        | 121,796.00               | 155,747.00               |
| <b><u>INVESTMENTS</u></b>                          |                        |                          |                          |
|  | D                      | 5,500.00                 | 5,500.00                 |
| <b><u>CURRENT ASSETS, LOANS &amp; ADVANCES</u></b> |                        |                          |                          |
| Sundry Debtors                                     | E                      | 36,609,871.35            | 36,579,872.35            |
| Cash & Bank Balances                               |                        | (30,814.73)              | 13,209.37                |
| Loans & Advances                                   |                        | <u>4,770,101.13</u>      | <u>4,765,196.30</u>      |
|  |                        | 41,349,157.75            | 41,358,278.02            |
| Less : Current Liabilities & Provisions            | F                      | <u>45,236.29</u>         | <u>93,183.00</u>         |
|  |                        | 41,303,921.46            | 41,265,095.02            |
| <b><u>MISCELLANEOUS EXPENDITURES</u></b>           |                        |                          |                          |
| (To the extent not Written-Off)                    |                        |                          |                          |
| Profit & Loss Account                              |                        | 4,878,782.54             | 4,883,657.98             |
|  | TOTAL Rs.              | <u>46,310,000.00</u>     | <u>46,310,000.00</u>     |
|  | H                      |                          |                          |

Notes as per schedule annexed

AS PER OUR REPORT OF EVEN DATE

For N K Jalan & Co.  
Chartered Accountants

*N K Jalan*



N K Jalan  
Proprietor

Membership No. 11848  
Firm NO. 104019W

Place : Mumbai

Date:

**28 MAY 2011**

FOR E.COM INFOTECH (INDIA) LTD.

*[Signature]*

DIRECTOR

*[Signature]*

DIRECTOR

**E.COM INFOTECH (INDIA) LIMITED**  
(Formerly Known as "Everest Marketing Limited)

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

| <b><u>INCOME</u></b>                     | <b><u>SCHEDULE</u></b> | <b><u>31.03.2011</u></b> | <b><u>31.03.2010</u></b> |
|--|------------------------|--------------------------|--------------------------|
| Sales / Income from operation            |                        | 899,196.00               | 979,955.00               |
| Other Income                             |                        | 477.00                   | 49.60                    |
|  | <b>TOTAL Rs.</b>       | <b>899,673.00</b>        | <b>980,004.60</b>        |
| <b><u>EXPENDITURE</u></b>                |                        |                          |                          |
| Purchases                                |                        | 21,600.00                | -                        |
| Administration, Selling & Dist. Expenses |                        |                          |                          |
| Depreciation                             | G                      | 835,285.56               | 921,379.85               |
| Preliminary Expenses W/Off               |                        | 33,951.00                | 18,071.00                |
|  | <b>TOTAL Rs.</b>       | <b>890,836.56</b>        | <b>939,450.85</b>        |
| Profit / (Loss) before adjustments       |                        | 8,836.44                 | 40,553.75                |
| Income Tax paid                          |                        |                          |                          |
| Provision for Taxation                   |                        | 3,961.00                 | 16,500.00                |
| Profit / (Loss) for the year             |                        | 4,875.44                 | 24,053.75                |
| B/F Profit (Loss) for earlier years      |                        | (4,883,657.98)           | (4,907,711.73)           |
| Profit (Loss) B/F to Balance Sheet       |                        | (4,878,782.54)           | (4,883,657.98)           |

Notes as per schedule annexed

H

AS PER OUR REPORT OF EVEN DATE  
For N K Jalan & Co  
Chartered Accountants

N K Jalan  
Proprietor  
Membership No. 11848  
Firm No. 104019 W  
Place : Mumbai  
Date :



FOR E.COM INFOTECH (INDIA) LTD.

ASHWIN CHAUDHARY  
(MANAGING DIRECTOR)

PRIYA CHAUDHARY  
(DIRECTOR)

