



**NETLINK SOLUTIONS (INDIA) LIMITED**

**24<sup>th</sup> ANNUAL REPORT**

**2008-2009**



**24<sup>TH</sup> ANNUAL REPORT**

***BOARD OF DIRECTORS***

**MINESH V. MODI**

**Whole Time Director**

**RUPA M. MODI**

**Executive Director**

**YOGESH GIRNARA**

**Director**

**RAJENDRA LOKARE**

**Director**

**PREMNATH MISHRA**

**Director**

***BANKERS***

**HDFC BANK LIMITED**

***AUDITORS***

**K. U. KOTHARI & CO.**

**CHARTERED ACCOUNTANTS**

***REGISTERED OFFICE***

**507, LAXMI PLAZA,  
LAXMI INDUSTRIAL ESTATE,  
OFF NEW LINK ROAD,  
ANDHERI (W),  
MUMBAI – 400 053**

***REGISTRAR AND  
TRANSFER AGENT***

**ADROIT CORPORATE SERVICES PVT. LTD.  
19, JAFFERBHOY INDUSTRIAL ESTATE,  
MAKWANA ROAD,  
MAROL NAKA, ANDHERI (E),  
MUMBAI – 400 059**

# **NETLINK SOLUTIONS (INDIA) LIMITED**

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## **NOTICE**

NOTICE is hereby given that the **Twenty Forth Annual General Meeting** of the Members of **NETLINK SOLUTIONS (INDIA) LIMITED** will be held on Friday, 14<sup>th</sup> August, 2009 at 9.30 a.m. at the Registered office of the Company at 507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400053 to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2009, Profit and Loss account for the year ended 31<sup>st</sup> March 2009 and the reports of Directors and Auditors.
2. To appoint a Director in place of Mr. Premnath Mishra, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rajendra Lokare, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

**By Order of Board of Directors**

**Minesh Modi**  
**Whole Time Director**

Place : Mumbai  
Date : 10<sup>th</sup> June, 2009

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
3. Members are requested to notify immediately the change, if any, of the address registered with the Company.
4. The Register of Members and the Share Transfer Books of the company will be closed from Monday 10.08.2009 to 14.08.2009 (both days inclusive).
5. Members holding shares in electronic form may please note that as per the regulation of National Securities Depository Ltd.(NSDL) and Central Depository Services (India) Ltd.(CDSL), the Company is obliged to print the bank details on the dividend warrants as furnished by these Depositories to the Company and the Company cannot entertain any request for deviation/ change of bank details already printed on dividend warrants as per information received from the Concerned Depositories. In this regards members should contact their Depository Participants (DP) and furnish particulars of any changes desired by them.

**By Order of Board of Directors**

**Minesh Modi**  
**Whole Time Director**

Place : Mumbai  
Date : 10<sup>th</sup> June, 2009

# NETLINK SOLUTIONS (INDIA) LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting their 24<sup>th</sup> Report together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2009.

### Financial Performance:

	2008-09 Rs.	2007-08 Rs.
Total Income	5075730	26964723
Profit Before Depreciation and Tax	(662339)	20222245
Depreciation	309760	307635
Provision for Tax and F.B.T. Incl. Deferred Tax Liability	5267	2101425
Net Profit after Tax	(977366)	17813185
Short Provision for Tax	58100	83117
Balance Brought Forward	40620146	24278575
Amount available for Appropriation	39584680	42008643

Your Directors recommend appropriation as under

Proposed Dividend	—	1186800
Tax on Dividend	—	201697
Transfer to General Reserve	—	—
Surplus Carried Forward	39584680	40620146
Total Appropriation	39584680	42008643

### DIVIDEND

In view of the losses incurred during the year, the Board has not recommended any dividend.

### OVERVIEW

During the year the total Income of the Company has been Rs. 50,75,730 Lacs as compared to previous year total of Rs. 2,69,64,723 Lacs. Our company has faced a loss of Rs. 9,77,366 Lacs after cutting tax.

This year the company has faced a loss due to the crash in the stock market. As a matter of fact the company had to sell a few stocks in order to ensure that we do not incur heavy losses. As a conservative measure in view of the current losses, the company shall not be giving out dividends this year. It is the aim of the company to recover from these losses and to try and make profits this year so as to sustain growth. The main focus of the management is to ensure no further losses.

Growing over the past one year, Aditya Infotech has evolved as one of the leading Search Engine Marketing companies. The company's sound and successful Search Engine Marketing Principles has enabled to establish ourselves in the market today. The company has not only successfully solicited enquiries from world over but also completed several important international projects. In the financial year 2009 -2010 we plan to improve out technological ability so as to get a higher success rate.

