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Annual Report 2008-2009

Working for Environment, Ecology to Earn and serve

## INFOTREK SYSCOM LIMITED

Regd. Office: 205, Centre Point, 2<sup>nd</sup> Floor, J.B.Nagar, Andheri-Kurla Road, Andheri (East), Mumbai-400 059

### NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the members of Infotrek Syscom Limited will be held on 29th September 2009 at 5 p.m. at its Registered Office at 205, Center Point, 2nd floor, J.B.Nagar, Andheri-Kurla Road, Andheri (East), Mumbai – 400059 to transact the following business:

#### Ordinary business:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended 31st March 2009 and the Balance Sheet as at that date together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Ananya Bhattacharya who retires by rotation, but being eligible offers herself for reappointment.
3. To appoint a Director in place of Mrs. Aruna Soni who retires by rotation, but being eligible offers herself for reappointment.
4. To appoint Statutory Auditors and to fix their remuneration. The retiring Auditors M/s Vedula, Vijay & Ramanathan, Chartered Accountants are eligible for reappointment.

#### Special Business:

5. To consider and, if thought fit, with or without modification, to pass the following resolution proposed as a Special Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or reenactments thereof for the time being in force, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money for and on behalf of the Company from time to time for the purpose of the Company notwithstanding that the money to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the company and its free reserves, which have not been set apart for any specific purpose but so that the total amount upto which the money may be borrowed shall not exceed Rs. 50 crores (Rupees Fifty crores only), over and above the paid up capital and free reserves."
6. To consider and if thought fit, with or without modification, to pass the following resolution proposed as a Special Resolution:  
"RESOLVED THAT in accordance with the provisions of sections 198 & 309 read with the Schedule XIII and all other applicable provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactments thereof, for the time being in force), approval of the General body be and is hereby accorded to Shri B.K.Soni to continue to focus on the affairs of Eco Recycling Ltd over & above safeguarding the investment of the company in its subsidiary, Eco Recycling Ltd. It is also recommended by the General Body that Shri B K Soni should draw his salary from Eco Recycling Ltd."
7. To consider and if thought fit, with or without modification, to pass the following resolution proposed as a Special Resolution:  
"RESOLVED THAT pursuant to clause III sub clause (33) of the Memorandum of Association of the Company, and section 372A & other applicable provisions of the Companies Act, 1956, the Company do form subsidiaries for carrying on the business of Logistics & warehousing, and extraction of precious metals from the electronic waste to enhance the present business bringing in economies of scale and development both for the shareholders and the company."

#### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a Proxy, 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 Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd day of September 2009 to 29th day of September 2009 (both days inclusive).
4. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) has admitted the Company's Equity shares in its Depository System and the ISIN No. is INE316A01038. You may take advantage of demat facility.

# INFOTREK SYSCOM LTD.



5. As per clause 49(IV)(G)(i) of the Listing Agreement entered into with the Stock Exchanges, the brief profiles of the directors appointed and re-appointed, subsequent to retiring by rotation or otherwise, are disclosed in the 'Corporate Governance Report' attached to and forming part of the Directors' Report.
6. Members are requested to address all their shares / membership related queries to the Company's Registrar and Transfer Agents viz. M/s Bigshare Services Pvt. Ltd., E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai - 400072.
7. A member desirous of getting any information in respect of the contents of the Annual report is requested to forward the queries to the Company atleast seven days prior to the meeting so that the required information can be made available at the meeting.

## **Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Special Business to be transacted:**

### **Item No. 5**

Pursuant to the provision of clause (d) of sub-section (1) of section 293 of the Companies Act, 1956, the Board cannot borrow more than the aggregate amount of the paid up capital of the Company and its free reserves at any one time except with the consent of the shareholders of the Company. The expansion plans of the company is being carried out in full swing and that, the paid up capital of the Company is not enough to cope up with the resources required for expansion. In view of the same the Company requires funds exceeding the paid up share capital of the Company and therefore, your Directors seek your approval to fix the maximum borrowing limit.

Directors are interested to the extent of the shareholding interest represented by them.  
Your approval is sought for the aforesaid Resolution.

### **Item No. 6**

Your company has made substantial investment in its subsidiary, Eco Recycling Limited and Shri B.K.Soni has made major contribution right from the point of conceptualization of the idea, its implementation and encompassing the needs & requirements of e-waste industry in India. In view of the transitional phase Shri B K Soni did not draw any salary for almost whole of last year but in view of signs of success it is recommended by the Board of your company that Shri B K Soni should draw his remuneration from the accounts of Eco Recycling Ltd for his time & efforts

Directors are interested to the extent of the shareholding interest represented by them.  
Your approval is sought for the aforesaid resolution.

### **Item No. 7**

The Board of Directors in their meetings during the year discussed the need of subsidiaries at various progressive stages of business. The same has been identified and thus requires shareholders approval, to bring the same in existence. None of the Directors are interested. Your approval is sought for the aforesaid resolution.

**Place: Mumbai**  
**Date: 31<sup>st</sup> August, 2009**

**Registered Office:**  
**205, Centre Point, Next to Hotel Kohinoor**  
**J.B. Nagar, Andheri Kurla Road,**  
**Andheri (EAST), Mumbai - 400 059**

**By order of the Board**

**Aruna Soni**  
**Director**



**INFOTREK**  
SYSCOM LTD.

# INFOTREK SYSCOM LTD.

Regd. Office:205, Centre Point, 2nd floor, J.B.Nagar, Andheri-Kurla Road, Andheri(E), Mumbai – 400 059.

DP ID		L.F. No.	
Client ID No.		No. of Shares held	

### ATTENDANCE SLIP

I/We hereby record my/our presence at the Fifteenth Annual General Meeting of the Company held at 205, Centre Point, 2nd floor, J.B.Nagar, Andheri-Kurla Road, Andheri(E), Mumbai - 400 059, on Tuesday, 29th September, 2009, at 5:00 p.m.

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY(IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

#### Notes:

1. You are requested to sign and hand over this slip at the entrance of the meeting venue.
2. This attendance is valid only in case shares are held on date of meeting.
3. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy must be deposited at the Registered Office of the Company at 205, Centre Point, 2nd floor, J.B.Nagar, Andheri-Kurla Road, Andheri(E), Mumbai – 400 059, not less than 48 hours before the scheduled time of meeting.
4. If you are attending the meeting in person or by proxy, your copy of the Balance Sheet may please be brought by you/your proxy for reference at the meeting.

----- TEAR HERE -----

DP ID		L.F. No.	
Client ID No.		No. of Shares held	

### ATTENDANCE SLIP

#### FORM OF PROXY

I/We ..... of ..... in the district of ..... Being a member/members of INFOTREK SYSCOM LIMITED hereby appoint ..... of ..... in the district of ..... or failing him ..... of ..... in the district of ..... as my/our proxy to vote for me/us on my/our behalf at the Fifteenth Annual General Meeting of the Company to be held on 29th September, 2009, and at any adjournment thereof.

Signed this ..... day of ..... 2009.

Please
Affix
Rupee
One
Revenue
Stamp

#### Notes:

1. The Company reserves the right to ask for identification of the Proxy.
2. A Proxy cannot speak at the meeting or vote on a show of hands.

**Working for Environment, Ecology to Earn & serve**

# INFOTREK SYSCOM LTD.



## **BOARD OF DIRECTORS**

B K Soni - CMD  
Deepak Nanda  
Srikrishna B.  
Ananya Bhattacharya  
Aruna Soni

## **AUDITORS**

Vedula Vijay and Ramanathan,  
Chartered Accountants  
Bharti Bhavan, P.D.Mello Road,  
Fort, Mumbai-400 001.

## **BANKERS**

Kotak Mahindra Bank  
Oriental Bank of Commerce  
Punjab National Bank

## **REGISTRARS & TRANSFER AGENTS**

Bigshare Services Private Limited  
E/2, Ansa Industrial Estate,  
Saki Vihar Road,  
Saki Naka, Andheri (East),  
Mumbai – 400 072.

## **REGISTERED OFFICE**

205, Centre Point,  
Next to Hotel Kohinoor,  
Andheri Kurla Road, Andheri (E),  
Mumbai - 400 059.

## **E-MAIL ADDRESS**

[info@infotreksys.com](mailto:info@infotreksys.com)  
[shareholders@infotreksys.com](mailto:shareholders@infotreksys.com)

## **WEBSITE**

[www.infotreksys.com](http://www.infotreksys.com)  
[www.e-exchangeindia.com](http://www.e-exchangeindia.com)  
[www.ecoreco.com](http://www.ecoreco.com)

# INFOTREK SYSCOM LTD.



## DIRECTORS' REPORT

Dear Shareholders,

We have pleasure in presenting the Fifteenth Annual Report of your Company along with the Audited Final Accounts for the year ended 31st March, 2009.

### 1. FINANCIAL RESULTS

(Rs.in lacs)

	2008-2009	2007-2008
Total Income	1596.56	2735.88
Profit before, Interest, Depreciation and Tax	8.68	103.95
Less : Interest	0.88	0.12
Less: Depreciation	5.10	4.99
Net Profit before Tax for the year	2.70	98.84
Less : Provision for Tax	0.28	10.20
Less : Short/(Excess) Provision for Tax in earlier years	(0.55)	(0.19)
Less : Fringe Benefit Tax	0.25	0.50
Less: Deferred Tax Liabilities / (Assets)	(0.89)	(0.91)
Net Profit after Tax	3.59	89.24
Balance brought forward from previous year	230.26	141.02
Amount available for appropriation	233.85	230.26
Balance carried to Balance Sheet	233.85	230.26

### 2. DIVIDEND

In order to conserve resources, no dividend has been declared for the year 2008-09.

### 3. OPERATIONS & FUTURE PLANS

We are pleased to inform you that during the years in retrospect your company continued its focus on e-waste management and will continue to maintain the same. Your company had floated a subsidiary in the name of Eco Recycling Ltd in September 2007 and has invested an amount of Rs1048.05 Lacs by 31st March, 2009 out of its net owned funds. The e-waste management services have received tremendous response from the environmentally & socially responsible corporate entities across India.

Looking at the success of this initiative, Infotrek is now looking to add value added services like reverse logistics and warehousing for e-waste, extraction of precious metals from the electronic waste and other related activities to boost the revenue and net worth of the shareholders.

It may not be out of place to mention that Infotrek is now completely focusing on developing e-waste management related services and gradually liquidating its assets to deploy the funds in this sun shine industry through its subsidiary. Infotrek is also keeping an option open to float more subsidiary Companies to integrate the above activities.

### 4. DIRECTORS

Ms. Ananya Bhattacharya and Ms. Aruna Soni retire by rotation at the ensuing Annual General Meeting and are being eligible offer themselves for reappointment.

## 5. DIRECTORS' RESPONSIBILITY STATEMENT

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation to material departures.
2. That we have 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 & Loss of the Company for that period.
3. That we have taken proper and sufficient care 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 detecting fraud and other irregularities.
4. That we have prepared the annual accounts on a going concern basis.

## 6. CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement (as amended) with the Stock Exchange. A separate Annexure of Corporate Governance and Certificate from the Auditors of the Company certifying compliance of conditions of Corporate Governance are annexed herewith and form part of this Annual Report.

## 7. AUDITORS

The Company's Auditors M/s Vedula Vijay And Ramanathan Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and eligible for re-appointment. Your Director's recommended their re-appointment.

## 8. COMPLIANCE CERTIFICATE

As required under Section 383 (A) (1) of the Companies Act 1956, Compliance Certificate from Company Secretary in Whole – Time Practice is attached herewith.

## 9. PARTICULARS OF EMPLOYEES

There were no employees who were in receipt of remuneration aggregating to Rs. 1,200,000 or more p.a. if employed throughout the year under review or Rs. 100,000 p.m. if employed for part of the year under review except Mr. B.K.Soni, CMD.

## 10. ADDITIONAL INFORMATION

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, require the disclosure of particulars regarding Conservation of Energy in Form A & Technology Absorption in Form B, prescribed by the Rules. Your Company, not being a manufacturing Company, and therefore Form A and Form B are not applicable.

## 11. ACKNOWLEDGEMENTS

The directors of your company express its grateful appreciation for the support and co-operation received from banks, government authorities, clients and business associates. Your Directors are happy to place on record their gratitude to the Company's employees at all levels for their dedicated efforts. The Directors are also thankful to the Shareholders for their continued trust and confidence in the board members and their decisions.

Mumbai  
18<sup>th</sup> June, 2009

Registered office:  
205, Centre Point, Next to Kohinoor Hotel,  
Andheri Kurla Road, Andheri (East)  
Mumbai 400 059.

For and behalf of the Board of Directors  
B K Soni  
Chairman and Managing Director

## CORPORATE GOVERNANCE REPORT:

### 1. Company's philosophy on code of governance :

Corporate Governance is the mechanism by which the principles, values, philosophy and practices of a Company manifest in the corporate world. Transparent and good Corporate Governance ensures that the Company is managed and monitored in a responsible manner and is geared to good value creation. Good Corporate Governance is the responsibility and privilege of each and every stakeholder.

At the Company, our main pursuit is achieving good governance as a conscious ongoing a effort to ensure truth, transparency, accountability and responsibility while dealing with all stakeholders, customers, employees and community at large.

The Company believes that it should always be better managed, well governed along with its activities in the national interest. The Company's constant efforts to improve operational performance guided by our values, forms the basis for good Corporate Governance which is strongly driven by our values such as quality, commitment, customer orientation and integrity. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders' value over a sustained period of time.

Thus transparency, fairness, accountability, integrity and maximum information to stakeholders are the cornerstones of Corporate Governance. Keeping the spirit in view, the Company as detailed in this Report, has complied with and implemented mandatory requirements of Corporate Governance as set out under Clause 49 of the Listing Agreement with the Stock Exchanges as amended.

### 2. Board of Directors:

a) The composition of the Board of Directors as on 31st March, 2009 is as follows

Name of the Director	Category of Directorship	No. of Outside Directorship in Public Ltd. Companies *
Brij Kishor Soni	Executive	3
Deepak Nanda	Non-Executive-Independent	1
Srikrishna B.	Non-Executive-Independent	3
Aruna Soni	Executive	2
Ananya Bhattacharya	Non-Executive-Independent	-

\* Excludes Directorship in Indian Private Limited Companies.

b) Ten Board Meetings were held during the year on the following dates on viz. 10.4.2008, 30.6.2008, 30.07.2008, 30.8.2008, 25.10.2008, 29.01.2009, 20.02.2009, 23.02.2009, 28.02.2009 and 17.03.2009.

The Attendance of the Directors at Board Meetings and at the last Annual General Meeting.

