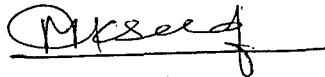


**14th**  
**Annual Report 2008-09**

**STARCOM**  
**INFORMATION TECHNOLOGY LIMITED**

*(Formerly known as Jatia Finance Limited)*

For STARCOM INFORMATION TECHNOLOGY LTD.



DIRECTOR / AUTHORISED SIGNATORY

# STARCOM INFORMATION TECHNOLOGY LIMITED

(Formerly known as Jatia Finance Limited)

## 14th Annual Report 2008-09

### Board of Directors:

Mr. Mahesh Saraf - Chairman & Managing Director  
Mr. Yogesh Singhania  
Mr. Pramod Kumar Sanganeria

### Registered Office:

315, Corporate Avenue, Sonawala Road,  
Goregaon (East), Mumbai - 400 063.  
armsfin@gmail.com

### Auditors:

M/s. Singrodia Goyal & Co.,  
Chartered Accountants

### Bankers:

Kotak Mahindra Bank Ltd.  
Bank of India Ltd.  
HDFC Ltd.

### Registrar & Share Transfer Agent:

Purva Sharegistry (India) Private Limited  
9, Shiv Shakti Industrial Estate, J.R. Boricha Marg,  
Opp. Kasturba Hospital, Lower Parel (East),  
Mumbai - 400 011

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## NOTICE

Notice is hereby given that the Fourteenth Annual General Meeting of the members of **STARCOM INFORMATION TECHNOLOGY LIMITED** (earlier known as **JATIA FINANCE LIMITED**) will be held as under:

Day, Date & Time : Wednesday, 30<sup>th</sup> September, 2009 at 10.00 a.m.  
Place : 315, Corporate Avenue, Sonawala Road,  
Goregaon (East), Mumbai - 400 063.

to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended as on that date and the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mahesh Saraf who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint the Auditors of the Company and to fix their remuneration.

“RESOLVED THAT M/s. Singrodia Goyal & Co., Chartered Accountants, the retiring Auditors of the Company be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a Remuneration as may be fixed by the Board of Directors.”

For and on behalf of the Board of Directors  
Starcom Information Technology Limited

*Mahesh Saraf*  
Chairman & Managing Director

Mumbai, 27th July, 2009

Regd. Office:

315, Corporate Avenue, Sonawala Road,  
Goregaon (East), Mumbai - 400 063.

## NOTES:

1. A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23<sup>rd</sup> September, 2009 to Wednesday, 30<sup>th</sup> September, 2009 (both days inclusive).
3. Members are requested to notify the changes, if any, in their address to the Company's Share Transfer Agent, Purva Sharegistry (India) Private Limited immediately, in respect of their physical shares if any, quoting their folio numbers and to their Depository Participants (DPs) in respect of their electronic share accounts.
4. Members / proxies are requested to bring their copies of Annual Report at the annual general meeting.
5. Corporate Members are requested to send a duly certified copy of the Board resolution authorising their representatives to attend and vote at the Annual General Meeting.
6. Members/Proxies should fill the Attendance Slip for attending the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members holding shares in same / identical name(s) under different folios are requested to apply for consolidation of such folio and relevant share certificate.
9. Members who hold shares in electronic form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting. Members are requested to bring their attendance slip along with their copy of the annual report to the meeting.
10. Members desiring any information as regards the accounts are requested to write to the Company atleast 7 days before the date of the meeting, so as to enable the management to keep the information ready.
11. The Equity Shares of the Company are listed at Bombay Stock Exchange Limited and Ahemdabad Stock Exchange Limited and the Company has paid requisite annual listing fees for the year 2009-2010 to the Exchanges.
12. As required under Clause 49(IV)(F) of the Listing Agreement, given below are the details of the Directors seeking appointment/reappointment:

At the ensuing Annual General Meeting Mr. Mahesh Saraf- Managing Director, retire by rotation and being eligible offer himself for re-appointment.

A brief resume of Director retiring by rotation and seeking re-appointment at the ensuing Annual General Meeting, are as follows:

Mr. Mahesh Saraf is a Chartered Accountants and has around 18 years of experience field of Audit, Accounts, Finance and Financial Consultancy. He is a Chairman cum Managing Director and Promoter of our Company and also a member of Audit Committee of the Board of Directors of the Company. He is not a Director of any other public limited company.

For and on behalf of the Board of Directors  
Starcom Information Technology Limited

*Mahesh Saraf*  
Chairman & Managing Director

Mumbai, 27th July, 2009

Regd. Office:

315, Corporate Avenue, Sonawala Road,  
Goregaon (East), Mumbai - 400 063.



## DIRECTORS' REPORT

To  
The Members,  
Your Directors have pleasure in presenting the Fourteenth Annual Report of your Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2009.