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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The company has not only sustained but also strengthened its reputation as Smart Content Managers. The 8 portals- Electricals, Electronics, Herbs & Spices, Jewellery, Leather, Material Handling, Foods & Beverages and Automobiles, which had been launched last year, have also strengthened their reputation. Today [www.easy2source.com](http://www.easy2source.com) caters to one of the largest readerships online. Through 2009-2010 we intend to consolidate this position and also update ourselves in a way that keeps us in the leading position.

In the magazine division 'Gifts and Accessories' has continued to hold its own. It has fortified its position as the only B2B Trade Magazine in India based on Corporate Gifts and Stationery. The circulation of the magazine has increased substantially. Also, the name of the magazine is well known to most manufacturers, suppliers, and corporate sectors pan India.

Taking into consideration the current market scenario and pitfalls of the stock market scenario, the Treasury Management & Administration Division has decided to be cautious with the investments of the company. A conservative approach will be maintained. These changes shall help in sustaining the company's development.

With a conservative and determined approach we plan to continue development and investment in 2009- 2010.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE**

The particulars prescribed under clause (e) of sub-Section (1) of Section 217 of the Companies Act, 1956, read with the companies (Disclosure of particulars in Report of Board of Directors) Rule, 1988 are as follows:

#### **Conservation of Energy**

The company is not a manufacturing company and hence the details in respect of the above are not applicable.

#### **Research and Development**

The company has not undertaken any Research and Development activity in any specific area during the year under review, and hence no cost has been incurred towards same.

<b>Technology Absorption</b>	:	<b>Nil</b>
<b>Foreign Exchange Earning</b>	:	<b>Rs. 15,49,977</b>
<b>Foreign Exchange Outgo</b>	:	<b>Rs. 2,73,744</b>

### **DIRECTORS RESPONSIBILITY STATEMENT**

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

- a) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in the accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis.

# NETLINK SOLUTIONS (INDIA) LIMITED

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## DIRECTORS

In accordance with the Articles of Association of the Company, Mr. Premnath Mishra, and Mr. Rajendra Lokare, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment. Directors commend their re-appointment.

## DEPOSITS

The Company has not accepted any deposits and as such no amount of principal or interest was outstanding on the date of balance sheet.

## AUDITORS

M/s K U Kothari & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting of the Company. The Company has received a letter showing their willingness to act as the auditor of the Company if re-appointed by the members of the Company and have forwarded the eligibility certificate u/s 224 (1B) of the Companies Act 1956. Members are requested to consider the appointment of M/s K U Kothari & Co., Chartered Accountants at the forth coming Annual General Meeting of the Company.

## LISTING

The shares of the Company are listed on the Bombay Stock Exchange Limited. The Company is regular in complying with the provisions of the Listing Agreement entered into with the Stock Exchange.

## EMPLOYEES

During the year the company has not employed any person, which required disclosure under section 217 (2A) of the Companies Act, 1956 to be read with the Companies Particulars of Employees Rules, 1975, as amended.

## ACKNOWLEDGEMENT

Your Directors hereby place on record their appreciation and co-operation and support received from all the customers, vendors, banks and share transfer agent and thank them for their valuable contribution in the growth of the company.

Your directors thank all the shareholders of the company for their continued support.

Your directors also thank all the government agencies, The Software Technology Parks of India, Bombay Stock Exchange Limited, SEBI, The Registrar of Companies, Mumbai for their support during the year and look forward to their continued support in future.

For and on behalf of the Board of Directors

**Minesh Modi**  
WholeTime Director

**Rupa Modi**  
Executive Director

Mumbai  
Dated: 10<sup>th</sup> June, 2009

# NETLINK SOLUTIONS (INDIA) LIMITED

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## AUDITOR'S REPORT

### TO THE MEMBERS OF NETLINK SOLUTIONS (INDIA) LIMITED

We have audited the attached Balance Sheet of **NETLINK SOLUTIONS (INDIA) LIMITED** (formerly Known as VGR Construction Ltd.) as at 31<sup>st</sup> March 2009, the annexed Profit & Loss Account for the year ended on that date and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this Report. 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 & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government 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 & 5 of the said Order, to the extent applicable.

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

- a) We have obtained all the information and explanation, which to the best of our knowledge and the 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 appears from our examination of those books.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- d) In our opinion the Balance Sheet, Profit & 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, to the extent applicable.
- e) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 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 together with the Notes thereon gives the information required by the Companies Act, 1956 in the manner, so required and give a true & fair view in conformity with the accounting principles generally accepted in India:
  - I. In the case of Balance Sheet, of the state of the affairs of the Company as at 31<sup>st</sup> March 2009;
  - II. In the case of Profit & Loss Account, of the loss for the year ended on that date; and
  - III. In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date;

For **K. U. KOTHARI & CO.**  
Chartered Accountant

Place : Mumbai  
Dated : 10<sup>th</sup> June, 2009

**Prakash Chechani**  
(Partner)

## NETLINK SOLUTIONS (INDIA) LIMITED

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Annexure referred to the Auditor's Report to the Shareholders of NETLINK SOLUTIONS (INDIA) LIMITED on the accounts for the year ended 31<sup>st</sup> March, 2009.