**28 MAY 2011**

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

Pursuant to Clause 32 to the Listing Agreement with the Stock Exchange and forming part of the Directors Report for the year ended on 31st March, 2011

|   | <u>31.03.2011</u> | <u>31.03.2010</u> |
|---|-------------------|-------------------|
| Net Profit/(Loss) before Interest, Tax and Extra Ordinary items | 8,836             | 40,554            |
| <b>ADJUSTMENTS FOR:</b>   |                   |                   |
| 1 Depreciation  | 33,951            | 18,071            |
| 2 Preliminary Expenses W/off                                    | -                 | -                 |
| 3 Loss on sale of Fixed Assets                                  | -                 | -                 |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>           | <b>42,787</b>     | <b>58,625</b>     |
| <b>ADJUSTMENTS FOR:</b>   |                   |                   |
| 1 Trade & Other Receivables                                     | (29,999)          | -                 |
| 2 Inventories   | -                 | -                 |
| 3 Trade Payables  | -                 | -                 |
| 4 Other Liabilities   | (39,274)          | 48,350            |
| 5 Loans & Advances  | (160,000)         | (852,241)         |
| <b>CASH GENERATED FROM OPERATIONS</b>                           | <b>(186,485)</b>  | <b>(745,266)</b>  |
| Less : 1. Interest  | -                 | -                 |
| 2. Direct Taxes   | -                 | 46,027            |
| <b>CASH FLOW FROM EXTRAORDINARY ITEMS</b>                       | <b>(186,485)</b>  | <b>(791,293)</b>  |
| Extra ordinary items  |                   |                   |
| <b>NET CASH FROM EXTRAORDINARY ITEMS (A)</b>                    | <b>(186,485)</b>  | <b>(791,293)</b>  |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                      |                   |                   |
| Purchase of Fixed Assets  | -                 | -                 |
| Sales/W.off of Fixed Assets                                     | -                 | -                 |
| Purchase of Investments   | -                 | 694,067           |
| Miscellaneous Expenditure                                       | -                 | -                 |
| <b>NET CASH FROM INVESTING ACTIVITIES (B)</b>                   | <b>-</b>          | <b>694,067</b>    |
| Proceeds from issue of capital                                  | -                 | -                 |
| Repayment of Term Liabilities                                   | -                 | -                 |
| Short Term Loans/Overdraft                                      | -                 | -                 |
| Bank Borrowings   | -                 | -                 |
| <b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>                | <b>-</b>          | <b>-</b>          |
| <b>CASH IN FLOW (NET INCREASE) (A+B+C)</b>                      | <b>(186,485)</b>  | <b>(97,226)</b>   |
| Cash Balance as on 01.04.2010                                   | 13,209            | 110,436           |
| Cash Balance as on 31.03.2011                                   | (30,815)          | 13,209            |

AS PER OUR REPORT OF EVEN DATE

For N K Jalan & Co  
Chartered Accountants

*[Signature]*

N K Jalan  
Proprietor

Membership No. 11848

Firm No. 104019 W

Place : Mumbai

Date :



FOR E.COM INFOTECH (INDIA) LTD.

*[Signature]*

DIRECTOR

*[Signature]*

DIRECTOR

**28 MAY 2011**

**E.COM INFOTECH (INDIA) LIMITED**  
(Formerly Known as "Everest Marketing Limited)

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2011**

**SCHEDULE A: SHARE CAPITAL**

**AUTHORISED**

5500000 Equity Share of Rs. 10/- Each

**31.03.2011**

**31.03.2010**

55,000,000.00

55,000,000.00

**ISSUED & SUBSCRIBED & PAID UP**

5027100 Equity Shares of Rs. 10/- each

Fully Called-up

50,271,000.00

50,271,000.00

Less : Calls in arrear

4,461,000.00

4,461,000.00

45,810,000.00

45,810,000.00

**SCHEDULE B: RESERVE & SURPLUS**

General Reserve

500,000.00

500,000.00

500,000.00

500,000.00

**SCHEDULE D: INVESTMENTS**

In Shares (Quoted)

5,500.00

5,500.00

200 Equity Shares of Pittie Ind. Limited of  
Rs. 10/- each partly paid-up (Market Value  
of quoted Investment Rs.N.A.)

Total Rs.

5,500.00

5,500.00

**SCHEDULE E: CURRENT ASSETS, LOANS & ADVANCES**

**CURRENT ASSETS**

a) **SUNDRY DEBTORS**

Debts outstanding for a period  
exceeding 6 months (Considered  
doubtful )

36,579,872.35

36,579,872.35

Other Debts (Considered Good)

29,999.00

-

36,609,871.35

36,579,872.35

b) **CASH & BANK BALANCES**

Cash on Hand

10,475.80

2,388.55

Balance with Scheduled bank  
in current account

(41,290.53)

10,820.82

TOTAL Rs.