Name of the Director	No. of Board Meetings Attended	Last AGM Attended
Brij Kishor Soni	10	YES
Deepak Nanda	8	YES
Srikrishna B.	8	YES
Ananya Bhattacharya	--	NO
Aruna Soni	10	YES

### 3. Committees of the Board:

#### a) Remuneration Committee

Your company has constituted remuneration committee to recommend to the board the remuneration package of whole time directors as & when appointed. The scope of the committee is to consider the various proposals such as stock options, performance based incentives etc., as and when introduced. The composition of remuneration committee is as follows:

Deepak Nanda (Chairman)  
Ananya Bhattacharya  
Srikrishna B.



Remuneration paid to directors for the financial year 2008-2009:

Name of the director	Sitting fees	Salaries	Total
Brij Kishor Soni	---	12,00,000	12,00,000
Deepak Nanda	---	---	---
Srikrishna B.	5,000	---	5,000
Ananya Bhattacharya	---	---	---
Aruna Soni	25,000	---	25,000

**b) Audit Committee**

The committee reviews the various reports placed before it by the Auditors. The details of the Audit Committee meetings and attendance of its members is given below:

The Audit Committee met four times during the year viz., 30.06.2008, 30.07.2008, 25.10.2008 and 29.01.2009.

Sr. No.	Members of the Audit Committee	No. of Meetings Held	Number of Meetings Attended
1.	Deepak Nanda (Chairman)	4	4
2.	Srikrishna B.	4	4
3.	Ananya Bhattacharya	4	---

**c) Investors' Grievances Committee**

The Company's Registrar & Share Transfer Agents Bigshare Services Pvt. Ltd. is fully equipped to carry out transfer of shares & redress investor complaints. The Board of Directors has delegated the authority to approve share transfer & the Investor grievance to the committee known as Investor Grievance Committee. The committee approves the transfer at its meeting. The said committee also resolves the investor complaints.

Apart from this the committee also looks into issues relating to non-receipt of balance sheet, non-receipt of declared dividends etc.

The Committee attends the shareholders' / investors' grievances / queries expeditiously, all transfer and demat requests till 31st March, 2009 were fully attended.

Sr. No.	Members of the Audit Committee	No. of Meetings Held	Number of Meetings Attended
1.	Srikrishna B. (Chairman)	9	9
2.	Aruna Soni	9	9
3.	Ananya Bhattacharya	9	---

**General Body Meeting of the Company in the last 3 years:**

Financial Year	Venue	Day & Date	Time
2005-2006	6, Rustom Building, 2nd Floor, 29, Veer Nariman Road, Fort, Mumbai - 400001.	Friday 29th September, 2006	11.00 a.m.
2006-2007	205, centre Point, Next to Hotel Kohinoor, Andheri- Kurla Road, Andheri(E), Mumbai - 400059.	Thursday 14th August, 2007	4.00 p.m.
2007-2008	205, centre Point, Next to Hotel Kohinoor, Andheri- Kurla Road, Andheri(E), Mumbai - 400059.	Thursday 30th September, 2008	4.00 p.m.

# INFOTREK SYSCOM LTD.



## 5. Disclosures

All disclosures relating to financial and commercial transactions where directors, may have a potential interest are provided to the board and the interested directors do not participate in the discussion nor do they vote on such matters.

## 6. Compliance

The company complies with the requirements of the listing agreements with the Bombay Stock Exchange as well as regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against your Company by SEBI, Bombay Stock Exchange or any other Statutory Authorities.

## 7. Communication

The quarterly, half yearly and annual results of the Company are generally published in a Vernacular and one English National daily, also they are being sent to the Bombay Stock Exchange for display on the Notice Board as per the requirement of the Stock Exchange.

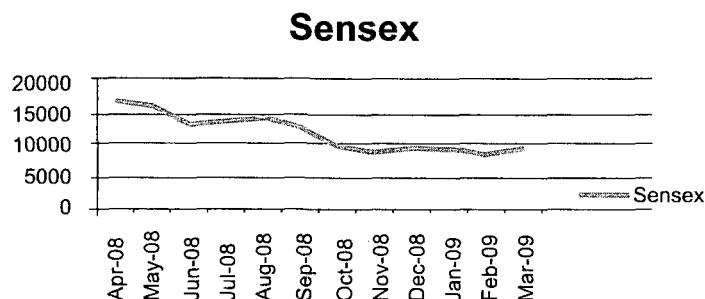
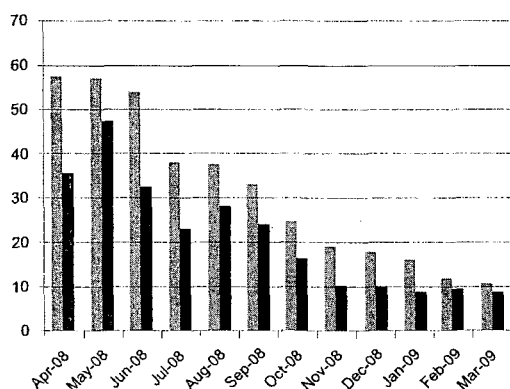
## 8. General shareholder's information

Date, Time and Venue of the AGM	:	Tuesday 29th September, 2009 at 5.00 p.m. 205, Centre Point Next to Hotel Kohinoor, Andheri Kurla Road, Andheri(E), Mumbai-400 059.
Financial Calendar	:	April to March
Date of Book Closure	:	Tuesday 22nd September to Tuesday 29th September 2009 both days inclusive
Listing on Stock Exchange	:	Bombay Stock Exchange
Scrip Code	:	530643
Registrar and Transfer Agent	:	Bigshare Services Pvt. Ltd. E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka Andheri (E), Mumbai - 400 072.

## 9. Market Price on BSE

Month wise high & low Share Price of the shares of the Company from April 2008 to March 2009:

	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
<b>High</b>	57.40	57.00	53.80	37.75	37.15	33.30	25.00	19.45	17.75	16.85	11.95	10.87
<b>Low</b>	35.50	47.50	32.60	23.00	28.00	24.00	16.10	10.00	10.00	9.35	9.25	9.00



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## 10. Share Holding

a) Distribution of shareholding as on March 31, 2009 :

No. of Equity shares held	No. of shareholders	No. of shares held	% Shareholding
000 - 500	3237	520982	10.22
501 - 1000	231	189732	3.72
1001 - 2000	86	131233	2.57
2001 - 3000	41	106283	2.08
3001 - 4000	9	32174	0.63
4001 - 5000	13	61259	1.20
5001 - 10000	21	164380	3.22
10001 - above	32	3893957	76.35
<b>Total</b>	<b>3670</b>	<b>5100000</b>	<b>100.00</b>

**Note** : 5,00,000 share allotted to M/s. Aastha Fiscal & Trading Pvt. Ltd. in the year 2002 are under the process of reduction as per the approval of the general body in the extra ordinary general meeting held on 15th July 2009.

b) Categories of shareholding as on March 31, 2009 :

Category	No. of Shares Held	% Shareholding
Indian Promoters	1199651	23.52
Persons acting in concert	42300	0.83
Banks, Financial Institutions, Insurance, FII	511235	10.02
Private Corporate Bodies	1928516	37.81
Indian Public	1341567	26.31
NRIs / OCBs	50902	1.00
Any other (Clearing Member)	25829	0.51
<b>Total</b>	<b>5100000</b>	<b>100.00</b>

# INFOTREK SYSCOM LTD.



## **Auditor's Certificate to the Members of the Company on compliance of the conditions of Clause 49 of the Listing Agreement (Corporate Governance) for the year ended 31st March, 2009:**

**To the Member's of Infotrek Syscom Limited**

We have examined the compliance of corporate governance by Infotrek Syscom Limited for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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 the explanations given to us, we certify that the Company has complied with the conditions for Corporate Governance as stipulated in the above mentioned Listing Agreement except for the appointment of a Whole Time Secretary as required under Section 383A of the Companies Act, 1956.

We state that none of the Investor Grievances is pending for a period exceeding one month, as at 31st March, 2009 against the Company as per records maintained by the Shareholders' / Investors' Grievance 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 which the management of the Company has conducted the affairs of the Company.

**Mumbai  
June 18, 2009**

**FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants**

**CA S. Vedula  
Partner  
Membership No. 38150**

## AUDITOR'S REPORT

### To the Members of Infotrek Syscom Limited

We have audited the attached Balance Sheet of M/s. Infotrek Syscom Limited, as at 31st March, 2009 and Profit & Loss Account & Cash Flow Statements of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of Companies Act, 1956, we enclose in the annexure, a statement on the matters specified in paragraphs 4 & 5 of the said Order.

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

- i) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
- ii) In our opinion, proper books of 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 and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v) On the basis of written representations received from the Directors, as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) In case of the Balance Sheet, of the state of affairs of the Company, as on 31st March, 2009 and
  - b) In case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date.
  - c) In case of the Cash Flow Statement, of the cash flow of the company for the year ended on that date.

Mumbai  
June 18, 2009

FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

CA S. Vedula  
Partner  
Membership No. 38150

## Annexure Referred to in paragraph 3 to the Auditors' Report

1. A) The Company has maintained proper records showing full particulars including quantitative details and situation of the Fixed Assets on the basis of information available.  
B) The fixed assets have been physically verified by the Management during the year. There is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
C) During the year the company has not disposed off a major part of fixed assets which has affected the going concern status of the company.
2. A) The stock of shares held as stock-in-trade has been physically verified by the management at reasonable intervals during the year. In our opinion, frequency of the verification is reasonable.  
B) In our opinion and according to the information and explanations given to us, procedures of physical verification inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
C) In our opinion and according to the information and explanation given to us the company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification between physical stock and book records.
3. A) The Company has granted loans to one company covered in register maintained under section 301 of the Companies Act, 1956, The maximum amount involved during the year was Rs. 269.29 lacs and the year end balance is Nil.  
B) The rate of interest and other terms and conditions of loans given by the company, are not prejudicial to the interest of the company.  
C) The parties are regular in repaying principal as stipulated and have been regular in payment of interest.  
D) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.  
E) The company has taken loans from two companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 50.50 lacs and the year end balance is Nil.  
F) The rate of interest and other terms and conditions of loans taken by the company, are not prejudicial to the interest of the company.  
G) The company is regular in payment of the principal amount and interest.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. A) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
B) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are 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 & consequently the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 & the rules framed there under are not applicable.
7. The Company does not have a formal internal audit system commensurate with its size & nature of the business but its financial & other check ensure proper recording of financial transaction.

8. A) According to the information and explanation given to us the maintenance of Cost records has not been prescribed by the Central Government under section 209 (1) (d) o 31st March, 2009 which have remained outstanding for a period of more than six months from the date they became payable.  
B) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute except Rs.1, 281,837 for the A Y 1998-99 for which the Tribunal has referred back the matter to CIT Appeals.
10. The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
11. According to the information and explanations provided to us the company does not have any outstanding dues to financial institutions, banks or debenture holders.
12. In our opinion and according to the information and explanations provided to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations provided to us the nature of activities of the company does not attract special statute applicable to Chit Fund and Niddhi /Mutual Benefit Fund / Society.
14. In our opinion, the Company has maintained proper records of the transaction and contracts of the investments dealt in by the company and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name.
15. In our opinion and according to the information and explanations provided to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not accepted any term loan during the year.
17. In our opinion and according to the information and explanations provided to us and on an overall examination of the Balance Sheet of the company, we report that no funds have been raised on short term basis.
18. The company has not issued any debentures till date.
19. The company has not raised any money through public issue during the year.
20. To the best of our Knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Mumbai  
June 18, 2009

FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

CA S. Vedula  
Partner  
Membership No. 38150

## COMPLIANCE CERTIFICATE

**Nominal Capital: Rs.10,00,00,000**  
**Regn. No. of the Company: 11-079971.**  
**CIN: L74120MH1994PLC079971**

To  
**The Members ,**  
**Infotrek Syscom Limited.**  
205, Centre Point,  
Next to Hotel Kohinoor,  
Andheri – Kurla Road, Andheri (East),  
Mumbai 400 059.

I have examined the registers, records, books and papers of the Infotrek Syscom Limited, (hereinafter referred to as Company) as required to be maintained under the Companies Act, 1956 and the Rules made there under as amended from time to time and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations given to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company as a Limited Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the Rules made there under and all entries therein have been fully recorded.
2. The Company has duly filed the forms and returns as stated in Annexure ' B ' to this certificate, with the Registrar of Companies, Maharashtra, Mumbai, Regional Director, Company Law Board, Western Region, Mumbai, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The company is a Public Limited Company.
4. The Board of Directors duly met ten (10) times during the year on the following dates on 10.04.2008, 30-06.2008, 30-07-2008, 30-08-2008, 25-10-2008, 29.01.2009, 20-02-2009, 23-02-2009, 28-02-2009, 17.03.2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members and Share Transfer Books from 23rd September, 2008 to 30th September, 2008 both days inclusive, during the financial year.
6. The last Annual General Meeting of the Company was held on 30th September, 2008.
7. The Company did not hold any Extra Ordinary General Meeting during the financial year under review.
8. The Company has not advanced loans to its Directors or persons or firms or companies referred to under Section 295 of the Act. However, the company has taken loans from companies listed in the register maintained under section 301 of the Act.
9. The Company has entered into contracts or arrangements falling within the purview of Section 297 of the Act at prevailing market prices.
10. The transactions made in pursuance of contracts or arrangements u/s 297/299 of the Companies Act, 1956 have been generally entered in the Register maintained u/s 301 of the Act.
11. Since there were no instances of appointments falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
  - (i) Effected transfer/transmission of shares during the financial year after following due procedure prescribed under the Act. The Company has also effected allotment of 6,00,000 Equity Shares on conversion of preferential Equity Warrants.
  - (ii) Not declared any dividend during the financial year and hence not deposited any amount in a separate Bank Account;
  - (iii) Since not declared any dividend the Company was not required to post warrants to any member of the Company during the financial year;



- (iv) Since not declared any dividend no amounts in unpaid dividend account, no application money due for refund, matured deposits, matured debentures and the interest thereon have remained unpaid and hence no amount has been made to Investors Education and Protection Fund;
- (v) Duly complied with the requirements of Section 217 of the Act,
14. The Board of Directors of the Company is duly constituted and the appointment of Directors, additional Directors, alternate Directors and Directors to fill casual vacancies has been duly made.
  15. Mr. B. K. Soni continues as the Managing Director.
  16. The Company has not appointed any Sole Selling agents during the financial year.
  17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such other authorities as prescribed under the various provisions of the Act, during the financial year under review.
  18. The Directors have disclosed their interest in other firms / Companies, to the Board of Directors, pursuant to the provisions of the Act and the Rules made there under.
  19. The company has issued 6,00,00 Equity Shares on conversion of Equity Warrants but has not issued any debentures or other securities during the financial year under review.
  20. The Company has not bought back any shares in the financial year under review.
  21. The Company has neither issued nor redeemed any Preference Shares during the financial year under review.
  22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares, pending registration of transfer of shares.
  23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58 (A), 58AA of the Act during the financial year under review.
  24. The Company has not made any borrowings from Directors, Members, Public, Financial Institutions, Banks and others during the financial year ending 31st March 2009 in excess of the borrowing limits prescribed under Section 293(1) (d) of the Companies Act, 1956.
  25. The Company has made loans or advances or investments or given guarantees or provided securities to other bodies corporate during the financial year under review and hence necessary entries have been generally made in the register kept for the purpose.
  26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's registered office.
  27. The Company has not altered the provisions of the Memorandum of Association with respect to the Objects of the Company during the year under scrutiny.
  28. The Company has not altered the provisions of the Memorandum of Association with respect to the Name of the Company during the year under scrutiny.
  29. The Company has not altered the provisions of the Memorandum of Association with respect to the Share Capital of the Company during the year under scrutiny.
  30. The Company has not altered its Articles of Association during the financial year under review.
  31. There was / were no prosecution(s) initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
  32. The Company has not received any money as security from its employees during the financial year under review.
  33. The Company has not established its Provident Fund pursuant to Section 418 of the Act and hence this is not applicable.