1. In respect of its Fixed Assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The fixed assets were physically verified by the management during the year in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
  - (c) The company has not disposed off substantial parts of fixed assets during the year.
2.
  - (a) The physical verification of the inventory has been conducted at reasonable intervals by the management.
  - (b) The procedures of physical verification of inventory followed by the management are reasonable & adequate in relation to the size of the company & the nature of its business.
  - (c) The company is maintaining proper records of inventory & no material discrepancies were noticed on physical verification.
3. The company has neither granted nor taken any loans, secured or unsecured, to or from the companies, firms or other parties covered in the register maintained under section 301 the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of Computer Hardware and Software, Consumables, Plant & Machinery, Equipment and other assets. The activities of the company do not involve sale of goods.
5. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
  - (a) To the best of our knowledge and belief and according to the information and explanation given to us, transactions that needed to be entered into register have been so entered.
  - (b) In our opinion and according to the information and explanation given to us, in respect of transactions made in pursuance of the contracts or arrangements entered in the register maintained in pursuance of section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5 lakhs in respect of any party during the year 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 to which the provisions of Section 58 (A) and 58(AA) of the Companies Act, 1956 and the rules made there under would apply.
7. In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
8. We are informed that Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the companies Act, 1956 for any of the activities of the company.
9. Statutory and other dues :
  - (a) According to the records, information & explanation given to us, undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, sales tax, wealth-tax,



## NETLINK SOLUTIONS (INDIA) LIMITED

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service-tax, custom duty, excise duty, cess and other material statutory dues, wherever applicable, have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of aforesaid dues were outstanding as at the end of the year for a period of more than six months from the date becoming payable.

- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess outstanding on account of dispute.
10. The Company is not having any accumulated losses at the end of the financial Year. The company has incurred cash losses in the said financial year but not incurred cash losses in the financial year immediately preceding the said financial year;
  11. Based on our audit procedure and in the information & explanation given to us we are of the opinion that the company has not defaulted in repayment of dues to financial institutions and banks. The company has no debenture holders.
  12. In our opinion and according to the information & explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
  13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
  14. In our opinion, the company has maintained proper records of the transactions and contracts relating to dealing in shares and other investments and timely entries have been made there in. Further the company in its own name has held such securities.
  15. The company has not given any guarantee for loans taken by others from banks or financial institutions.
  16. The Company has not taken any loan during the year.
  17. According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, the company has not used the funds borrowed on short term basis for long-term investment and vice versa.
  18. During the year Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
  19. The Company has not issue any debentures during the years, nor did it have any outstanding debentures at the beginning of the year.
  20. The Company has not raised any money through a public issue during the year.
  21. In our opinion and according to the information and explanation given to us no fraud on or by the company has been noticed or reported during the year that caused the financial statement to be materially misstated.

For **K. U. KOTHARI & CO.**  
Chartered Accountant

Place : Mumbai  
Dated : 10<sup>th</sup> June, 2009

**Prakash Chechani**  
(Partner)

# NETLINK SOLUTIONS (INDIA) LIMITED

## BALANCE SHEET AS ON 31ST MARCH, 2009

SOURCES OF FUNDS	SCHEDULE	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>SHARE HOLDER'S FUNDS</b>			
Share Capital	A	29670000	29670000
Reserves & Surplus	B	40764488	41799954
Deferred tax Liability		189039	207359
	<b>Total</b>	<b><u>70623527</u></b>	<b><u>71677313</u></b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block		3097754	3076554
Less: Depreciation		<u>1186423</u>	<u>876663</u>
Net Block	C	1911331	2199891
<b>Investments</b>	D	34,811,046	64,164,075
<b>Current Assets, Loans &amp; Advances</b>			
Sundry Debtors	E	544407	672723
Cash & Bank Balance	F	4072229	1077682
Loans & Advances	G	<u>33015203</u>	<u>10226371</u>
		37631839	11976776
<b>Less: Current Liabilities &amp; Provisions</b>			
Current Liabilities	H	288631	281770
Provisions		<u>3519367</u>	<u>6484740</u>
		<u>3807998</u>	<u>6766510</u>
Net Current Assets		33823841	5210266
Miscellaneous Expenditure (To the extent not written off)			
Preliminary Expenses		77309	103081
	<b>Total</b>	<b><u>70623527</u></b>	<b><u>71677313</u></b>
Accounting policies & Notes to Accounts	M		