(30,814.73)

13,209.37

c) **LOANS & ADVANCES**

Advances recoverable in cash or kind  
for value to be received (Considered Doubtful)  
Deposits (Considered Good)

2,400,101.13

2,395,196.30

2,370,000.00

2,370,000.00

4,770,101.13

4,765,196.30

**E.COM INFOTECH (INDIA) LIMITED**  
(Formerly Known as "Everest Marketing Limited)

**31.03.2011**

**31.03.2010**

**SCHEDULE F: CURRENT LIABILITIES & PROVISIONS**

**(A) CURRENT LIABILITIES**

|                                 |           |           |
|---------------------------------|-----------|-----------|
| a) Other Liabilities            | 37,076.29 | 76,350.00 |
| b) Deposit from Customers       | -         | -         |
| c) Temporary Overdraft as Books | -         | -         |
| d) Creditors for Supplies       | -         | -         |

**(B) PROVISIONS**

|                        |                         |                         |
|------------------------|-------------------------|-------------------------|
| Provision for Taxation | 8,160.00                | 16,833.00               |
| <b>TOTAL Rs.</b>       | <b><u>45,236.29</u></b> | <b><u>93,183.00</u></b> |

**SCHEDULE G : ADMINISTRATIVE, SELLING & DISTRIBUTION EXPENSES**

|  |                          |                          |
|--|--------------------------|--------------------------|
| Advertisement Exp                        | 44,109.00                | 37,586.00                |
| <u>Auditors Remuneration</u>             |                          |                          |
| Statutory Audit Fees                     | 35,000.00                | 35,000.00                |
| Tax Matters                              | -                        | 3,371.00                 |
| Share Transfer Fees                      | 41,032.00                | 41,032.00                |
| Books & Periodicals                      | 41,906.00                | 2,286.00                 |
| Bank Charges                             | 6,719.35                 | 1,731.00                 |
| Directors Remuneration                   | 192,000.00               | 184,000.00               |
| Electricity Expenses                     | 30,496.00                | 15,410.00                |
| Legal & Professional Charges             | 37,973.00                | 19,979.00                |
| Listing Fees                             | 16,545.00                | 16,695.00                |
| General Expenses                         | 5,629.00                 | 80,879.00                |
| Rent , Rate & Taxes                      | -                        | 108,000.00               |
| Office Expenses                          | 4,954.35                 | -                        |
| Printing, Stationery & Computer Expenses | 1,532.00                 | 15,985.00                |
| Repairs & Maintenance                    | 46,801.00                | 31,411.00                |
| Salary & Wages                           | 179,586.00               | 49,147.00                |
| Motor Car Expenses                       | 39,876.40                | 34,560.62                |
| Interest & Finance Charges               | -                        | 5,000.57                 |
| Staff Welfare Expenses                   | 30,432.00                | 36,763.00                |
| Telephone / Telex & Postage              | 74,264.27                | 109,299.66               |
| Travelling & Conveyance                  | 6,430.19                 | 93,244.00                |
| <b>TOTAL Rs.</b>                         | <b><u>835,285.56</u></b> | <b><u>921,379.85</u></b> |





## **E.COM INFOTECH (INDIA) LIMITED**

### **SCHEDULE "H" : NOTES FORMING PART OF THE ACCOUNTS**

#### **A) SIGNIFICANT ACCOUNTING POLICIES:**

1. **GENERAL:** The Accounts of Company are prepared under the historical cost convention generally using the accrual method of accounting.
2. **FIXED ASSETS:** Fixed assets are stated at cost less depreciation.
3. The Balance Sheet and Profit & Loss Account are in compliance with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
4. **REVENUE RECOGNITION:** Sales are recognized at the time of billing.
5. **DEPRECIATION:** Depreciation has been provided on straight-line method at the rates and in the manner prescribed in Schedule XI of the Companies Act, 1956.
6. **RETIREMENT BENEFITS:** Retirement benefits like gratuity etc. are accounted in cash basis.
7. **INVESTMENTS:**  
Investments are stated at cost.
8. **FOREIGN CURRENCY TRANSACTIONS:** Transactions in foreign currency are recorded at the rates of exchange prevailing at the date of transaction.

#### **B) NOTES:**

1. Contingent liabilities not provided for (a) allotment money on equity shares of M/s. Pitti Cement & Industries Ltd. amounting Rs.16,500/- (P.Y. Rs.16,500/-)
2. No Provision has been made for Sundry debtors doubtful of recovery amounting to Rs.3,65,79,872/- (P.Y. Rs.3,65,79,872/-)
3. The Debtors and Creditors balances and loans and advances including advance given against supplies and capital equipment either debit or credit and other liabilities are subject to confirmation and reconciliation is necessary and it will have consequential effect to the loss of the company which cannot be quantified at this stage.
4. In the opinion of the board the current assets, loans and advances have a value on the realization in the ordinary Course of Business at least equal to the amount at which they are stated in Balance Sheet and are as certified by them
5. Sundry Debtors includes debtors outstanding exceeding six months amounting to Rs.3,65,79,872/- (P.Y. Rs.3,65,79,872/-) against sales. In the opinion of management all of them are fully receivable except what is mentioned in the clause 2 of this Notes to Accounts regarding the recovery for which no provision has been made in the books of accounts.
6. Related Party Disclosures:  
( I ) As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of Related Parties with whom the transactions have taken place and transactions during the year as deemed in the Accounting Standard are given below:  
  