Mumbai.  
18<sup>th</sup> June, 2008.

Sd/-  
G.S. Jambekar  
Company Secretary

# INFOTREK SYSCOM LTD.



INFOTREK SYSCOM LTD.

## ANNEXURE A

### a. Statutory Registers.

1. Register of charges u/s 143. /Copies of Instrument for Creating /Modifying / Satisfying charge u/s 136.
2. Register of Members u/s 150 & Index of Members u/s 151.
3. Register and Returns u/s 163.
4. Minutes Books of Meetings u/s 193 & 196.
5. Books of Accounts u/s 209.
6. Register of Particulars of contracts in which Directors are interested u/s 301.
7. Register of Directors, Managing Director, Manager and Secretary u/s 303.
8. Register of Directors' Shareholding u/s 307
9. Register of investments or-Loans made, Guarantee given or Security provided u/s.372A.
10. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960.

### b. Other Registers

- a. Register of Directors' Attendance.
- b. Register of Shareholders Attendance.
- c. Register of Proxies.
- d. Register of Transfers.
- e. Register of Fixed Assets.

## ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the Financial Year ending on 31st March, 2009.

Sr. No.	Form No./Return	Filed u/s.	For	Date of filing	Whether Within prescribed time Y/N	If delay in filing whether requisite addl fee paid Y/N
1.	Form 23	192	Registration of resolutions	06-05-2008	N	Y
2.	Form 2	75	Allotment of Shares	06-05-2008	N	Y
3.	Form 23 AC & 23 ACA	220/217	31-03-2008	30-12-2008	N	Y
4.	Form 20 B	159	Annual Return	30/12/2008	N	Y
5.	Form 66	383A	Compliance Certificate	23/12/2008	N	Y

# INFOTREK SYSCOM LTD.



## BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds</b>			
Share Capital	A	68,100,000	134,115,495
Reserves & Surplus	B	109,112,213	42,737,804
		<u>177,212,213</u>	<u>176,853,299</u>
<b>Loans</b>			
Secured Loan	C	698,018	968,500
<b>Deffered Tax Liabilities</b>			
		429,313	517,874
<b>Total</b>		<u><b>178,339,544</b></u>	<u><b>178,339,673</b></u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets :</b>			
Gross Block	D	3,893,545	3,884,545
Less : Depreciation		1,972,184	1,461,736
Net Block		<u>1,921,361</u>	<u>2,422,809</u>
<b>Investments</b>			
	E	138,764,697	108,799,686
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	F	5,299,558	10,338,650
Sundry Debtors		40,533,403	3,110,172
Cash and Bank balances		783,019	332,697
Loans and Advances		33,058,976	61,818,756
		<u>79,674,956</u>	<u>75,600,275</u>
Less : Current Liabilities & Provisions	G	42,271,469	8,763,097
		<u>37,403,487</u>	<u>66,837,178</u>
<b>Miscellaneous Expenditure</b> (to the extent not written off)		250,000	280,000
<b>Total</b>		<u><b>178,339,544</b></u>	<u><b>178,339,673</b></u>
Notes to Accounts	M		

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

B K Soni  
CMD

Deepak Nanda  
Director

Aruna Soni  
Director

Working for Environment, Ecology to Earn & serve

# INFOTREK SYSCOM LTD.



## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	Current year 2008-2009 (Rupees)	Previous year 2007-2008 (Rupees)
<b>INCOME</b>			
Income from Operations	H	159,778,965	260,936,037
Other Income	I	4,916,091	10,442,088
Increase / (Decrease) in stock	J	-5,039,092	2,210,261
<b>Total</b>		<b>159,655,964</b>	<b>273,588,386</b>
<b>EXPENDITURE</b>			
Purchases	K	154,188,480	255,244,022
Direct Expenses		166,514	389,757
Administration & General Exp.	L	4,433,457	7,559,852
<b>Total</b>		<b>158,788,450</b>	<b>263,193,631</b>
Profit Before Interest, Depreciation & Tax		867,513	10,394,755
Less : Depreciation		510,448	499,407
Profit Before Interest & Taxation		357,065	9,895,348
Interest		88,242	11,637
Profit Before Taxation		268,823	9,883,710
Less : Provision for Taxation		28,200	1,020,000
Less: Fringe Benefits Tax		25,000	50,000
Net Profit for the Year		215,623	8,813,710
Less : Short Provision for Tax in earlier years		0	11,556
Excess Provision Made in earlier years		54,729	30,498
Net Profit		270,352	8,832,652
Profit b/d from previous year		23,025,674	14,101,863
Add/(Less) : Provision for Deferred Tax Asset for current year		88,561	91,159
Profits available for appropriation		23,384,588	23,025,674
Less: Profits Transferred to General Reserve		0	0
Profits C/f to Balance Sheet		23,384,588	23,025,674
Basic EPS in paise (Face value of Rs.10 each)		4	196
Diluted EPS in paise		3	166
Notes to Accounts	M		
As per our report of even date attached FOR VEDULA VIJAY AND RAMANATHAN Chartered Accountants			B K Soni CMD
CA. S.Vedula Partner Membership No. 38150 Mumbai June 18, 2009			Deepak Nanda Director  Aruna Soni Director

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

	Current Year 2008-2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit before Tax and Extraordinary items	268,823	9,883,710
Adjustments for:		
Depreciation	510,448	499,407
Interest Expenses	82,676	11,637
Deferred Revenue Expenditure	30,000	(280,000)
(Profit)/Loss on sale of Fixed Assets	0	606,726
(Profit)/Loss on sale of Investment	(4,075,156)	(10,033,131)
Dividend	(415,889)	(257,383)
Interest Received	(47,899)	
Operating Profit before working Capital Changes	<b>(3,646,996)</b>	<b>430,967</b>
(Increase)/Decrease in Current Assets	(3,624,360)	(42,014,572)
Increase/(Decrease) in Current Liabilities	33,508,372	1,445,077
Cash Generated from Operations	<b>26,237,016</b>	<b>(40,138,528)</b>
Less: Fringe Benefit Tax	0	(53,704)
Add/(Less): Excess/(Short) Provision in earlier years	1,529	0
<b>Net Cash Generated from Operating Activities</b>	<b>Total (A)</b> <b>26,238,545</b>	<b>(40,192,232)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Profit/(Loss) on sale of Investment	4,075,156	10,033,131
Dividend	415,889	257,383
Purchases of Fixed Assets	(9,000)	(1,338,071)
Sale of Fixed Assets	0	175,000
Sale/(Purchase) of Investment	(29,965,011)	(66,373,112)
Capital Work in Progress	0	3,936,183
Interest Received	47,899	0
<b>Net Cash Flow from Investing Activities</b>	<b>Total (B)</b> <b>(25,435,067)</b>	<b>(53,309,486)</b>
<b>C. Cash Flow from Financing Activities :</b>		
Issue of convertible Warrants	0	89,115,495
Interest Expenses	(82,676)	(11,637)
Loan Borrowed/(Repayment)	(270,482)	968,500
<b>Net Cash Flow from Financing Activities</b>	<b>Total (C)</b> <b>(353,158)</b>	<b>90,072,358</b>
<b>Net Increase/(Decrease) in cash &amp; Cash Equivalent</b>	<b>450,321</b>	<b>(3,429,360)</b>
<b>Total (A+B+C)</b>		
Cash and Cash Equivalents -Opening Balance	332,698	3,762,058
Cash and Cash Equivalents -Closing Balance	783,019	332,698
<b>Net Increase/(Decrease) in cash &amp; Cash Equivalent</b>	<b>450,321</b>	<b>(3,429,360)</b>

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

B K Soni  
CMD

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

Deepak Nanda  
Director

Aruna Soni  
Director

## SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
<b>SCHEDULE A: Share Capital</b>		
Authorised :		
1,00,00,000 Equity Shares of Rs 10/- each	<u>100,000,000</u>	<u>100,000,000</u>
Issued & Subscribed :		
51,00,000 Equity Shares of Rs 10/- each (Previous Year 45,00,000 Equity Shares)	51,000,000	45,000,000
Convertible Warrants (partly paid up)	17,100,000	89,115,495
<b>Total</b>	<u><b>68,100,000</b></u>	<u><b>134,115,495</b></u>
<b>SCHEDULE B: Reserves &amp; Surplus</b>		
General Reserve	19,712,130	19,712,130
Add: i) Addition during the year	-	-
ii) Share application money forfeited	18,015,495	-
Closing Balance of General Reserve	37,727,625	19,712,130
Share Premium	48,000,000	-
Profit & Loss Account	23,384,588	23,025,674
<b>Total</b>	<u><b>109,112,213</b></u>	<u><b>42,737,804</b></u>
<b>SCHEDULE C: Loans</b>		
<b>Secured Loan</b>		
Loan from ICICI Bank Ltd. (Against hypothecation of a car)	698,018	968,500
<b>Total</b>	<u><b>698,018</b></u>	<u><b>968,500</b></u>

SCHEDULE D: Fixed Assets												(Amount in Rs.)	
Sr. No.	Particulars	Gross Block				Depreciation				Net Block			
		As on 1.4.2008	Additions	Deduction	As on 31.3.2009	Upto 31.3.2008	For the year	Deduction	Upto 31.3.2009	As on 31.3.2009	As on 31.3.2008		
1	Computers	2276173	-		2,276,173	1347800	368967		1716767	559406	982373		
2	Office Equipments	273108	9000	-	282,108	101410	17616	-	119026	163082	171698		
3	Furniture & Fixtures	50091	-	-	50,091	886	3171	-	4057	46034	49205		
4	Motor Car	1227685	-	-	1227685	1275	116630	-	117905	1109780	1226410		
5	D.G. Set	57488	-	-	57488	10365	4064	-	14429	43059	47123		
	<b>TOTAL</b>	3,884,545	9,000	-	3,893,545	1,461,736	510,448	-	1,972,184	1,921,361	2,422,809		
	<b>Previous Year</b>	3,762,641	1,338,071	1,216,167	3,884,545	1,396,770	499,407	434,441	1,461,736	2,422,809	2,365,871		

# INFOTREK SYSCOM LTD.



	No. of Shares	As at 31-03-2009 (Rupees)	No. of Shares	As at 31-03-2008 (Rupees)
<b>SCHEDULE E: Investments</b>				
<b>Investments in Shares</b>				
<b>A. Quoted Shares</b>				
National Peroxide Ltd	2000	462550	2000	462550
Avance Technologies Ltd.	0	0	200000	60000000
Balmer Lawrie & Co. Ltd.	0	0	500	213710
G.V. Films Ltd.	10000	82150	10000	82150
Hindustan Motor Ltd.	45000	1590327	45000	1590327
Malu Paper Mills Ltd.	10000	375384	10000	375384
Prism Cement Ltd.	5000	300175	10000	600350
Ruchi Infrastructure Ltd.	134950	2814343	134950	2814343
Tata Tele Maharashtra Ltd.	0	0	137500	3313126
Zodiac Clothing Co. Ltd.	0	0	3470	992057
Anik Industries Ltd.	50000	2473150	50000	2473150
Bongaigaon Refineries Ltd.	4500	250476	7000	373950.95
BSEL Infrastructure Realty Ltd.	0	0	1000	65300
Hindalco Industries Ltd.	0	0	200	37222
Nocil Ltd.	27169	643517	27169	643516.63
South Asia Petrochem Ltd.	0	0	8000	111724
Himachal Futuristic Communication Ltd.	3000	54000	3000	54000
<b>Total (A)</b>		<b>9,046,072</b>		<b>20,201,061</b>
(Aggregate market value is Rs 36.34 lacs [Previous year - Rs180.90 lacs])				
<b>B. Unquoted Shares</b>				
Soni Securities Ltd	330,300	5,303,000	330,300	5,303,000
Iland Informatics Limited	51,000	510,000	51,000	510,000
Dombivali Sahakari Bank Ltd	10000	100,000	10000	100,000
Sasistar Finance Pvt.Ltd.	190000	190,00,000	-	-
SKM Steel Limited	-	-	26,000	6,500,000
Shamrao Cooperative Bank Ltd	25	625	25	625
Eco Recycling Limited	11,835,000	104,805,000	11,835,000	76,185,000
<b>Total (B)</b>		<b>129,718,625</b>		<b>88,598,625</b>
<b>Total (A+B)</b>		<b>138,764,697</b>		<b>108,799,686</b>

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# INFOTREK SYSCOM LTD.