As per our report of even date attached  
For **K. U. KOTHARI & CO.**  
Chartered Accountants

Prakash Chechani  
(Partner)

Place : Mumbai  
Dated : 10-06-2009

For and on Behalf of the Board of Directors

**Minesh Modi**  
(Whole Time Director)

**Rupa M. Modi**  
(Executive Director)

# NETLINK SOLUTIONS (INDIA) LIMITED

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

INCOME	SCHEDULE	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
Software Development & Services		3001189	3714155
Advertisement Income		3908184	5050373
Subscription		57270	120592
Other Income	I	(1890913)	18079603
	<b>Total</b>	<b>5075730</b>	<b>26964723</b>
<b>EXPENDITURE</b>			
Cost of Services	J	1287674	2185344
Personnel Expenses	K	1584142	1704007
Operating & Administrative Expenses	L	1259801	1653127
Depreciation	C	309760	307635
Director's Remuneration		1606452	1200000
	<b>Total</b>	<b>6047829</b>	<b>7050113</b>
Profit before tax		(972099)	19914610
Provision for Income Tax & Fringe Benefit tax		23587	2106345
Provision for Deferred Tax Liability/(Deffered tax assets)		(18320)	(4920)
<b>Profit after tax</b>		<b>(977366)</b>	<b>17813185</b>
Less : Short Provision for Tax		58100	83,117
		(1035466)	17,730,068
Balance brought forward		40,620,146	24278575
<b>Amount available for Appropriation</b>		<b>39,584,680</b>	<b>42,008,643</b>
<b>Appropriations</b>			
Proposed Dividend		—	1186800
Tax on Dividend		—	201697
Balance carried to Balance Sheet		<b>39,584,680</b>	<b>40,620,146</b>
Basic and Diluted Earning per share of Re.1/- each		(0.03)	0.60
<b>Accounting Policies &amp; Notes to Accounts</b>	<b>M</b>		

As per our report of even date attached  
For K. U. KOTHARI & CO.  
Chartered Accountants

Prakash Chechani.  
(Partner)

Place : Mumbai  
Dated : 10-06-2009

For and on Behalf of the Board of Directors

**Minesh Modi**  
(Whole Time Director)

**Rupa M. Modi**  
(Executive Director)

# NETLINK SOLUTIONS (INDIA) LIMITED

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

	Year Ended	
	31.03.2009	31.03.2008
	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and Extraordinary Items	(972099)	19914610
Adjustments for :		
Profit on sale of Investments	2746748	(16,296,151)
Amortisation of Expenses	25772	25772
Depreciation	309760	307635
Dividend & Interest Received	(855,833)	(1,783,451)
<b>Operating Profit before working capital changes</b>	<b>1254348</b>	<b>2168415</b>
Adjustments for :		
Trade & other Receivables	(23,422,842)	(1,542,388)
Trade payables	6861	(102259)
<b>Cash generated from operations</b>	<b>(22,161,633)</b>	<b>523,768</b>
Direct taxes paid	896,237	1,769,104
<b>Cash flow before extraordinary items</b>	<b>(23,057,870)</b>	<b>(1,245,336)</b>
Excess provision for earlier years	—	—
<b>NET CASH (USED IN) / FROM OPERATING ACTIVITIES</b>	<b>(23057870)</b>	<b>(1,245,336)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to Fixed Assets (net)	(21,200)	—
Preliminary expenses	—	—
Dividend & Interest Received	855,833	1,783,451
Purchase of Investments (Net)	(26,606,281)	1,160,748
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>27,440,914</b>	<b>622,703</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital (net of issue expenses)	—	—
Dividend paid	1,186,800	2,076,900
Tax on Dividend Paid	201,697	320,881
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1,388,497</b>	<b>2,397,781</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>2,994,547</b>	<b>(3,020,414)</b>
Cash & Cash equivalents - Opening Balance	1077682	4098096
Cash & Cash equivalents - Closing Balance	4072229	1077682
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>2,994,547</b>	<b>(3020414)</b>

This is the Cash Flow referred to in our report of even date  
For **K. U. KOTHARI & CO.**  
Chartered Accountants

Prakash Chechani  
(Partner)

Place : Mumbai  
Dated : 10-06-2009

For and on Behalf of the Board of Directors

**Minesh Modi**  
(Whole Time Director)

**Rupa M. Modi**  
(Executive Director)

# NETLINK SOLUTIONS (INDIA) LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>SCHEDULE : A</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
3,00,00,000 Equity Shares of Re. 1/- each	30000000	30000000
<b>Total</b>	<b>30000000</b>	<b>30000000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
2,96,70,000 Equity Shares of Re.1/- each fully paid-up	29670000	29670000
<b>Total</b>	<b>29670000</b>	<b>29670000</b>
<b>SCHEDULE : B</b>		
<b>RESERVES &amp; SURPLUS</b>		
General Reserve	1,179,808	1,179,808
Profit and Loss Account - Balance	39,584,680	40,620,146
<b>Total</b>	<b>40,764,488</b>	<b>41,799,954</b>