(Rs. in Lacs)

Financial Results	For the year ended 31st March, 2009	For the year ended 31st March, 2008
Income/(Loss)	87.80	33.89
Profit / (Loss) for the year	(8.69)	8.15
Add / Less: Profit / Loss brought forward from previous year	14.50	6.34
Balance carried forward to Balance Sheet	5.81	14.50

### DIVIDEND:

Due to Loss , your Directors do not recommend any dividend for the year under review.

### OPERATIONS & PROSPECTS:

Total income for the year under review was 87.80 lacs as compared to 33.89 lacs in the previous year. This year Company has incurred loss of Rs.8.69 lacs as compared to profit of Rs.8.15 lacs previous year. This was due to slow down of world wide economy and financial crises which affected India too. The Company has stopped financial activities and diversified in to the Information Technology business.

### CHANGE OF OBJECTS AND NAME OF THE COMPANY:

The Company has changed its main objects from financial activities to Information Technology development business and also changed its Name from Jatia Finance Limited to Starcom Information Technology Limited. The approval of shareholders were taken through Postal Ballot and result of Postal Ballot were announced in the Board Meeting held on 19<sup>th</sup> November, 2008. Ministry of Corporate Affairs i.e. Registrar of Companies, Mumbai has approved the Change of Object and Name of the Company.

The Company has also applied to the Reserve Bank of India for cancellation of its Certificate of Registration as Non Banking Financial Company.

### FIXED DEPOSITS:

The Company has not accepted any fixed deposits from the public during the year under review.

### DIRECTORS:

Mr. Mahesh Saraf, Managing Director of the Company will retire by rotation at the ensuing Annual General meeting and being eligible, offer himself for reappointment.

Mr. Anil Raika resigned as Director of the Company with effect from 24<sup>th</sup> January, 2009. The Board places on record its appreciation of the services rendered by Mr. Anil Raika during his tenure as Director of the Company

### DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to the Director's Responsibilities Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2009, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and

estimates that were 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 Loss of the company for the year under review;

- (iii) That the Directors had 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 for preventing and detecting fraud and other irregularities;
- (iv) That the Directors had prepared the accounts for the financial year ended 31<sup>st</sup> March, 2009 on a 'going concern' basis.

#### **PARTICULARS OF EMPLOYEES:**

Pursuant to Section 217(2A) of the Companies Act, 1956, the Directors have to inform that there was no such employee as mentioned in the section.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

The Company is not engaged in business of any kind of manufacturing activities. Therefore information required to be given pursuant to section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, does not apply to the company. The foreign exchange earning and outgo during the year is nil.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, is given as a separate statement in the Annual Report.

#### **CORPORATE GOVERNANCE:**

As the Company does not have a CEO/CFO at present, the certification as required under Clause 49(V) of the Listing Agreement is given by Mr. Mahesh Saraf - Chairman & Managing Director of the Company. A separate section on Corporate Governance forms part of the Annual Report. A certificate regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement forms part of the Annual Report.

#### **AUDITORS:**

M/s. Singrodia Goyal & Co., Chartered Accountants, Statutory Auditors of the Company will retire on conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished a certificate to the effect that their proposed appointment, if made, will be in accordance with the limits specified under section 224(1-B) of the Companies Act, 1956. Members are requested to consider their reappointment as Auditors for the financial year ending 31<sup>st</sup> March 2010 at a remuneration to be decided by your Board of Directors or any Committee thereof.

#### **ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation of banks and shareholders for their continued support. Your Directors also wish to place on record their appreciation of the contribution made by employees at all levels to the continued growth and prosperity of the Company.

By order of the Board of Directors

Mahesh Saraf  
Chairman & Managing Director

Mumbai, 27<sup>th</sup> July, 2009

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(It forms part of Directors' Report)

The year under review has been a good year for your Company. Management Discussion and Analysis Report on the business of the Company as applicable and to the extent relevant is given below:

### INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian economy, by virtue of its strong macroeconomic fundamentals, has been one of the fastest growing & emerging economies of the world. Despite of global financial crisis in the US and several European countries leading to bankruptcy of some of the major financial institutions which threatened the world financial system, India continued to grow at an impressive rate of 6.7% in the fiscal year 2008-09, albeit at a slower pace compared to earlier years. The Company has diversified its business from financial to Information Technology business and is searching for better opportunities in the new field.

### OPPORTUNITIES AND THREATS:

During the year under review, the Company's operation mainly consisted of trading in shares and lending of Money. World wide economic slow down and worst economic condition affected company's business also. The Company has diversified its business into information technology and the Management is looking out various opportunities to start new business at the earliest.

### RISK AND CONCERNS:

It is difficult to assess the risk involved in the business. It is always the intention of the management to minimize the risk involvement with proper analysis and market study, internal control and system.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company maintains an ideal internal control system in every area of its operation.