	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
<b>SCHEDULE F: Current Assets, Loans &amp; Advances</b>		
<b>A. Inventories</b>		
Electrical & Electronic Equipments	0	857,283
Shares	5,299,558	9,481,367
<b>Total (A)</b>	<b>5,299,558</b>	<b>10,338,650</b>
<b>B. Debtors (Unsecured considered good)</b>		
a. More than six months	2,133,346	3,097,044
b. Others	38,400,057	13,128
<b>Total (B)</b>	<b>40,533,403</b>	<b>3,110,172</b>
<b>C. Cash and bank balances</b>		
Cash in Hand	108,885	188,183
Balance with Banks	674,134	144,514
<b>Total (C)</b>	<b>783,019</b>	<b>332,697</b>
<b>D. Loans &amp; Advances</b>		
Advance Tax & TDS	1,929,122	3,628,973
Sundry Deposits	10,317,121	10,296,000
Other Advances	20,812,733	47,893,783
<b>Total (D)</b>	<b>33,058,976</b>	<b>61,818,756</b>
<b>Total (A+B+C+D)</b>	<b>79,674,956</b>	<b>75,600,275</b>
<b>SCHEDULE G: Current Liabilities &amp; Provisions</b>		
<b>A. Current Liabilities :</b>		
Creditors for Goods	39,390,010	1,063,117
Creditors for Expenses	773,259	1,113,114
Other Liabilities	0	2,972,700
<b>Total (A)</b>	<b>40,163,269</b>	<b>5,148,931</b>
<b>B. Provisions</b>		
For Income Tax	2,108,200	3,614,166
<b>Total (B)</b>	<b>2,108,200</b>	<b>3,614,166</b>
<b>Total (A+B)</b>	<b>42,271,469</b>	<b>8,763,097</b>

# INFOTREK SYSCOM LTD.



	Current Year 2008 -2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>SCHEDULE H: Income from Operations</b>		
Sale of Electrical & Electronic Equipments	148,628,822	227,986,796
Sale of Shares	11,150,143	32,949,241
<b>Total</b>	<b>159,778,965</b>	<b>260,936,037</b>
<b>SCHEDULE I: Other Income</b>		
Dividend	415,889	257,383
Interest	47,899	2,416
Profit/ (Loss) on trading in Shares	377,147	164,083
Profit/(Loss) on sale of Investment	4,075,156	10,033,131
Foreign Exchange Fluctuation	-	(14,925)
<b>Total</b>	<b>4,916,091</b>	<b>10,442,088</b>
<b>SCHEDULE J: Increase/(Decrease) in Stock</b>		
Closing Stock	5,299,558	10,338,650
Less: Opening Stock	10,338,650	8,128,389
	<u>(5,039,092)</u>	<u>2,210,261</u>
<b>SCHEDULE K: Purchases</b>		
Electrical & Electronic Equipments	145,751,409	219,252,994
Electrical & Electronic Equipments - Import	-	191,760
Shares	8,437,071	35,799,268
<b>Total</b>	<b>154,188,480</b>	<b>255,244,022</b>

# INFOTREK SYSCOM LTD.



	Current Year 2008 -2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>SCHEDULE L: Administrative &amp; General Expenses</b>		
Advertisement Expenses	8,281	178,480
Annual Listing Fees	10,000	10,000
Auditor's Remuneration	45,000	45,000
Bad Debts	2,132	181,379
Bank Charges	503,338	26,099
Communication Expenses	178,174	251,750
Director's Sitting Fees	30,000	54,000
Electricity Charges	81,296	66,055
ROC Expenses	80,000	70,000
Insurance Premium	19,301	17,408
Loss on sale of fixed assets	-	606,726
Director's Remuneration	1,200,000	1,875,000
Miscellaneous Expenses	74,813	113,877
Printing & Stationery	116,427	120,386
Professional Fees	530,510	1,546,119
Registrar & Transfer Agent Expenses	55,500	42,000
Office Rent	600,000	525,000
Repairs & Maintenance	8,200	80,790
Salaries	777,302	1,303,544
Security services Charges	-	14,662
Service charges	-	3,190
Staff Welfare	55,331	240,445
Travelling & Conveyance	32,512	132,205
Motor Car Expenses	25,340	55,738
<b>Total</b>	<b><u>4,433,457</u></b>	<b><u>7,559,853</u></b>

## SCHEDULE M: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

### 1. Significant Accounting Policies

(a) Accounting convention & concepts:

The financial statements are prepared under the historical cost convention, in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company.

(b) Revenue Recognition

a. Income and expenditure are recognized on accrual basis.

b. Dividend income is recognized as and when received.

c. In respect of other heads of income, the Company follows the practice of accounting of such income on accrual basis.

(c) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost includes all identifiable expenditure to bring the assets to its present location and condition.

(d) Depreciation

Depreciation on fixed assets is provided on Straight Line Method on a pro – rata basis at the rates specified in the Schedule XIV to the Companies Act, 1956.

(e) Investments

Investments are valued at cost of acquisition and include brokerage fees and incidental expenses, wherever applicable. Investments are classified as long term and are carried at cost.

(f) Inventories

Shares held as stock-in-trade are valued at cost or market value whichever is lower.

### NOTES TO ACCOUNTS:-

- In the opinion of the Board, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the financial statements.
- No revaluation of fixed assets has been made since the date of incorporation of the Company.
- In the opinion of the Management, the Provident Fund and ESI Acts are not applicable to the Company.
- The Company has not provided for gratuity and leaves encashment and leave travel allowances to employees on accrual basis, which is not in conformity with AS-15 issued by ICAI. However in the opinion of management the amount involved is negligible and has no impact on profit and loss account.
- As per the accounting standard 18 on "Related Party Disclosures" issued by the ICAI the related Parties of the company and nature of relationship are as follows:

RELATED PARTY	NATURE OF RELATIONSHIP
Brij Kishor Soni	Key Management Personnel
Aruna Soni	Director
Soni Securities Limited	Two Common Directors
First Online Comtrades Pvt. Ltd.	Two Common Directors
B. K. Soni HUF	CMD Is Karta Of HUF
Eco Recycling Limited	Three Common Directors

Nature and Volume of transactions carried out with the above related parties in the ordinary course of business for the year ended March 31, 2009. (Amount in Rs.)

Particulars	Key Management Personnel	Others
Remuneration	1,200,000 (1,875,000)	-
Sitting Fees	-	25,000 (30,000)
Rent	-	600,000 (525,000)
Deposits	-	(7,500,000)

# INFOTREK SYSCOM LTD.



7. Segment Information:  
a. Business Segment

(Amount in Rs.)

	EEE Division		Investment Division		Other Income		Total	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
<b>Segment Revenue</b>								
External Sales	227986796	148628822	32949241	11150143	10442088	4916091	271378125	164695056
<b>Segment Results</b>								
Profit / (Loss) before Interest, Depreciation & Tax	8643194	2020130	(740918)	(1635251)	10442088	4916091	18344364	5300970
Less: Other un-allocable expenditure including interest and depreciation							8460654	5032147
Profit / (Loss) before Extra Ordinary Item							9883710	268823
Extra Ordinary Item							0	0
Profit / (Loss) before Tax							9883710	268823
Provision for Tax, FBT & Short/(Excess) provision for Tax in earlier years							1051058	(1529)
Deferred Tax Assets / (Liability)							91159	88561
Profit / (Loss) after Tax							8923811	358913

\*In the management opinion it is not feasible to classify companies assets and liabilities among different segment.

b. Geographical Segments

The following table shows the distribution of the Company's consolidated sales by geographical market:

**Sales revenue by geographical market :**

(Amount in Rs.)

Geographical Market Segment	2008-09	2007-08
Domestic Market	159,778,965	260,936,037
Overseas Market	NIL	NIL
<b>Total</b>	<b>159,778,965</b>	<b>260,936,037</b>

The following table shows the carrying amount of debtors by geographical market :

(Amount in Rs.)

Geographical Market Segment	2008-09	2007-08
Domestic Market	40,533,403	3,110,172
<b>Total</b>	<b>40,533,403</b>	<b>3,110,172</b>

8. Additional information pursuant to the provisions of Paragraph 4a, 4b & 4c of Part II of Schedule VI to the Companies Act, 1956:

	(In Rs.)	(In Rs.)
<b>(a) AUDITORS' REMUNERATION :</b>	<b><u>2008-2009</u></b>	<b><u>2007-2008</u></b>
Audit Fees	20,000	20,000
Tax Audit Fees	10,000	10,000
VAT Audit Fees	15,000	15,000
Service Tax	4,635	5,562
Total	<u>49,635</u>	<u>50,562</u>
	(In Rs.)	(In Rs.)
<b>(b) Director's Remuneration :</b>	<b><u>2008-2009</u></b>	<b><u>2007-2008</u></b>
	1,200,000	1,875,000

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(c) i) Quantitative Details in respect of trading in shares :

	31.03.2009		31.03.2008	
	Qty(Nos)	Value(Rs)	Qty(Nos)	Value(Rs)
Opening Stock	432,848	9,481,366	391,288	7,372,258
Purchase	280,191	8,437,071	788,056	35,799,268
Sales	449,902	11,150,143	746,496	32,949,241
Closing Stock	263,137	52,99,558	432,848	9,481,366

ii) Quantitative Details in respect of purchase & sale of EEE:

	31.03.2009		31.03.2008	
	Qty(Nos)	Value(Rs)	Qty(Nos)	Value(Rs)
Opening Stock	2,239	857,283	1,523	756,131
Purchase	14,516	145,751,409	10,366	219,475,436
Sales	16,755	148,628,822	9,650	228,017,478
Closing Stock	--	--	2,239	857,283
9. Earnings in foreign currency during the year	Nil	(Nil)		
Expenditure in foreign currency during the year				
a. Purchase of EEE	Nil	(Rs.222,442)		
b. Foreign travel	Nil	(Rs. 483,945)		
10. Value of imports on CIF Basis	Nil	(Rs.331,544 )		
11. In accordance with the accounting standard 20 on "Earnings Per Share" issued by the ICAI:				
Net Profit after tax available to Equity Shareholders		Rs. 215,623/-		
Weighted average no. of Equity Shares outstanding at the end of the year		50,85,205.		
Basic EPS		Rs. 0.042 (1.96)		
Diluted EPS		Rs. 0.031 (1.66)		
12. Deferred Income Tax :				
Deferred tax has been provided in accordance with the Accounting Standard 22- Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India . The deferred tax asset as on 31st March, 2009 amounting to <b>Rs. 88,561/-</b> is the difference between the book depreciation and tax depreciation.				
13. Previous year figures have been regrouped and rearranged wherever necessary to confirm to this year's classification.				
14. Balance Sheet abstract & Companies general business profile as required by Part IV Schedule VI to the Companies Act 1956 is enclosed in Annexure 'A'.				
15. Contingent liability - Disputed Income Tax demand Rs. 1,281,837 for the A.Y. 1998-99.				
16. There are no parties, which can be classified as small-scale undertakings to whom the company owes a sum exceeding Rs. 1 Lac, which is outstanding for more than 30 days.				

Signatories to schedule A to M

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

B K Soni  
CMD

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

Deepak Nanda  
Director

Aruna Soni  
Director

# INFOTREK SYSCOM LTD.



## ANNEXURE - A

Balance Sheet abstract and Company's general business profile as per Part IV Schedule VI of the Companies Act, 1956

### I. Registration Details

Registration No.	79,971
State Code	11
Balance Sheet Date	31.03.2009

### II. Capital Raised during the year

(Amount Rs. in Thousands)

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

### III. Position of Mobilization and Deployment of Funds

(Amount Rs. in Thousands)

Total Liabilities	178339
Total Assets	178339

#### Source of Funds:

Paid-up Capital	68100
Reserves & Surplus	109112
Secured Loans	698
Unsecured Loans	Nil
Deferred Tax liabilities	429

#### Application of Funds:

Net Fixed Assets	1921
Investments	138765
Net Current Assets	37403
Miscellaneous Expenditure	250
Accumulated Losses	Nil

### IV. Performance of the Company

(Amount Rs. in Thousands)

Total Income	159656
Total Expenditure	158788
Profit before Tax	268
Profit After Tax	216
Earnings per Share (Rs.)	0.042
Dividend Rate (%)	Nil

### V. Generic Names of Principal Products / Services of the Company

(As per monetary terms)

Item Code No.	
Product Description	Computer software & hardware

## AUDITOR'S REPORT

To, The Board of Directors of INFOTREK SYSCOM LIMITED on the Consolidated Financial Statements of INFOTREK SYSCOM LIMITED and it's Subsidiary.

1. We have audited the attached Consolidated Balance Sheet of Infotrek Syscom limited and its subsidiaries (the group), as at March 31, 2009, and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated 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.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We audited the Financial Statement of Subsidiaries, whose financial statement reflect the group's share of net assets of Rs. 1001.44 lacs as at March 31, 2009 and group share of net Loss of Rs. 48.52 Lacs for the year ended on that date, which are considered in the Consolidated Financial Statements. These Financial Statement and other financial information have been audited by us.
4. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Statement-21, "Consolidated Financial Statement" issued by the Instituted Of Chartered Accountants Of India.
5. Based on our audit, in our opinion and to the best of our information and according to the explanations given to us, the attached Consolidated Financial Statement give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2009.
  - (b) In the case of the Consolidated Profit & Loss account, of the Profit of the Group for the year ended on that date; and
  - (c) In the case of Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009



# INFOTREK SYSCOM LTD.



## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds</b>			
Share Capital	A	68,100,000	134,115,495
Reserves & Surplus	B	104,260,101	42,737,804
		<u>172,360,101</u>	<u>176,853,299</u>
Minority Interest		11,400,214	3,303,300
<b>Loans</b>			
Secured Loan	C	1,132,502	1,622,825
Unsecured Loan		0	1,602,621
Deffered Tax Liabilities		749,980	517,874
<b>Total</b>		<u><b>185,642,797</b></u>	<u><b>183,899,919</b></u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets :</b>			
Gross Block	D	40,335,142	14,857,089
Less : Depreciation		2,508,061	1,461,736
Net Block		<u>37,827,081</u>	<u>13,395,353</u>
<b>Investments</b>	E	<b>58,459,697</b>	<b>57,114,686</b>
<b>Current Assets, Loans &amp; Advances</b>	F	<b>131,576,917</b>	<b>119,167,788</b>
Less : Current Liabilities & Provisions	G	44,919,972	9,119,253
		<u>86,656,945</u>	<u>110,048,535</u>
<b>Miscellaneous Expenditure</b> (to the extent not written off)		<b>2,699,074</b>	<b>3,341,345</b>
<b>Total</b>		<u><b>185,642,797</b></u>	<u><b>183,899,919</b></u>
Notes to Accounts	M		

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

B K Soni  
CMD

Deepak Nanda  
Director

Aruna Soni  
Director

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# INFOTREK SYSCOM LTD.



## CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	Current Year 2008-2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>INCOME</b>			
Income from Operations	H	205,268,156	260,936,037
Other Income	I	5,106,569	10,442,088
Increase /( Decrease) in stock	J	(2,972,845)	2,210,261
Total		207,401,880	273,588,386
<b>EXPENDITURE</b>			
Purchases	K	197,060,899	255,244,022
Direct Expenses	L	5,379,840	389,757
Administration & General Exp.		8,342,458	7,559,853
Total		210,783,197	263,193,632
Profit/(Loss) Before Interest, Depreciation & Tax		(3,381,317)	10,394,754
Less : Depreciation		1,046,325	499,407
Profit/(Loss) Before Interest & Taxation		(4,427,642)	9,895,347
Interest		263,115	11,637
Profit /(Loss) Before Taxation		(4,690,757)	9,883,710
Less : Provision for Taxation		28,200	1,020,000
Less: Freinge Benefits Tax		57650	50000
Net Profit(Loss) for the Year		(4,776,607)	8,813,710
Less : Short Provision for Tax in earlier years		0	11556
Excess Provision Made in earliear years		54729	30498
Net Profit /(Loss)		(4,721,878)	8,832,652
Profit b/d from previous year		23,025,674	14,101,863
Add/(Less) : Provision for Deferred Tax Asset for current year		(232,106)	91,159
Profits available for appropriation		18,071,690	23,025,674
Less: Share of Minority Shareholder in Subsidiary Company		460,786	0
Profits C/f to Balance Sheet		18,532,476	23,025,674
Basic EPS (Face value of Rs.10 each)		(0.94)	1.96
Dilute EPS		(0.68)	1.66
Notes to Accounts	M		

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

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CMD

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

Deepak Nanda  
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# INFOTREK SYSCOM LTD.