SCHEDULE- "C"										
FIXED ASSETS										
(Amount in Rs.)										
Name of Asset	Gross Block				Depreciation				Net Block	
	As on 01.04.08	Additions During Year	Deletions During Year	As on 31.03.09	As on 01.04.08	For the Year	Deletions During Year	As on 31.03.09	As at 31.03.09	As at 31.03.08
Computers	507385	21,200	—	528585	328394	84372	—	412766	115819	178991
Office Equipments	20560	—	—	20560	3983	977	—	4960	15600	16577
Air conditioner	176845	—	—	176845	38187	8400	—	46587	130258	138658
Furniture & Fixtures	293594	—	—	293594	84893	18585	—	103478	190116	208701
Motor Car	2078170	—	—	2078170	421206	197426	—	618632	1459538	1656964
<b>TOTAL</b>	<b>3076554</b>	<b>21,200</b>	<b>—</b>	<b>3097754</b>	<b>876663</b>	<b>309760</b>	<b>—</b>	<b>1186423</b>	<b>1911331</b>	<b>2199891</b>
Previous Year	3076554	—	—	3,076,554	569028	307635	—	876,663	2199891	2507526

# NETLINK SOLUTIONS (INDIA) LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

### SCHEDULE : D

#### A) Current Investments (Quoted & Fully paid Equity Shares) at Cost

Name of the Company	As at	As at	As at	As at
	31.03.09 Quantity	31.03.09 Rupees	31.03.08 Quantity	31.03.08 Rupees
ADITYA BIRLA NUVO LTD	—	—	600	599,147
ALSTOM PROJECTS INDIA LTD	—	—	1,000	428,409
BAG FILMS LTD	—	—	12,000	369,753
BAJAJ AUTO LTD	—	—	286	387,477
BAJAJ HINDUSTAN LTD	20,000	1,487,228	—	—
BHARAT BIJLEE LTD	500	1,174,684	700	1,644,557
BHARAT ELECTRONICS LTD	—	—	759	852,962
BHARAT HEAVY ELECTRICALS LTD	—	—	842	590,348
BHARATI AIRTEL LTD	374	167,184	3,874	1,278,689
BIRLA CORPORATION LTD	—	—	4,695	966,310
GRASIM INDUSTRIES LTD	—	—	284	657,787
GREAT OFFSHORE LTD	—	—	1,538	475,350
GUJRAT NRE COKE LTD	9,240	1	—	—
HERO HONDA MOTORS LTD	—	—	1,750	1,090,081
HOUSING DEVELOPMENT FINANCE CORPORATION LTD	—	—	1,205	1,537,032
IDBI BANK LTD	10,000	1,797,480	10,000	1,797,480
IDFC LTD	—	—	5,000	988,379
IFCI LTD	50,000	1,021,530	15,000	777,585
INDIA INFOLINE LTD	5,000	1,570,873	1,000	1,570,873
J P ASSOCIATES LTD	—	—	3,000	771,393
KOTAK MAHINDRA BANK LTD	2,000	2,308,827	6,000	4,539,784
LARSEN & TOURBO LTD	1,000	2	1,237	1,185,784
PUNJ LLYOD LTD	3,000	235,853	—	—
RELIANCE CAPITAL LTD	1,500	2,616,187	1,500	2,616,187
RELIANCE COMMUNICATION VENTURE LTD	—	—	9,500	7,939,210
RELIANCE INDUSTRIES LTD	—	—	2,500	4,490,430
RESURGERE MINES & MINERALS INDIA LTD	17,000	4,479,372	—	—
STATE BANK OF INDIA	900	1,431,000	1,600	2,830,700
STERLITE INDUSTRIES LTD	—	—	2,000	2,119,304
SUNFLAG IRON & STEEL COMPANY LTD	87,000	2,223,224	100,000	2,431,139
TATA INVESTMENT CORPORATION LTD	1,000	391,542	1,000	391,542
THEMIS MEDICARE LTD	3,000	406,059	1,000	250,375