(A) Associate Company: Stellar Global Inc (Now Known as Ecom Infotech Inc).  
(B) Key Managerial Personnel: Ashwin Chaudhary  
Priya Chaudhary

(II) Details of transactions with the related parties stated in (I) above:

| Nature of transaction         | Refer to (I) A above   | Refer to (I) B above   |
|-------------------------------|------------------------|------------------------|
| Sales - Income                | 8,99,673<br>(9,79,955) |                        |
| Loans and Advances given(Net) | -                      | -                      |
| Deposits Received             | -                      | -                      |
| Managerial Remuneration       | -                      | 1,92,000<br>(1,84,000) |
| Deposits Payable              | -                      | -                      |
| Outstanding :<br>Receivables  | -                      | -                      |

Note:

- 1) Related parties are being recognized / identified by the management and relied upon by the auditors.
  - 2) Previous year's figures are given in bracket.
7. Previous year figures have been regrouped rearranged or rearranged or reclassified wherever necessary.
8. Information pursuant to the provisions of paragraph 3, 4C, 4D of part of schedule VI to the Companies Act, 1956 are as under.,
- |   |                                  |
|---|----------------------------------|
| Value of Imports on CIF basis             | Rs. NIL (P.Y. NIL)               |
| Earning in Foreign Exchange               | Rs. 8,69,197/- (P.Y. 9,79,955/-) |
| Expenditure in Foreign Currency: Purchase | Rs. 21600 (P.Y. NIL)             |
| : Investments                             | Rs. NIL (P.Y. NIL)               |
9. The Company has changed its name from EVEREST MARKETING LIMITED to ECOM INFOTECH LIMITED w.e.f. 14th January, 2000.

For N K Jalan & Co  
Chartered Accountants

  
N K Jalan

Proprietor

Membership No. 118

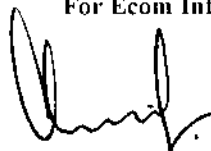
Firm NO. 104019 W

Place : Mumbai

Date :



For Ecom Infotech (India) Ltd.



Director



Director

28 MAY 2011

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### 1. REGISTRATION DETAILS

|                    |            |            |    |
|--------------------|------------|------------|----|
| Registration No.   | 30400      | State Code | 11 |
| Balance Sheet Date | 31/03/2011 |            |    |

### 2. CAPITAL RAISED DURING THE YEAR

|              |     |                   |     |
|--------------|-----|-------------------|-----|
| Public Issue | NIL | Rights Issue      | NIL |
| Bonus Issue  | NIL | Private Placement | NIL |

### 3. POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS (Rs.'000)

|                   |       |              |       |
|-------------------|-------|--------------|-------|
| Total Liabilities | 46310 | Total Assets | 46310 |
|-------------------|-------|--------------|-------|

#### Sources of Funds

|                 |       |                    |     |
|-----------------|-------|--------------------|-----|
| Paid up Capital | 45810 | Reserves & Surplus | 500 |
| Secured Loans   | NIL   | Unsecured Loans    | NIL |

#### Application of Funds

|                    |       |                   |     |
|--------------------|-------|-------------------|-----|
| Net Fixed Assets   | 122   | Investments       | 5.5 |
| Net Current Assets | 41303 | Misc. Expenditure | NIL |
| Accumulated Losses | 4884  |                   |     |

### 4. PERFORMANCE OF COMPANY (Rs.'000)

|                      |     |                     |     |
|----------------------|-----|---------------------|-----|
| Turnover             | 900 | Total Expenditure   | 891 |
| Profit/(Loss) Before |     | Profit/(Loss) After |     |
| Tax                  | 8.8 | Tax                 | 4.8 |
| Earning Per Share    | NIL | Dividend Rate       | NIL |

### 5. GENERIC NAMES OF 3 PRINCIPLE PRODUCTS/SERVICES OF COMPANY

|                          |               |
|--------------------------|---------------|
| Item Code No. (ITC) Code | N.A.          |
| Description              | IT Consulting |