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

	Current Year 2008-2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit before Tax and Extraordinary items	(4,690,757)	9,883,710
Adjustments for:		
Depreciation	1,046,325	499,407
Interest Expenses	236,335	11,637
Deferred Revenue Expenditure	642,271	(280,000)
(Profit)/Loss on sale of Fixed Assets	0	606,726
(Profit)/Loss on sale of Investment	(4,075,156)	(10,033,131)
Dividend	(415,889)	(257,383)
Interest Received	(214,951)	0
<b>Operating Profit before working Capital Changes</b>	<b>(7,471,822)</b>	<b>430,967</b>
(Increase)/Decrease in Current Assets	(9,797,637)	(85,300,094)
Increase/(Decrease) in Current Liabilities	35,768,069	1,801,233
Cash Generated from Operations	18,498,610	(83,067,895)
Less:Fringe Benefit Tax	0	(53,704)
Add/(Less):Excess/(Short) Provision in earlier years	1,529	0
Less: Deferred Revenue Expenditure	0	(3,061,345)
<b>Net Cash Generated from Operating Activities</b>	<b>Total (A)</b> <b>18,500,139</b>	<b>(86,182,944)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Profit/(Loss) on sale of Investment	4,075,156	10,033,131
Dividend	415,889	257,383
Purchases of Fixed Assets	(25,478,053)	(12,310,615)
Sale of Fixed Assets	0	175,000
Sale/(Purchase) of Investment	(1,345,011)	(14,688,112)
Capital Work in Progress	0	3,936,183
Interest Received	214,951	0
<b>Net Cash Flow from Investing Activities</b>	<b>Total (B)</b> <b>(22,117,068)</b>	<b>(12,597,030)</b>
<b>C. Cash Flow from Financing Activities :</b>		
Issue of Equity Shares/Convertible Warrants	0	89,115,495
Contribution of Minority Shareholder	8,557,700	3,303,300
Interest Expenses	(236,335)	(11,637)
Loan Borrowed/(Repayment)	(2,092,944)	3,225,446
<b>Net Cash Flow from Financing Activities</b>	<b>Total (C)</b> <b>6,228,421</b>	<b>95,632,604</b>
<b>Net Increase/(Decrease) in cash &amp; Cash Equivalent</b>	<b>Total (A+B+C)</b> <b>2,611,492</b>	<b>(3,147,370)</b>
Cash and Cash Equivalents -Opening Balance	614,688	3,762,058
Cash and Cash Equivalents -Closing Balance	3,226,180	614,688
<b>Net Increase/(Decrease) in cash &amp; Cash Equivalent</b>	<b>2,611,492</b>	<b>(3,147,370)</b>

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

B K Soni  
CMD

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

Deepak Nanda  
Director

Aruna Soni  
Director

Working for Environment, Ecology to Earn & serve

## SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS

	As at 31-03-2009 (Rupees)	As at 31-03-2008 (Rupees)
<b>SCHEDULE A: Share Capital</b>		
Authorised :		
1,00,00,000 Equity Shares of Rs 10/- each	100,000,000	100,000,000
Issued & Subscribed :		
51,00,000 Equity Shares of Rs 10/- each (Previous Year 45,00,000 Equity Shares)	51,000,000	45,000,000
Convertible Warrants (Partly Paid)	17,100,000	89,115,495
<b>Total</b>	<b>68,100,000</b>	<b>134,115,495</b>
<b>SCHEDULE B: Reserves &amp; Surplus</b>		
General Reserve	19,712,130	19,712,130
Add: i) Addition during the year	-	-
ii) Share application money forfeited	18,015,495	-
Closing Balance of General Reserve	37,727,625	19,712,130
Share Premium	48,000,000	-
Profit & Loss Account	18,523,476	23,025,674
<b>Total</b>	<b>104,260,101</b>	<b>42,737,804</b>
<b>SCHEDULE C: Loans</b>		
Secured Loan		
Loan from ICICI Bank Ltd(Secured by Car)	698,018	968,500
From ICICI Bank Ltd(Secured by Motor Vehicle)	434,484	654,325
Unsecured Loan	-	1,602,621
<b>Total</b>	<b>1,132,502</b>	<b>3,225,446</b>

SCHEDULE D: Fixed Assets											(Amount in Rs.)	
Sr. No.	Particulars	Gross Block			Depreciation				Net Block			
		As on 1.4.2008	Additions	Deduction	As on 31.3.2009	Upto 31.3.2008	For the year	Deduction	Upto 31.3.2009	As on 31.3.2009	As on 31.3.2008	
(A)	<b>Tangible Assets</b>											
1	Computers	2,276,173	40,769	-	2,316,942	1,347,800	375,113	-	1,722,913	594,029	928,373	
2	Office Equipments	316,547	74,861	-	391,408	101,410	25,898	-	127,308	264,100	215,137	
3	Furniture & Fixtures	132,695	83,000	-	215,995	886	23,998	-	24,884	191,111	131,809	
4	Motor Car	2,427,024	4,343	-	2,431,367	1,275	252,763	-	254,038	2,177,329	2,425,749	
5	D.G. Set	57,488	-	-	57,488	10,365	4,064	-	14,429	43,059	47,123	
6	Hand Pallet Truck	25,000	-	-	25,000	-	2,828	-	2,828	22,172	25,000	
7	Shredder Machine	-	6,580,759	-	6,580,759	-	267,005	-	267,005	6,313,754	-	
8	Mobile Shredder	1,800,283	-	-	1,800,283	-	85,514	-	85,514	1,714,769	1,800,283	
9	Weighing Scale	65,730	-	-	65,730	-	9,142	-	9,142	56,588	65,730	
	<b>Total (A)</b>	<b>7,100,940</b>	<b>6,784,032</b>	<b>-</b>	<b>13,884,972</b>	<b>1,461,736</b>	<b>1,046,325</b>	<b>-</b>	<b>2,508,061</b>	<b>11,376,911</b>	<b>5,639,204</b>	
(B)	<b>Intangible Assets</b>											
1	Branding	-	17,067,690	-	17,067,690	-	-	-	-	17,067,690	-	
2	Research & Development	7,756,150	1,626,330	-	9,382,480	-	-	-	-	9,382,480	-	
	<b>Total (B)</b>	<b>7,756,150</b>	<b>18,694,020</b>	<b>-</b>	<b>26,450,170</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,450,170</b>	<b>-</b>	
	<b>Grand Total(A+B)</b>	<b>14,857,090</b>	<b>25,478,052</b>	<b>-</b>	<b>40,335,142</b>	<b>1,461,736</b>	<b>1,046,325</b>	<b>-</b>	<b>2,508,061</b>	<b>37,827,081</b>	<b>5,639,204</b>	
	<b>Previous Year</b>	<b>3,762,641</b>	<b>4,554,466</b>	<b>1,216,167</b>	<b>7,100,940</b>	<b>1,396,770</b>	<b>499,407</b>	<b>434,441</b>	<b>1,461,736</b>	<b>5,639,204</b>	<b>2,365,871</b>	

Note: Brand building is a continuous process and the management of the Company is of the opinion that such expenses should be amortised after appropriate time.

# INFOTREK SYSCOM LTD.



	As at 31.03.2009		As at 31.03.2008	
	No. of shares	(Rupees)	No. of shares	(Rupees)
<b>SCHEDULE E: Investments</b>				
Investments in Shares				
<b>A. Quoted Shares</b>				
National Peroxide Ltd	2,000	462,550	2,000	462,550
Avance Technologies Ltd.	0	0	200,000	6,000,000
Balmer Lawrie & Co. Ltd.	0	0	500	213,710
G.V. Films Ltd.	10,000	82,150	10,000	821,50
Hindustan Motor Ltd.	45,000	1,590,327	45,000	1,590,327
Malu Paper Mills Ltd.	10,000	375,384	10,000	375,384
Prism Cement Ltd.	5,000	300,175	10,000	600,350
Ruchi Infrastructure Ltd.	134,950	2,814,343	134,950	2,814,343
Tata Tele Maharashtra Ltd.	0	0	137,500	3,313,126
Zodiac Clothing Co. Ltd.	0	0	3,470	990,257
Anik Industries Ltd.	50,000	2,473,150	50,000	2,473,150
Bongaigaon Refineries Ltd.	4,500	250,476	7,000	373,951
BSEL Infrastructure Realty Ltd.	0	0	1,000	65,300
Hindalco Industries Ltd.	0	0	200	37,222
Nocil Ltd.	27,169	643,517	27,169	643,517
South Asia Petrochem Ltd.	0	0	8,000	111,724
Himachal Futuristic Communication Ltd.	3,000	54,000	3,000	54,000
<b>Total (A)</b>		<b>9,046,072</b>		<b>20,201,061</b>
(Aggregate market value is Rs 36.34 lacs [Previous year - Rs180.90 lacs])				
<b>B. Unquoted Shares</b>				
Soni Securities Ltd	330,300	5,303,000	330,300	5,303,000
Iland Informatics Limited	51,000	510,000	51,000	510,000
Dombivali Sahakari Bank Ltd	10,000	100,000	10,000	100,000
Sasistar Finance Pvt.Ltd.	405,000	40,500,000	215,000	21,500,000
SKM Steel Limited	-	-	26,000	6,500,000
Shamrao Cooperative Bank Ltd	25	625	25	625
Sanjay Chemical Pvt.Ltd.	3,000	3,000,000	3,000	3,000,000
<b>Total (B)</b>		<b>49,413,625</b>		<b>36,913,625</b>
<b>Total (A+B)</b>		<b>58,459,697</b>		<b>57,114,686</b>

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	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
<b>SCHEDULE F: Current Assets, Loans &amp; Advances</b>		
A. Inventories		
Eleectrical & Electronic Equipments	2,066,247	857,283
Shares	5299558	9,481,367
<b>Total (A)</b>	<b><u>7,365,805</u></b>	<b><u>10,338,650</u></b>
B. Debtors (Unsecured considered good)		
a. More than six months	2,133,346	3097,044
b. Others	38,404,633	13,128
<b>Total (B)</b>	<b><u>40,537,979</u></b>	<b><u>3,110,172</u></b>
C. Current Assets		
Cash in Hand	700,307	379,651
Balance with Banks	2,525,873	235,037
<b>Total (C)</b>	<b><u>3,226,180</u></b>	<b><u>614,688</u></b>
D. Loans & Advances		
Advance Tax & TDS	1,965,903	4037264
Sundry Deposits	18,439,996	20465400
Other Advances	60,041,054	80601614
<b>Total (D)</b>	<b><u>80,446,953</u></b>	<b><u>105104278</u></b>
<b>Total (A+B+C+D)</b>	<b><u>131,576,917</u></b>	<b><u>119167788</u></b>
<b>SCHEDULE G: Current Liabilities &amp; Provisions</b>		
A. Current Liabilities :		
Creditors for Goods	39,392,937	1,063,117
Creditors for Expenses	3,386,185	1,469,270
Other Liabilities	0	2972700
<b>Total (A)</b>	<b><u>42,779,122</u></b>	<b><u>5,505,087</u></b>
B. Provisions		
For Tax	2,140,850	3,614,166
<b>Total (B)</b>	<b><u>2,140,850</u></b>	<b><u>3,614,166</u></b>
<b>Total (A+B)</b>	<b><u>44,919,972</u></b>	<b><u>9,119,253</u></b>

# INFOTREK SYSCOM LTD.



	Current Year 2008-2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>SCHEDULE H: Income from Operations</b>		
Sale of Elelectrical & Electronic Equipments	194,074,186	227,986,796
Sales of Shares	11,150,143	32,949,241
Data Destruction Charges	43,827	-
<b>Total</b>	<b><u>205,268,156</u></b>	<b><u>260,936,037</u></b>
<b>SCHEDULE I: Other Income</b>		
Dividend	415,889	257,383
Interest	214,951	2,416
Profit/ (Loss) on trading in shares	377,147	164,083
Profit/(Loss) on sale of Investment	4,075,156	10,033,131
Other Income	23,426	-
Foreign Exchange Fluctuation	-	(14,925)
<b>Total</b>	<b><u>5,106,569</u></b>	<b><u>10,442,088</u></b>
<b>SCHEDULE J: Increase/(Decrease) in Stock</b>		
Closing Stock	7,365,805	10,338,650
Less: Opening Stock	<u>10,338,650</u>	<u>8,128,389</u>
	<u>(2,972,845)</u>	<u>2,210,261</u>
<b>SCHEDULE K: Purchases</b>		
Elelectrical & Electronic Equipments	188,623,828	219,252,994
Elelectrical & Electronic Equipments - Import	-	191,760
Shares	<u>8,437,071</u>	<u>35,799,268</u>
<b>Total</b>	<b><u>197,060,899</u></b>	<b><u>255,244,022</u></b>



# INFOTREK SYSCOM LTD.



	Current Year 2008-2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>SCHEDULE L</b>		
<b>(A) Direct Expenses</b>		
Clearing & Forwarding Expenses	642,943	184,226
Electricity Charges	108,400	0
Store & Consumable	19,264	0
Insurance Premium	147,109	0
Salaries & Wages	849,136	8,140
Professional Fees	52,600	0
Rent for the facility	3,150,000	0
Security services Charges	150,613	0
Share Trading Expenses	166,514	197,391
Repairs & Maintenance	93,261	0
	<b>5,379,840</b>	<b>389,757</b>
<b>(B) Administrative &amp; General Expenses</b>		
Advertisement	8,281	178,480
Annual Listing Fees	10,000	10,000
Auditor's Remuneration	60,000	45,000
Bad Debts	2,132	181,379
Bank Charges	525,531	26,099
Communication Expenses	310,807	251,750
Director's Sitting Fees	30,000	54,000
Electricity Charges	81,296	66,055
ROC Expenses	692,269	70,000
Insurance Premium	19,301	17,408
Loss on sale of fixed assets	0	606,726
Director's Remuneration	1,200,000	1,875,000
Miscellaneous Expenses	256,374	113,877
Printing & Stationery	246,961	120,386
Professional Fees	1,220,856	1,546,119
Registrar's & Transfer Agent Expenses	55,500	42,000
Rent	1,800,000	525,000
Repairs & Maintenance	37,482	80,790
Salaries	1,171,200	1,303,544
Security services	0	14,662
Service charges	23,447	3,190
Staff Welfare	293,592	240,445
Travelling & Conveyance	145,145	132,205
Motor Car Expenses	52,330	55,738
Registration Charges	72,100	0
Business Development	27,854	0
<b>Total</b>	<b>8,342,458</b>	<b>7,559,853</b>

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## SCHEDULE M

### SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

#### 1. Significant Accounting Policies

##### (a) Accounting convention & concepts :

The financial statements are prepared under the historical cost convention, in accordance with accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company.