# NETLINK SOLUTIONS (INDIA) LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

### SCHEDULE : D

#### B) Quoted Units of Mutual Funds fully paidup

Name of the Company	As at 31.03.09 Quantity	As at 31.03.09 Rupees	As at 31.03.08 Quantity	As at 31.03.08 Rupees
BIRLA MIDCAP FUND — DIVIDEND OPTION	—	—	18,946.57	500,000
BIRLA SUNLIFE TAX RELIEF 96	5,713.31	1000000	5,713.31	1000000
FIDILITY EQUITY FUND — DIVIDEND REINVESTMENT	—	—	158943.77	2832587
K 30 — DIVIDEND OPTION	—	—	25,365.26	1000000
RELIANCE GROWTH FUND DIVIDEND OPTION	—	—	3,481.45	191828
RELIANCE EQUITY OPPURTUNITIES FUND — DIVIDEND PLAN	—	—	106,317.00	2061593
RELIANCE LONG TERM EQUITY FUND — DIVIDEND OPTION	—	—	100,000.00	1000000
<b>Total (A+B)</b>	<b>217,227</b>	<b>22,311,046</b>	<b>608,637</b>	<b>54,164,075</b>
<b>Market Value of quoted investments</b>				
Rs. 87,61,715 (Previous year				
Rs. 5,41,90,246-)				
<b>C) Joint share in Trust</b> (Business Excellence Trust)	—	12500000	—	10,000,000
<b>Total</b>	—	12500000	—	10,000,000
<b>Total (A+B+C)</b>	<b>217,227</b>	<b>34,811,046</b>	<b>608,637</b>	<b>64,164,075</b>

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
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### SCHEDULE : E

#### SUNDRY DEBTORS

(unsecured, considered good)

over six months old	—	51950
others	544407	620773
<b>Total</b>	<b>544407</b>	<b>672723</b>



# NETLINK SOLUTIONS (INDIA) LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>SCHEDULE : F</b>		
<b>CASH &amp; BANK BALANCE</b>		
Cash on Hand	75306	31960
<b>Bank balance with schedule Banks</b>		
On Current Account	3947015	995814
On Deposit Account	49908	49908
<b>Total</b>	<b>4072229</b>	<b>1077682</b>
<b>SCHEDULE : G</b>		
<b>LOANS &amp; ADVANCES</b>		
(Unsecured, considered good unless otherwise stated)		
Advances	25026697	46799
Deposits	4014890	4012630
Share Application with State Bank of India	—	1,431,000
Advance Tax	3973616	4735942
<b>Total</b>	<b>33015203</b>	<b>10226371</b>
<b>SCHEDULE : H</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities</b>		
Sundry Creditors	14023	66227
Advance from Customers	116,196	19601
Others Liabilities	158412	195942
<b>Total (A)</b>	<b>288631</b>	<b>281770</b>
<b>Provision</b>		
Provision for Taxation	3519367	5096243
Proposed Dividend	—	1186800
Provision for Tax on Dividend	—	201697
<b>Total (B)</b>	<b>3519367</b>	<b>6484740</b>
<b>SCHEDULE : I</b>		
<b>OTHER INCOME</b>		
Profit on sale of Investments	(2746748)	16296151
Dividend	609958	1755013
Interest	245875	28438
Misc income & Bonus Shares	2	1
<b>Total</b>	<b>(1890913)</b>	<b>18079603</b>

# NETLINK SOLUTIONS (INDIA) LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<b>SCHEDULE : J</b>		
<b>COST OF SERVICES</b>		
Website Expenses	274264	341061
Internet Charges	25017	33875
Paper Consumption	479542	1000441
Packing Material	—	17341
Printing Jobwork Charges	508851	792625
<b>Total</b>	<b>1287674</b>	<b>2185344</b>
<b>SCHEDULE : K</b>		
<b>PERSONNEL EXPENSES</b>		
Salaries & Bonus	1565059	1676951
Staff Welfare	19083	27056
<b>Total</b>	<b>1584142</b>	<b>1704007</b>
<b>SCHEDULE : L</b>		
<b>OPERATING &amp; ADMINISTRATIVE EXPENSES</b>		
Bank Charges	16824	8275
Commission	48000	205800
Electricity Charges	96110	134090
Society Maint. Charges & Muncipal tax	82580	96561
Courier charges	167135	215303
Repair & Maintence Other assets	10969	41227
Advertisement Expenses	51357	77337
Auditor's Remuneration — Audit Fees	39708	
Income Tax Matters	6067	
Tax Audit Fees	13236	
Listing & Other Fees	65999	47989
Travelling & Conveyance Expenses	51652	68223
Insurance Expenses	32514	56992
Legal & Professional expenses	168371	175881
Motor Car expenses	17639	35370
Telephone Expenses	73998	117822
Miscellaneous / Office Expenses	10277	3613
Printing & stationery expenses	105509	75144
Rate difference/Discount	9209	—
Excess Tds	—	1934
Preliminary Expenses Written off	25772	25772
Share Dealing Expenses & Demat Charges, Stt	166875	211862
<b>Total</b>	<b>1259801</b>	<b>1653127</b>

# NETLINK SOLUTIONS (INDIA) LIMITED

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## SCHEDULE 'M' : NOTES TO ACCOUNTS

### 1) Significant Accounting Policies;

#### a) Basis of Preparation of Financial Statements

The financial statements are prepared on the historical cost convention basis in accordance with the generally accepted accounting principles and the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.

#### b) Revenue Recognition

Income and Expenditure are recognized and accounted on accrual basis.

#### c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include estimate of useful life of fixed assets. Actual result could differ from estimates.

#### d) Investments

Investments are valued at cost of acquisition which includes brokerage, fees and related costs.

Investments are carried at lower of cost and quoted / fair value, computed category wise. There is no diminution in value of investments as the market value of investments is more than the cost price as on balance sheet date. However the investments are valued at cost. Profit on sale of investments are calculated on first in first out basis as per the Income Tax Act.

#### e) Depreciation

Depreciation is provided on Straight Line Method at the rates prescribed in the Companies Act, 1956.

#### f) Foreign Currency

Transaction in foreign currency are recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange likely to be realised from the resultant gain or loss is recognised in the Profit and Loss account to sales account.

#### g) Direct Taxes

Provision for Current Tax is made and retained in the accounts on the basis of tax liability as per the applicable provisions of the Income Tax Act, 1961. Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date.

#### h) The figures for the previous year have been regrouped, rearranged, wherever necessary, so as to make them comparable with those for the current year.

### 2) Contingent liabilities not provides for :

Income tax demand & disputes pending before appellate authorities Rs. Nil (Previous Year Rs. Nil-)

### 3) The deferred tax liability has been accounted by using the tax rates announced in the Finance Bill, 2005 in accordance with Accounting Standard 22 issued by The Institute of Chartered accountant of India.

## NETLINK SOLUTIONS (INDIA) LIMITED

4) Related party disclosures (as identified by the Management) as required by Accounting Standard 18 are given below:

a) Names of related parties and description of relationship.

- (i) Key Management Personnel & their relatives  
 (1) Mr. Minesh V. Modi            Whole time director  
 (2) Ms. Rupa M. Modi            Director
- (ii) Relative of Key Management Personnel :- Nil
- (iii) Other related parties where common control exists  
 (1) Aditya Fincap Private Limited.

b) Related party transactions.

Nature of Transaction	Key Management Personnel Rs.	Relative of Key Management Personnel Rs.	Other related party with common control Rs.
Lease Deposit	40,00,000 (P. Y. 40,00,000)	Nil (P. Y. Nil)	Nil (P. Y. Nil)
Director' Remuneration	16,06,452 (P. Y. 12,00,000)	Nil (P. Y. Nil)	Nil (P. Y. Nil)

5) Earning per share :	2008-09 (Rs)	2007-08 (Rs)
Profit after tax (Numerator used for calculation)	(1035466)	17730068
Weighted Avg. No. of shares (Denominator used for calculation)	29670000	29670000
Basic & diluted earning per share	(0.03)	0.60

6) Segment Reporting :

a) Information about Business Segment (for the year 2008-09) : (Rs. In lakhs)

PARTICULARS	Software Development	Info Media	Treasury	Total
<b>REVENUE</b>				
Total Revenue	30.01	39.66	(18.91)	50.76
<b>RESULTS</b>				
Profit / (loss) before tax	20.32	17.45	(20.60)	17.17
Less: Unallocated Exp.				26.89
Total Profit before Tax				(9.72)
Provision for Tax				
Current				0.24
Deferred				(0.18)
Short provision for tax				0.58
Profit for the year After Tax				(10.35)
<b>OTHER INFORMATION</b>				
Capital Employed (Segment Asset-Segment Liabilities)	2.76	3.48	386.79	393.03
Unallocated				310.54
<b>Total</b>				<b>703.57</b>

# NETLINK SOLUTIONS (INDIA) LIMITED

## 6) Segment Reporting :

(b) Information about Business Segments (for the year 2007-08) :

(Rs. In lakhs)

PARTICULARS	Software Development	Info Media	Treasury	Total
<b>REVENUE</b>				
Total Revenue	37.14	51.71	180.80	269.65
<b>RESULTS</b>				
Profit / (loss) before tax	22.47	22.16	178.67	223.30
Less: Unallocated Exp.				24.15
Total Profit before Tax				199.15
Provision for Tax				
Current				21.06
Deferred				(0.05)
Short provision for tax				0.83
Profit for the year After Tax				177.30
<b>OTHER INFORMATION</b>				
Capital Employed	3.00	6.69	663.55	673.24
(Segment Asset-Segment Liabilities)				
Unallocated				40.43
<b>Total</b>				<b>713.67</b>

## Geographical Segment :

The company operates in a single Geographical Segment, as all the establishments of the company are located in India only.