##### (b) Principles of Consolidation

a) The Consolidated financial statement related to Infotrek Syscom limited and its subsidiary. The Consolidated Financial Statement have been prepared on the following basis:

- In respect of Subsidiary Companies, the financial statement consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealized profit/loss on intra-group transactions as per Accounting Standard – 21 "Consolidated Financial Statement".
- These consolidated financial statement have been prepared using uniform accounting policies for transactions and other event in similar circumstances.

b) The Subsidiary Companies considered in the Consolidated Financial Statement are:

Name of Company	Country of incorporation	% voting power held as at March 31, 2009.
Eco Recycling Limited	India	79.77%

##### (c) Revenue Recognition

- a. Income and expenditure are recognized on accrual basis.
- b. Dividend income is recognized as and when received.
- c. In respect of other heads of income, the Company follows the practice of accounting of such income on accrual basis.

##### (c) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost includes all identifiable expenditure to bring the assets to its present location and condition.

##### (d) Depreciation

Depreciation on fixed assets is provided on Straight Line Method on a pro – rata basis at the rates specified in the Schedule XIV to the Companies Act, 1956.

##### (e) Investments

Investments are valued at cost of acquisition and include brokerage fees and incidental expenses, wherever applicable. Investments are classified as long term and are carried at cost.

##### (f) Foreign Exchange transaction :-

Transactions in foreign currency are converted at the rates prevailing on the date of the transactions. Gain / Loss on closing rate of reporting date of revenue transactions in the same year are charged to 'Exchange Gain Account' in the Profit & Loss Account.

##### (g) Inventories

- a. Shares held as stock-in-trade are valued at cost or market value whichever is lower.
- b. Computer Hardware held as stock-in-trade are valued at cost.

## NOTES TO ACCOUNTS:-

- In the opinion of the Board, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the financial statements.
- No revaluation of fixed assets has been made since the date of incorporation of the Company.
- In the opinion of the Management, the Provident Fund and ESI Acts are not applicable to the Company.
- The Company has not provided for gratuity and leaves encashment and leave travel allowances to employees on accrual basis, which is not in conformity with AS-15 issued by ICAI. However in the opinion of management the amount involved is negligible and has no impact on profit and loss account.
- As per the accounting standard 18 on "Related Party Disclosures" issued by the ICAI the related Parties of the company and nature of relationship are as follows:

RELATED PARTY	NATURE OF RELATIONSHIP
Brij Kishor Soni	Key Management Personnel
Aruna Soni	Director
Soni Securities Limited	Two Common Directors
First Online Comtrades Pvt. Ltd.	Two Common Directors
B. K. Soni HUF	CMD Is Karta Of HUF
Eco Recycling Limited	Three Common Directors

Nature and Volume of transactions carried out with the above related parties in the ordinary course of business for the year ended March 31, 2009. (In Rs.)

Particulars	Key Management Personnel	Others
Remuneration	12,00,000 (18,75,000)	-
Sitting Fees	-	25,000 (30,000)
Rent	-	18,00,000 (10,25,000)
Deposits	-	(1,35,00,000)

- Additional information pursuant to the provisions of Paragraph 4a, 4b & 4c of Part II of Schedule VI to the Companies Act, 1956:

	(In Rs.)	(In Rs.)
(a) AUDITORS' REMUNERATION :	2008-2009	2007-2008
Audit Fees	30,000	30,000
Tax Audit Fees	15,000	15,000
VAT Audit Fees	15,000	15,000
Service Tax	4,635	5,562
Total	<u>64,635</u>	<u>65,562</u>

	(In Rs.)	(In Rs.)
(b) Director's Remuneration :	2008-2009	2007-2008
	<u>12,00,000</u>	<u>18,75,000</u>

- Quantitative Details in respect of trading in shares :

	31.03.2009		31.03.2008	
	Qty(Nos)	Value(In Rs.)	Qty(Nos)	Value(In Rs.)
Opening Stock	432,848	9,481,366	391,288	7,372,258
Purchase	280,191	8,437,071	788,056	35,799,268
Sales	449,902	11,150,143	746,496	32,949,241
Closing Stock	263,137	5,299,558	432,848	9,481,366

# INFOTREK SYSCOM LTD.



## ii) Quantitative Details in respect of purchase & sale of EEE:

	31.03.2009		31.03.2008	
	Qty(Nos)	Value(In Rs.)	Qty(Nos)	Value(In Rs.)
Opening Stock	2,239	857,283	1,523	756,131
Purchase	14,516	145,751,409	10,366	219,475,436
Sales	16,755	148,628,822	9,650	228,017,478
Closing Stock	-	-	2,239	857,283

## ii) Quantitative Details in respect of purchase & sale of EEE:

	31.03.2009		31.03.2008
	Weight (In Tonnes)	Value (In Rupees)	
Opening Stock	--	--	-
Purchase	1256,60	42,872,419	-
Sales	1196,04	45,445,364	-
Closing Stock	60,56	2,066,247	-
7. Earnings in foreign currency during the year	Nil	(Nil)	
Expenditure in foreign currency during the year			
a. Purchase of Hardware	Nil	(Rs. 222,442)	
b. Foreign travel	Nil	(Rs. 483,945)	
8. Value of imports on CIF Basis	Nil	(Rs. 1,965,471)	
9. In accordance with the accounting standard 20 on "Earnings Per Share" issued by the ICAI:			
Net Profit(Loss) after tax available to Equity Shareholders		(Rs. 47,76,607)	
Weighted average no. of Equity Shares outstanding at the end of the year:		50,85,205	
Weighted average no. of Diluted Equity Shares outstanding at the end of the year:		69,85,205	
Basic EPS		Rs. -0.94 (1.96)	
Diluted EPS		Rs. -0.68 (1.66)	

## 10. Deferred Income Tax :

Deferred tax has been provided in accordance with the Accounting Standard 22- Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India. The deferred tax liabilities as on 31st March, 2009 amounting to Rs. 2,32,106/- is the difference between the book depreciation and tax depreciation.

11. Previous year figures have been regrouped and rearranged wherever necessary to confirm to this year's classification.

12. Contingent liability - Disputed Income Tax demand Rs. 1,281,837 for the A.Y. 1998-99.

13. There are no parties, which can be classified as small-scale undertakings to whom the company owes a sum exceeding Rs. 1 Lac, which is outstanding for more than 30 days.

## Signatories to schedule A to M

FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants  
CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

For and behalf of the Board

B K Soni (CMD)  
Deepak Nanda (Director)  
Aruna Soni (Director)

# INFOTREK SYSCOM LTD.



## INFOTREK SYSCOM LIMITED

205, Centre Point, 2nd Floor, J.B.Nagar, Andheri-Kurla Road, Andheri (East), Mumbai- 400 059.

### Statement under Section 212 of the Companies Act, 1956.

Name of the Subsidiary Company	Financial Year ending of the Subsidiary	Number of Equity Shares Held	Extent of Holding	For the financial year of the Subsidiary Profit/(losses) as far as it concerns members of the holding company and not dealt with in the holding company's accounts.	For the Pervious Financial years since it became a Subsidiary. Profit/(losses) as far as it concerns members of the holding company and not dealt with in the holding company's accounts.
Eco Recycling Limited	31st March 2009	10,330,000 of Rs.10/- each	91.33%	Rs.48.52 lacs	Nil
		1,505,000 of Re.1/- each (Partly Paid)	42.32%		

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**Quality, Health Safety & Environment Policy (QHSE POLICY)**  
**At**  
**Eco Recycling Limited (Ecoreco)**

At Ecoreco, we are committed to provide completely integrated environment friendly recycling solution to the end of life electrical & electronic equipments. At the same time, we recognise that our activity might have health, safety and environmental risks at the workplace(s) & the surrounding. As our moral responsibility we obligate to take all practical steps to prevent harm to the environment & the surrounding and to the health & safety of our employees, customers, vendors and visitors. By virtue of its nature of activity itself, Ecoreco protects damage to the environment and helps maintaining ecological balance by deploying the commodities back to the main stream of industries recovered from the used electrical & electronic equipments and thereby reduce dependence on mining and save on carbon emissions.

At Ecoreco, we are committed to:

- Protect the health and safety of our employees, customers, vendors, visitors & public.
- Avoid damage to the environment.
- Monitor and continually improve quality of our services & processes for the betterment of society.
- Identify hazards, analyze their impact in QHSE performance and implement controls to reduce risk, minimizing losses or damage to people, environment, equipment, products and assets.
- Comply with applicable legislation and regulations in the locations where we operate.

Ecoreco's QHSE policy has laid down rules to conduct operations, quality of services & products, health & safety of its employees, customers, visitors & vendors and to protect environment. This will be communicated to all our employees, customers, visitors & vendors at all our establishments and every location must provide evidence of the implementation of the Policy. We are committed to continual improvement of the QHSE system and comply with the requirements of ISO 9001, ISO 14001 and OHSAS 18001.

## VISION

To be a benchmark solution provider in the field of environment protection

## MISSION

To propagate and serve the cause of environment protection through technology and efficient management of resources

## VALUES

- Credibility
- Integrity
- Concern
- Co-operation

WEEE

# ECO RECYCLING LTD.



## DIRECTORS' REPORT

Dear Members,

Your Directors, have pleasure in presenting the Second Annual Report of your Company along with the Audited Accounts for the year ended 31st March, 2009.

### 1. FINANCIAL RESULTS

(Rs.in lacs)

	2008-2009
Total Income	477.46
Profit/(Loss) before, Interest, Depreciation and Tax	(42.49)
Less : Interest	1.75
Less: Depreciation	5.36
Net Profit/(Loss) before Tax for the year	(49.60)
Less : Fringe Benefit Tax	0.33
Less: Deferred Tax Liabilities / (Assets)	3.21
Net Profit/(Loss) after Tax	(53.13)
Balance carried to Balance Sheet	(53.13)

### 2. DIVIDEND

Since there was no profit and hence distribution of dividend has not been considered.

### 3. OPERATIONS & FUTURE PLANS

During the year ended 31.03.2009 turnover of the Company Rs. 477.46 lacs. This was the first year of operations of Eco Recycling Ltd and incidentally in this year only the E-waste Guidelines were made public by the authorities and e-waste was incorporated under the Hazardous Waste Management Rules. These were very welcome steps from the Government which will certainly have far reaching impact and changes in the approach of the generators while discarding e-waste.

Your Directors are pleased to inform you that during the year the company did a lot of awareness campaigns to promote organized recycling of electrical & electronic waste through print, radio & electronic media. The company also participated in various conferences, exhibitions & discussions relating to e-waste recycling and relevant topics. These participations will have far reaching impacts and enhance reputation of Ecoreco.

We are pleased to further inform you that during the year your company organized various events like E-waste Week, Donation Campaign for the benefits of blinds, distribution of Certificate of Appreciation, discussion on Responsible Recycling etc. with an object to create greater awareness amongst general public and corporate entities to promote systematic recycling of e-waste.

The Board is happy to share that during the year your company has been declared Winner of the 2008 Business Plan Competition by CII, NVI, WRI, British Consulate & US Aid, received Certificate of Most Innovative Technology from Municipalika 2009, received another certificate from Sankalp 2009 as High Impact Category, under Environment & Clean Energy and also Gold Medal from DST, FICCI & Lockheed Martin under their Technology Commercialization plan for 2009. We really thank all these Institutions for their kind recognition to our efforts to bring change in the e-waste recycling segment, for deploying the innovative technologies like mobile shredding facility for on site destruction of data devices, for business plan etc. We assure our shareholders that our efforts will continue to remain on for the betterment on all the fronts.

It may not be out of place to mention that, India generates close to 500,000 tons of e-waste annually and hence your company has tremendous scope to participate in this 2500 crore industry as the first mover. Over & above considering the present size, this industry has a potential to grow by 30% annually. On behalf of the Board of your company I solicit your continued support.

**Working for Environment, Ecology to Earn & serve**



#### 4. DIRECTORS

Mr. Deepak Nanda retires by rotation at the ensuing Annual General Meeting and being eligible himself for reappointment.

#### 5. DIRECTORS' RESPONSIBILITY STATEMENT

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation to material departures.
2. That we have 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 & Loss of the Company for that period.
3. That we have taken proper and sufficient care 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 detecting fraud and other irregularities.
4. That we have prepared the annual accounts on a going concern basis.

#### 6. AUDITORS

The Company's Auditors, M/s. Vedula Vijay And Ramanathan & Co. Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The members are requested to appoint the Auditors and fix their remuneration.

#### 7. COMPLIANCE CERTIFICATE

As required under Section 383 (A) (1) of the Companies Act 1956, Compliance Certificate from Company Secretary in Whole – Time Practice is attached herewith.

#### 8. PARTICULARS OF EMPLOYEES

There were no employees who were in receipt of remuneration aggregating to Rs. 1,200,000 or more p.a. if employed throughout the year under review or Rs. 100,000 p.m. if employed for part of the year under review.

#### 9. ADDITIONAL INFORMATION

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, require the disclosure of particulars regarding Conservation of Energy in Form A & Technology Absorption in Form B, prescribed by the Rules. Your Company, not being a manufacturing Company, and therefore Form A and Form B are not applicable.

#### 10. ACKNOWLEDGEMENTS

The directors of your company express its grateful appreciation for the support and co-operation received from banks, government authorities, clients and business associates.

Your Directors are happy to place on record their gratitude to the Company's employees at all levels for their dedicated efforts. The Directors are also thankful to the Shareholders for their continued valued support throughout the period.

Mumbai

18<sup>th</sup> June, 2009

Registered office:

205, Centre Point, Next to Kohinoor Hotel,

Andheri Kurla Road, Andheri (East)

Mumbai 400 059.

For and behalf of the Board of Directors

B K Soni

Chairman

## AUDITOR'S REPORT

To,  
The Shareholders of  
ECO RECYCLING LTD,  
MUMBAI.

1. We have audited the attached Balance sheet of ECO RECYCLING LTD as at 31st March 2009, Profit and Loss A/c and the cash flow statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have 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 financial statements are free of material statements. An audit includes, examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to comments in the Annexure referred to above, we report that:
  - a. We have obtained all the information's 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 accounts as required by law have been kept by the company so far as it appears from our examination of the books of accounts.
  - c. The Financial Statement dealt with by this Report are in agreement with the Books of Accounts.
  - d. In our opinion, the Balance sheet, the Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 subject to note no F of Schedule M.
  - e. On the basis of written representations received from the directors, as on 31st March 2009, and taken on record by the Board of Directors, We report that none of the directors of the Company is disqualified as on 31st March 2009, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
    - In case of the Balance sheet of the state of affair of the company as at 31st March, 2009;
    - In case of Profit & Loss account, of the Loss of the Company for the year ended on that date.
    - In case of the cash Flow Statement, of the cash flow of the Company for the year ended on that date.