## 7) Additional Information pursuant to para 3, and 4D of part II or Schedule VI the Companies Act 1956

### (i) Quantitative Details :

Finished Goods (Magazines)	Current Year		Previous Year	
	Qty	Rs.	Qty	Rs.
Manufactured				
Magazines & Show Directory	13000	—	41000	—
Sale				
Magazines & Show Directory	13000	57270	41000	120592
(Sale qty includes magazine distributed free of cost)				

### (ii) Consumption of Raw materials (all Indigenous)

Paper				
Card Paper (Magazine)	4350 (sheet)	38524	10729.5 (sheet)	67062
Art Paper (Magazine)	256 (Rms)	441018	608 (Rms)	933379
Total (For Magazine)		<b>479542</b>		<b>1000441</b>

## NETLINK SOLUTIONS (INDIA) LIMITED

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<b>8) Earning in foreign Exchange :</b>	<b>2008-09</b>	<b>2007-08</b>
	(Rs)	(Rs)
Income from software deve. & services	1262918	1626922
Advertisement Income	287059	90000
<b>9) Expenditure in foreign Exchange :</b>		
Website & internet Exp.	273744	327881
<b>10) None of the directors and/or employees are receiving salary either for part of the year or for the full year in excess of limit prescribed u/s. 217 (2A) of the Companies Act.</b>		
Minesh Modi                      Whole time director		1,200,000
Rupa Modi                         Director		406,452
<b>11) Auditors Remuneration includes :</b>	<b>2008-09</b>	<b>2007-08</b>
Statutory Audit Fees	36000	36000
Tax Audit Fees	12000	12000
Tax Matters	5500	—
Service Tax	5511	5933
	<u>59011</u>	<u>53933</u>

# NETLINK SOLUTIONS (INDIA) LIMITED

## 11) Additional information as required under Part IV of Schedule VI of the Companies Act, 1956.

### Balance Sheet abstract and Company's General Business Profile

<b>I. Registration Details</b>	
Registration No.	34789
State Code	11
Balance Sheet Date	March 31, 2009
<b>II. Capital raised during the year</b>	
Public Issue	—
Rights Issue	—
Bonus Issue	—
Private Placement	—
<b>III. Position of mobilisation and deployed of funds</b>	
Total Liabilities	74431525
Total Assets	74431525
<b>A Sources of Funds</b>	
Paid — up Capital	29670000
Reserves & Surplus	40764488
Secured Loans	—
Unsecured Loans	—
Deferred Taxes	189039
<b>B Application of Funds</b>	
Net Fixed Assets	1911331
Investment	34811046
Net Current Assets	33823841
Miscellaneous Expenditure	77309
Accumulated Losses	—
<b>IV. Performance of the Company</b>	
Total Income	5075730
Total Expenditure	6047829
Profit before tax	(972099)
Profit after tax	(1035466)
Earning Per Share (Rs.)	(0.03)
Dividend Rate	—
Dividend, if any :	
On Preference Shares :	—
On Equity Shares :	—
<b>V. Generic Names of Principal products,</b>	<b>Computer Software Website</b>
Item code No. (ITC Code)	<b>designing &amp; Infomedia</b>

As per our report of even date attached  
For **K. U. KOTHARI & CO.**  
Chartered Accountants

Prakash Chechani  
(Partner)

Place : Mumbai  
Dated : 10-06-2009

For and on Behalf of the Board of Directors

**Minesh Modi**  
(Whole Time Director)

**Rupa M. Modi**  
(Executive Director)

# NETLINK SOLUTIONS (INDIA) LIMITED

Registered Office : 507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400 053.

## ATTENDANCE SLIP

(Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall)

I, hereby, record my presence at the 24<sup>th</sup> Annual General Meeting of the company to be held on Friday, the 14<sup>th</sup> August, 2009 at 507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400 053 at 9.30 a.m.

Folio No : \_\_\_\_\_

No. of shares held \_\_\_\_\_

Full name of the member / proxy : \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_ Please cut here and bring the above attendance slip at the meeting \_\_\_\_\_

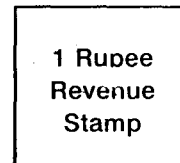
# NETLINK SOLUTIONS (INDIA) LIMITED

Registered Office : 507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400 053.

## PROXY FORM

I / We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/members of the above named company, hereby appoint \_\_\_\_\_ of or failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our Proxy to vote for me/us on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the company to be held on Friday, the 14<sup>th</sup> August, 2009 at 507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400 053 at 9.30 a.m.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009



Signature \_\_\_\_\_

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



BOOK - POST

TO,

If undelivered, please return to:

**NETLINK SOLUTIONS (INDIA) LIMITED**

507, Laxmi Plaza, Laxmi Industrial Estate,

New Link Road, Andheri (W),

Mumbai - 400 053.

SUVARNA PRINTS - 98213 36098