FOR VEDULA VIJAY AND RAMANATHAN

Chartered Accountants

CA. S.Vedula

Partner

Membership No. 38150

Mumbai

June 18, 2009

## Annexure Referred to in paragraph 3 to the Auditors' Report

1. A) The Company has maintained proper records showing full particulars including quantitative details and situation of the Fixed Assets on the basis of information available.  
  
B) The fixed assets have been physically verified by the management as per a phased programme of verification. In our opinion the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
C) In our opinion, there was no significant disposal of fixed assets during the year to affect the going concern assumption.
2. A) The management has conducted physical verification of inventory at reasonable intervals during the year.  
  
B) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
C) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. A) The company has not granted any loans secured or unsecured to any company covered in the register maintained under section 301 of the Companies Act, 1956. Hence point no. (b), (c), & (d) are not applicable to the Company  
  
E) The company has taken loans from four companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 332.91 lacs and the year end balance is Nil.  
  
F) The rate of interest and other terms and conditions of loans taken by the company, are not prejudicial to the interest of the company.  
  
G) The company is regular in payment of the principal amount and interest.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit no major weakness has been observed in the internal controls.
5. A) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that all transactions that need to be entered in to the registers in pursuance of section 301 of the Act have been so entered.  
  
B) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of 5 Lacs in respect of such parties during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanation given to us, the Company has not accepted any public deposits within the meaning of sections 58 and 58AA of the Companies Act, 1956 and the rules framed there under.
7. In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
8. As informed to us, the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.

# ECO RECYCLING LTD.



9. A) The company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income – tax, Sales – tax, Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities during the year.  
B) According to the information and explanations given to us, there are no dues payable on account of disputes with regards to sales tax, income tax, Custom tax, wealth tax, excise duty, cess.
10. The company has accumulated losses Rs. 53,12,896 at the end of the financial year and it has incurred cash losses Rs. 41,64,750 in the current year.
11. According to the information and explanations given to us the company has not defaulted in repayment of dues to a financial institution or bank.
12. According to the information and explanations given to us the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not Chit fund or a Nidhi or Mutual benefit fund or society. Therefore the provisions of any special statutes are not applicable to the company.
14. According to the information and explanations given to us the company does not deal or trade in shares, securities, debentures and other investments and hence this clause is not applicable.
15. The company has not given any guarantee for loan taken by others from bank.
16. On the basis of records examined by us, we have to state that the company has Prima Facie applied the term loans for the purpose for which they were obtained.
17. In our opinion and overall examination of the Balance Sheet of the company, we report that no funds raised on Short term basis have been used for long term investment.
18. The company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under Section 301 of the Act.
19. The company has not issued any debentures.
20. The company has not raised any money through a public issue during the year.
21. Based on the audit procedures applied and information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

Mumbai  
June 18, 2009

FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

CA. S.Vedula  
Partner  
Membership No. 38150

## COMPLIANCE CERTIFICATE

**Nominal Capital: Rs.20,00,00,000**  
**Regn. No. of the Company: 11- 174266**  
**CIN: U74999MH2007 PLC 174266**

To  
**The Members ,**  
**Eco Recycling Limited**  
205, Centre Point, Next to Hotel Kohinoor,  
Andheri – Kurla Road, Andheri (East), Mumbai 400 059.

I have examined the registers, records, books and papers of the Eco Recycling Limited, (hereinafter referred to as Company) as required to be maintained under the Companies Act, 1956 and the Rules made there under as amended from time to time and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year from 1st April 2008 to 31st March 2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations given to me by the Company, its officers and agents, I certify that, in respect of the aforesaid financial year:

1. The Company as a Limited Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the Rules made there under and all entries therein have been fully recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Maharashtra, Mumbai, Regional Director, Company Law Board, Western Region, Mumbai, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under. .
3. The company is a Public Limited Company and is a subsidiary company of Infotrek Syscom Limited.
4. The Board of Directors duly met Seven (7) times during the year on the following dates on 19-04-2008, 25-04-2008, 30-06-2008, 31-07-2008, 30-08-2008, 25-10-2008, and 05-01-2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members and Share Transfer Books during the financial year.
6. The last Annual General Meeting was held on 30th September, 2008. The Statutory Meeting of the Company was held on 28th April, 2008.
7. The Company held an Extra Ordinary General Meeting on 29th January, 2009 during the financial year under review.
8. The Company has not advanced loans to its Directors or persons or firms or companies referred to under Section 295 of the Act. However, the company has taken loans from companies listed in the register maintained under section 301 of the Act.
9. The Company has not entered into contracts or arrangements falling within the purview of Section 297 of the Act.
10. The transactions made in pursuance of contracts or arrangements u/s. 297/299 of the Companies Act, 1956 have been generally entered in the Register maintained u/s 301 of the Act.
11. Since there were no instances of appointments falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
  - (i) Not effected any transfer/transmission of shares, however, allotment of 32000 Equity Shares of Rs.10/- each was made during the financial year under review after following due procedure prescribed under the Act.
  - (ii) Not declared any dividend during the financial year and hence not deposited any amount in a separate Bank Account;
  - (iii) Since not declared any dividend the Company was not required to post warrants to any member of the Company during the financial year;

- (iv) Since not declared any dividend no amounts in unpaid dividend account, no application money due for refund, matured deposits, matured debentures and the interest thereon have remained unpaid and hence no amount has been made to Investors Education and Protection Fund;
- (v) Duly complied with the requirements of Section 217 of the Act,
14. The Board of Directors of the Company is duly constituted and the appointment of Directors has been duly made.
15. The Company has not appointed any managing director or whole time Director.
16. The Company has not appointed any Sole Selling agent(s) during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such other authorities as prescribed under the various provisions of the Act, during the financial year under review.
18. The Directors have disclosed their interest in other firms / Companies, to the Board of Directors, pursuant to the provisions of the Act and the Rules made there under.
19. The company has issued 32000 Equity Shares but not issued any debentures or other securities during the financial year under review.
20. The Company has not bought back any shares in the financial year under review.
21. The Company has neither issued nor redeemed any Preference Shares during the financial year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares, pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58 (A), 58AA of the Act during the financial year under review.
24. The Company has not made any borrowings from Directors, Members, Public, Financial Institutions, Banks and others during the financial year ending 31st March 2009 in excess of the borrowing limits prescribed under Section 293(1) (d) of the Companies Act, 1956.
25. The Company has made loans or advances or investments or given guarantees or provided securities to other bodies corporate during the financial year under review and hence necessary entries have been generally made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's registered office during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to the Name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to the Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year under review.
31. There was / were no prosecution(s) initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year under review.
33. The Company has not established its Provident Fund pursuant to Section 418 of the Act and hence this is not applicable.

Mumbai.  
18<sup>th</sup> June, 2008.

Sd/-  
G.S. Jambekar  
Company Secretary

## ECO RECYCLING LTD.,

### ANNEXURE A

#### a. Statutory Registers.

1. Register of charges u/s 143. /Copies of Instruments for Creating /Modifying / Satisfying charge u/s 136.
2. Register of Members u/s 150 & Index of Members u/s 151.
3. Register and Returns u/s 163.
4. Minutes Books of Meetings u/s 193 & 196.
5. Books of Accounts u/s 209.
6. Register of Particulars of contracts in which Directors are interested u/s 301.
7. Register of Directors, Managing Director, Manager and Secretary u/s 303.
8. Register of Directors' Shareholding u/s 307
9. Register of investments or Loans made, Guarantee given or Security provided u/s.372A.
10. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960.

#### b. Other Registers

- a. Register of Directors' Attendance.
- b. Register of Shareholders Attendance.
- c. Register of Proxies.
- d. Register of Transfers.
- e. Register of Fixed Assets.

### ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the Financial Year ending on 31st March, 2009.

Sr. No.	Form No./Return	Filed u/s.	For	Date of filing	Whether Within prescribed time Y/N	If delay in filing whether requisite addl fee paid Y/N
1.	Form 2	Section 75	Return of allotment	21-04-2008	Y	N
2.	Form 23	192	Filing of Special Resolution	21-04-2008	Y	N
3.	Form 22	165	Statutory Returns	26-04-2008	Y	N
4.	Form 66	383A	Compliance Certificate	23-12-2008	N	Y
5.	Form 23 AC & 23 ACA	220	Balance Sheet & Profit & Loss Account for Y.E.31.03.08	23-12-2008	N	Y
6.	Form 20 B	159	Annual Return	30-12-2008	N	Y
7.	Form 23	192	Registration of Resolution	20-02-2009	Y	N
8.	Form 2	Section 75	Return of Allotment	20-02-2009	Y	N

# ECO RECYCLING LTD.



## BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds</b>			
Share Capital	A	116,666,000	79,488,300
Reserves & Surplus	B	0	0
		<u>116,666,000</u>	<u>79,488,300</u>
<b>Loans</b>			
Secured Loan	C	434,484	654,325
Unsecured Loan		0	1,602,621
<b>Defered Tax Liability</b>		320,667	0
<b>Total</b>		<u><b>117,421,151</b></u>	<u><b>81,745,246</b></u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	D	36,441,597	10,972,544
Less : Depreciation		535,877	0
Net Block		<u>35,905,720</u>	<u>10,972,544</u>
<b>Investments</b>			
Net Current Assets	E	24,500,000	24,500,000
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	F	2,066,247	0
Sundry Debtors		4,576	0
Cash and Bank balances		2,443,161	281,991
Loans and Advances		<u>47,387,977</u>	<u>43,285,522</u>
		51,901,961	43,567,513
Less : Current Liabilities & Provisions	G	<u>2,648,503</u>	<u>356,156</u>
		49,253,459	43,211,357
Miscellaneous Expenditure (to the extent not written off)		2,449,076	3,061,345
Profit & Loss Account Debit Balance		531,289	0
<b>Total</b>		<u><b>117,421,151</b></u>	<u><b>81,745,246</b></u>
Notes to Accounts	M		

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

B K Soni  
CMD

Deepak Nanda  
Director

Aruna Soni  
Director

Working for Environment, Ecology to Earn & serve



## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	Current Year 2008-2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>INCOME</b>			
Income from Operations	H	45,489,191	
Other Income	I	190,478	
Increase / (Decrease) in stock	J	2,066,247	
<b>Total</b>		<b>47,745,916</b>	<b>0</b>
<b>EXPENDITURE</b>			
Purchases	K	42,872,419	
Direct Expenses	L	5,213,326	
Administration & General Exp.	L	3,909,000	
<b>Total</b>		<b>51,994,745</b>	<b>0</b>
Profit/(Loss) Before Interest, Depreciation & Tax		(4,248,829)	0
Less : Depreciation		535,877	0
Profit/(Loss) Before Interest & Taxation		(4,784,706)	-
Interest		174,873	0
Profit/(Loss) Before Taxation		(4,959,579)	-
Less: Freinge Benefits Tax		32650	
Net Loss for the Year		(4,992,229)	0
Profit/(Loss) b/d from previous year		-	-
Add/(Less) : Provision for Deferred Tax Liability for current year		320,667	-
Loss C/f to Balance Sheet		(5,312,896)	-
Basic & Dilute EPS In paise (Face value of Rs.10 each)		(34)	0

Notes to Accounts

M

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

B K Soni  
CMD

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

Deepak Nanda  
Director

Aruna Soni  
Director

# ECO RECYCLING LTD.



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

	Current Year 2008-2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit/(Loss) before Tax and Extraordinary items	(4,959,579)	0
<b>Adjustments for:</b>		
Amortisation for Expenses	612,269	0
Depreciation	535,877	0
Interest income	(167,052)	0
Interest Paid	153,659	0
<b>Operating Profit /(Loss) before Working Capital Changes</b>	<b>(3,824,826)</b>	<b>0</b>
(Increase)/Decrease in Current Assets	(6,173,279)	(43,285,522)
Increase/(Decrease) in Current Liabilities	2,259,697	356,156
Cash Generated from Operating Activities	(7,738,408)	(42,929,366)
Less: Deferred Revenue Expenditure	0	(3,061,345)
<b>Net Cash Flow from Operating Activities</b>	<b>Total (A)</b> <u>(7,738,408)</u>	<u>(45,990,711)</u>
<b>B. Cash Flow from Investing Activities:</b>		
Addition to Fixed Assets	(25,469,053)	(10,972,544)
Interest Income	167,052	0
Sale/(Purchase) of Investment	0	(24,500,000)
<b>Cash Generated from Investing Activities</b>	<b>Total (B)</b> <u>(25,302,001)</u>	<u>(35,472,544)</u>
<b>C. Cash Flow from Financing Activities:</b>		
Issue of Equity Shares	37,177,700	79,488,300
Interest Expenses	(153,659)	0
Loan Borrowed/(Repayment)	(1,822,462)	2,256,946
<b>Cash Generated from Financing Activities</b>	<b>Total (C)</b> <u>35,201,579</u>	<u>81,745,246</u>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>Total (A+B+C)</b> <u>2,161,170</u>	<u>281,991</u>
Cash & Cash equivalent-Opening Balance	281,991	0
Cash & Cash equivalent-Closing Balance	<u>2,443,161</u>	<u>281,991</u>
Net Increase/(Decrease) in Cash/Cash Equivalent	<u>2,161,170</u>	<u>281,991</u>

As per our report of even date attached  
FOR VEDULA VIJAY AND RAMANATHAN  
Chartered Accountants

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

B K Soni  
CMD

Deepak Nanda  
Director

Aruna Soni  
Director

## SCHEDULES FORMING PART OF THE ACCOUNTS

	As at 31.03.2009 (Rupees)	As at 31.03.2008 (Rupees)
<b>SCHEDULE A: Share Capital</b>		
Authorised :		
1,00,00,000 Equity Shares of Rs 10/- each	200,000,000	200,000,000
Issued & Subscribed Capital		
4,867,000 Equity Shares of Rs 10/- each	148,670,000	148,350,000
Previous Year 14835000 Equity Shares of Rs.10/-)		
Paid-Up Capital:		
1311000 Equity Shares of Rs.10 each & 556000 Equity Shares of Re.1 each	113,110,000	71,837,000
183700 E.Shares of Rs.10 each & 651300 E.Shares of Re.1 each)	3,556,000	7,651,300
<b>Total</b>	<b>116,666,000</b>	<b>79,488,300</b>
<b>SCHEDULE B: Reserves &amp; Surplus</b>		
General Reserve	-	-
<b>Total</b>	-	-
<b>SCHEDULE C: Loans</b>		
Secured Loan		
Loan from ICICI Bank Ltd (Secured by Motor Vehicle)	434,484	654,325
Insecured Loan	-	1,602,621
<b>Total</b>	<b>434,484</b>	<b>2,256,946</b>

SCHEDULE D: Fixed Assets											(Amount in Rs.)	
Sr. No.	Particulars	Gross Block				Depreciation				Net Block		
		As on 1.4.2008	Additions	Deductions	As on 31.3.2009	Upto 31.3.2008	For the Year	Deduction	Upto 31.3.2009	As on 31.3.2009	As on 31.3.2008	
<b>(A)</b>	<b>Tangible assets</b>											
1	Shredder Machine	-	6,580,759		6,580,759	-	267,005		267,005	6,313,754	-	
2	Mobile Shredder	1,800,283	-		1,800,283	-	85,514		85,514	1,714,769	1,800,283	
3	Tata Truck LPT	912,939	-		912,939	-	103,254		103,254	809,685	912,939	
4	Tata Ace Truck	286,400	4,343		290,743	-	32,879		32,879	257,864	286,400	
5	Computers	-	40,769		40,769	-	6,146		6,146	34,623	-	
6	Hand Pallet Truck	25,000			25,000		2,828		2,828	22,172	25,000	
7	Furniture & Fixture	82,604	83,300		165,904		20,827		20,827	145,077	82,604	
8	Office Equipments	43,439	65,861		109,300		8,282		8,282	101,018	43,439	
9	Weighing Scale	65,730			65,730		9,142		9,142	56,588	65,730	
	<b>Total(A)</b>	<b>3,216,395</b>	<b>6,775,032</b>	<b>-</b>	<b>9,991,427</b>	<b>-</b>	<b>535,877</b>	<b>-</b>	<b>535,877</b>	<b>9,455,550</b>	<b>3,216,395</b>	
<b>(B)</b>	<b>Intangible Assets</b>											
1	Branding	-	17,067,690		17,067,690					17,067,690	-	
2	Research & Development	7,756,150	1,626,330		9,382,480					9,382,480		
	<b>Total(B)</b>	<b>7,756,150</b>	<b>18,694,020</b>	<b>-</b>	<b>26,450,170</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,450,170</b>	<b>-</b>	
	<b>Grand Total(A+B)</b>	<b>10,972,545</b>	<b>25,469,053</b>	<b>-</b>	<b>36,441,597</b>	<b>-</b>	<b>535,877</b>	<b>-</b>	<b>535,877</b>	<b>35,905,720</b>	<b>3,216,395</b>	
	<b>Previous Year</b>	<b>0</b>	<b>3,216,395</b>	<b>-</b>	<b>3,216,395</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,216,395</b>	<b>-</b>	

Note: Brand building is a continuous process and the management of the Company is of the opinion that such expenses should be amortised after appropriate time.

# ECO RECYCLING LTD.



	As At 31.03.2009		As At 31.03.2008	
	No. of shares	(Rupees)	No. of shares	(Rupees)
<b>SCHEDULE E: Investments</b>				
Unquoted Shares				
Sasistar Finance Pvt.Ltd.	215000	21500000	215000	21500000
Sanjay Chemical Pvt.Ltd	3,000	3,000,000	3,000	3,000,000
<b>Total</b>		<b>24,500,000</b>		<b>24,500,000</b>
<b>SCHEDULE F: Current Assets, Loans &amp; Advances</b>				
A. Inventories				
Electrical & Electronic Equipments		2,066,247		0
<b>Total (A)</b>		<b>2,066,247</b>		<b>0</b>
B. Debtors (Unsecured considered good)				
a. More than six months		0		0
b. Others		4,576		0
<b>Total (B)</b>		<b>4,576</b>		<b>0</b>
C. Cash & Bank balances				
Cash in Hand		591,422		191,468
Balance with Banks		1,851,739		90,523
<b>Total (C)</b>		<b>2,443,161</b>		<b>281,991</b>
D. Loans & Advances				
Advance Tax & TDS		36,781		0
Sundry Deposits		8,122,875		10,577,691
Other Advances		39,228,321		32,707,831
<b>Total (D)</b>		<b>47,387,977</b>		<b>43,285,522</b>
<b>Total (A+B+C+D)</b>		<b>51,901,961</b>		<b>43,567,513</b>
<b>SCHEDULE G: Current Liabilities &amp; Provisions</b>				
A. Current Liabilities :				
Creditors for Goods		2,927		0
Creditors for Expenses		2,612,926		356,156
<b>Total (A)</b>		<b>2,615,853</b>		<b>356,156</b>
B. Provisions				
For Fringe Benefit Tax		32,650		0
<b>Total (B)</b>		<b>32,650</b>		<b>0</b>
<b>Total (A+B)</b>		<b>2,648,503</b>		<b>356,156</b>

Working for Environment, Ecology to Earn & serve

# ECO RECYCLING LTD.



	Current Year 2008-2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>SCHEDULE H: Income from Operations</b>		
Sales(Recycled & Refurbished)	45,445,364	
Data Destruction Charges	43,827	
<b>Total</b>	<b>45,489,191</b>	<b>0</b>
<b>SCHEDULE I: Other Income</b>		
Misc Income	23,426	
Interest	167,052	
<b>Total</b>	<b>190,478</b>	<b>0</b>
<b>SCHEDULE J: Increase/(Decrease) in Stock</b>		
Closing Stock	2,066,247	
Less: Opening Stock	-	
	<u>2,066,247</u>	<u>0</u>
<b>SCHEDULE K: Purchases</b>		
Electrical & Electronic Equipments	42,872,419	
<b>Total</b>	<b>42,872,419</b>	<b>0</b>

# ECO RECYCLING LTD.



e-waste to the best

	Current Year 2008-2009 (Rupees)	Previous Year 2007-2008 (Rupees)
<b>SCHEDULE L</b>		
<b>(A) Direct Expenses</b>		
Clearing & Forwarding	642,943	
Electricity	108,400	
Store & Consumables	192,264	
Insurance Premium	147,109	
Salaries & Wages	849,136	
Professional Fees	52,600	
Rent for the facility	3,150,000	
Security services	150,613	
Repairs & Maintenance	93,261	
	<u>5,213,326</u>	<u>0</u>
<b>(B) Administrative &amp; General Expenses</b>		
Auditor's Remuneration	15,000	
Business Development	27,854	
Bank Charges	22,193	
Communication	132,633	
Preliminary Expenses written off	612,269	
Miscellaneous Expenses	181,561	
Printing & Stationery	130,534	
Professional Fees	690,346	
Registration charges	72,100	
Office Rent	1,200,000	
Repairs & Maintenance	29,282	
Salaries	393,898	
Service charges	23,447	
Staff Welfare	238,261	
Travelling & Conveyance	112,633	
Motor Car Expenses	26,990	
<b>Total</b>	<u>3,909,000</u>	<u>0</u>

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## SCHEDULE M : SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

### 1. Significant Accounting Policies:

- (a) Accounting convention & concepts:  
The financial statements are prepared under the historical cost convention, in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis, as adopted by the Company.
- (b) Fixed Assets  
Fixed assets are stated at cost less accumulated depreciation. Cost includes all identifiable expenditure to bring the assets to its present location and condition.
- (c) Depreciation  
Depreciation on fixed assets is provided on Straight Line Method on a pro – rata basis at the rates specified in the Schedule XIV to the Companies Act, 1956.
- (d) Investments  
Investments are classified as long term and are carried at cost
- (e) Foreign Exchange transaction:-  
Transactions in foreign currency are converted at the rates prevailing on the date of the transactions.
- (f) Inventories are valued at cost.
- (g) Branding Expenses: It is considered as intangible fixed assets and shown at cost.
2. Bank Guarantees of Rs.1,810,000/- issued by the State Bank of India, Andheri(E) in favor of The President of India through the deputy Commissioner of customs JNPT, is fully secured against the equal amount of the fixed deposit with the Bank.
3. As per the accounting standard 18 on "Related Party Disclosures" issued by the ICAI the related Parties of the company and nature of relationship are as follows:

RELATED PARTY	NATURE OF RELATIONSHIP
Brij Kishor Soni	Key Management Personnel
Aruna Soni	Director
Soni Securities Limited	Two Common Directors
B. K. Soni HUF	CMD Is Karta Of HUF
Infrotek Syscom Limited	Promoter & Holding Company

Nature and Volume of transactions carried out with the above related parties in the ordinary course of business for the year ended March 31, 2009. (Amount In Rs.)

Particulars	Related Person	Others
Rent	B. K. Soni (HUF)	Rs. 12,00,000 (Rs. 5,00,000)
Deposits	B. K. Soni (HUF)	(Rs. 60,00,000)

4. Additional information pursuant to the provisions of Paragraph 4b of Part II of Schedule VI to the Companies Act, 1956; as applicable

	(In Rs.) 2008-2009	(In Rs.) 2007-2008
<b>(a) AUDITORS' REMUNERATION :</b>		
Audit Fees	10,000	10,000
Tax Audit Fees	5,000	5,000
Total	<u>15,000</u>	<u>15,000</u>



# ECO RECYCLING LTD.



## (b) Quantitative Details in respect of purchase & sale of EEE:

	31.03.2009	
	Qty (In Tonnes)	Value (In Rupees)
Opening Stock	-	-
Purchase	1256,60	42,872,419
Sales	1196,04	45,445,364
Closing Stock	60,56	2,066,247

- Value of imports on C.I.F. Basis: Nil (Rs.1,633,927/-)
- In accordance with the accounting standard 20 on "EPS" issued by the ICAI:  
Net Profit/(Loss) after tax available to Equity Shareholders Rs. (49,92,229/-)  
Weighted average no. of Equity Shares outstanding at the end of the year 14861740.  
Basic & Diluted EPS Rs. (0.34)
- Deferred Income Tax :  
Deferred tax has been provided in accordance with the Accounting Standard 22- Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India . The deferred tax liabilities as on 31st March, 2009 amounting to Rs. 320,667/- is the difference between the book depreciation and tax depreciation.
- Previous year figures have been regrouped and rearranged wherever necessary to confirm to this year's classification.
- Balance Sheet abstract & Companies general business profile as required by Part IV Schedule VI to the Companies Act 1956 is enclosed in Annexure 'A'.
- There are no parties, which can be classified as small-scale undertakings to whom the company owes a sum exceeding Rs. 1 Lac, which is outstanding for more than 30 days.

## Signatories to schedule A to M

FOR VEDULA VIJAY & RAMANATHAN  
Chartered Accountants

CA. S.Vedula  
Partner  
Membership No. 38150  
Mumbai  
June 18, 2009

For and behalf of the Board

B K Soni (Chairman)  
Deepak Nanda (Director)  
Aruna Soni (Director)

# ECO RECYCLING LTD.



## ANNEXURE - A

Balance Sheet abstract and Company's general business profile as per Part IV Schedule VI of the Companies Act, 1956

### I. Registration Details

Registration No.	U74999MH2007PLC174266
State Code	11
Balance Sheet Date	31.03.2009

### II. Capital Raised during the year

(Amount Rs. in Thousands)

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

### III. Position of Mobilisation and Deployment of Funds

(Amount Rs. in Thousands)

Total Liabilities	117421
Total Assets	117421

#### Source of Funds

Paid-up Capital	116666
Reserves & Surplus	0
Secured Loans	434
Unsecured Loans	0
Deferred Tax Liabilities	321

#### Application of Funds

Net Fixed Assets	35906
Investments	24500
Net Current Assets	49253
Miscellaneous Expenditure	2449
Accumulated Losses	5313

### IV. Performance of the Company

(Amount Rs. in Thousands)

Total Income	47746
Total Expenditure	51995
Profit/(Loss) before Tax	(4249)
Profit/(Loss) after Tax	(4992)
Earnings per Share (Rs.)	(0.34)
Dividend Rate (%)	0

### V. Generic Names of Principal

Products / Services of the Company  
(As per monetary terms)

Item Code No.	
Product Description	E-Waste Recycling



Confederation of Indian Industry



USAID  
FOR THE AMERICAN PEOPLE



Urban High Commission

**INVESTOR 08**  
Forum


**This is to certify that**

**Eco Recycling Limited**

has been declared "Winner" of the 2008 New Ventures India Business Plan Competition.

*Andrew Aulisi*  
**Andrew Aulisi**  
Director  
Markets & Enterprises  
World Resources Institute

*S. Raghupathy*  
**S Raghupathy**  
Senior Director & Head  
CII-Godrej GBC



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**AWARD FOR EXCELLENCE  
GIVEN TO**

**ECO RECYCLING LTD**  
(MOST INNOVATIVE TECHNOLOGY)


IN APPRECIATION OF PARTICIPATION IN

**MUNICIPALIKA 2009.**

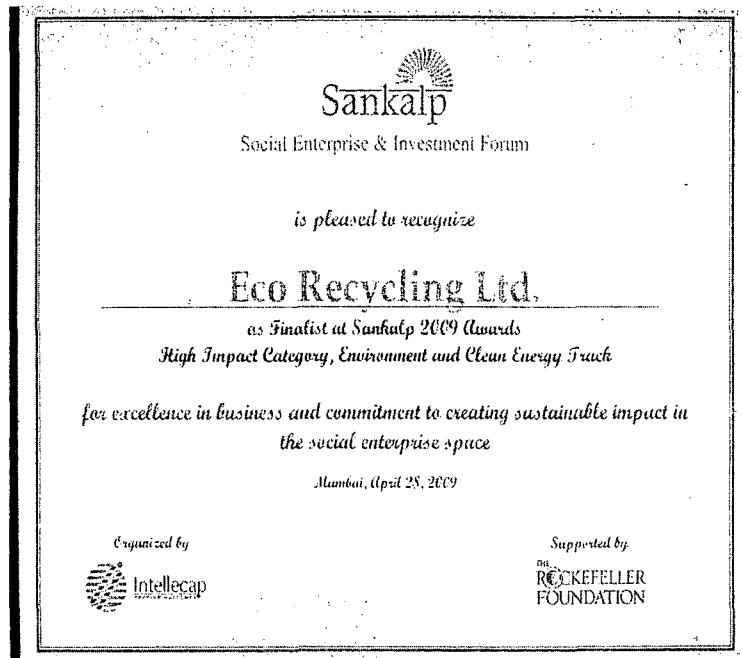
6TH INTERNATIONAL EXHIBITION ON

"MUNICIPAL SERVICES,  
URBAN DEVELOPMENT & PUBLIC WORKS"

*Sanjiv Agarwal*  
Sanjiv Agarwal  
Founder Trustee

Organized by  
  
Good Governance  
India Foundation

*V Suresh*  
V Suresh  
Advisor



# Global presence comes with its share of responsibilities; e-waste management

**Fulfil your Corporate Social Responsibility;** make sure your e-waste management system is complying with global environmental norms.

Electronic products often contain hazardous and toxic materials that pose environmental risks if they are land filled or incinerated, polluting our air and ground water. Make sure your company's e-waste management system is complying with global environmental norms!

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**Safe and secure destruction** of valuable confidential data



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Eco Recycling Limited

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If undelivered, please return to:  
Infotrek Syscom Ltd.  
Regd. Office: 205, Centre Point,  
Next to Kohinoor, J. B. Nagar,  
Andheri-Kurla Road, Andheri (East),  
Mumbai - 400 059.