### OPERATIONAL PERFORMANCE:

In the first half of the Year the company had focused on Money lending and stock market activities, but due to the economic crisis all the financial activities were stopped, with the primary concern of protecting shareholders capital, also it applied for the surrender of NBFC Licence. The Company is searching for better prospects in the Information Technology business and hopeful to obtain satisfactory results in the coming year under review

### HUMAN RESOURCES AND INDUSTRIAL RELATION:

The Company has considered its human resources as the most valuable ingredient of the functioning of the Company and utmost endeavor is made to maintain good relation with the employees at all levels.

### CAUTIONARY STATEMENT:

Statement in this "Management Discussion and Analysis" may be considered to be "forward looking statements" within the meaning of applicable securities laws or regulations. This statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

## CORPORATE GOVERNANCE REPORT

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company has been practicing the principles of good corporate governance over the years. The Company is committed towards protection and enhancement of overall long-term value for all our stakeholders -shareholders, investors, customers, lenders and employees. The Company has complied with the recommendations of the code of corporate governance. Your Company is also committed to adherence to highest standards of corporate governance both in letter and in spirit.

### II. BOARD OF DIRECTORS:

The present composition of the Board is in conformity with the listing requirements. The Board comprises three members and more than 50% are Non Executive & Independent Directors as under :

Director	Executive / Non- Executive / Independent
Mr. Mahesh Saraf	Chairman & Managing Director & Promoter
Mr. Yogesh Singhania	Non Executive & Independent
Mr. Pramod Kumar Sanganeria	Non-Executive & Independent

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at last Annual General Meeting and also the number of Directorship and Committee membership held by them in other Companies are given below:

FY 2008 -09 (April'08 to March'09)

Name of the Director	Category	Attendance Particulars		No. of other Directorships and Committee Membership/Chairmanship in other Indian Public Limited Company as on 31-03-2009		
		Board Meeting	Last AGM	Other Directorship	Committee Memberships	Committee Chairmanships
Mr. Mohan Lal Jatia*	C & NE	1	No	N.A	N.A	N.A
Mr. Sanjay Jatia*	NE	1	No	N.A	N.A	N.A
Mr. Jitendra Tibrewala *	NE & ID	1	No	N.A	N.A	N.A
Mr. Yogesh Singhania	NE & ID	18	Yes	Nil	Nil	Nil
Mr. Mahesh Saraf **	C & E	18	Yes	Nil	Nil	Nil
Mr. Anil Raika **/#	E	17	Yes	N.A.	N.A.	N.A.
Mr. Pramod Kumar Sanganeria **	NE & ID	18	Yes	Nil	Nil	Nil

C - Chairman, E - Executive, NE - Non Executive Director , NE & ID - Non Executive & Independent Director

\* Resigned as Director w.e.f. 8<sup>th</sup> April, 2008

\*\* Appointed as Additional Director w.e.f. 8<sup>th</sup> April, 2008

# Resigned as Director w.e.f. 24<sup>th</sup> January, 2009

Only the two committees viz. the "Audit Committee" and the "Shareholders'/Investor' Grievance/Share Transfer Committee" have been Considered.

#### b) Meetings of the Board of Directors:

During the Financial year 2008-09, Eighteen (18) Board Meetings were held on the following dates:



8<sup>th</sup> April 2008, 11<sup>th</sup> April 2008, 17<sup>th</sup> April 2008, 25<sup>th</sup> April 2008, 30<sup>th</sup> June 2008, 3<sup>rd</sup> July 2008, 7<sup>th</sup> July 2008, 31<sup>st</sup> July 2008, 19<sup>th</sup> August 2008, 3<sup>rd</sup> September 2008, 1<sup>st</sup> October 2008, 10<sup>th</sup> October 2008, 20<sup>th</sup> October 2008, 19<sup>th</sup> November 2008, 20<sup>th</sup> January 2009, 23<sup>rd</sup> January 2009, 31<sup>st</sup> January 2009 and 17<sup>th</sup> March 2009.

### III. AUDIT COMMITTEE:

The Audit Committee was reconstituted on 8<sup>th</sup> April, 2008. At present the Committee consist of one Executive and two Non-Executive Independent Directors, namely Mr. Yogesh Singhanian-Chairman, Mr. Promod Kumar Sanganageria and Mr. Mahesh Saraf. The Members of the Committee have knowledge of finance, accounts, company law etc. Chairman of the Audit Committee is Independent Director.

The broad terms of reference of Audit Committee are in accordance with the prescribed guidelines as set out in clause 49 of the Listing Agreement with the Stock Exchanges that inter alia, include overseeing financial reporting processes, reviewing the financial statements, quarterly, half yearly/ annual financial results and adequacy of internal control systems, discussion with the Auditors on any significant findings etc.

During the year under review, four meeting of the Audit Committee were held, the dates being 30<sup>th</sup> June 2008, 31<sup>st</sup> July 2008, 20<sup>th</sup> October 2008 and 31<sup>st</sup> January 2009.

The composition and attendance of members at the Audit Committee Meetings are as follows:

Name of the Member	Meeting attendance
Mr. Yogesh Singhanian (Chairman)	4
Mr. Pramod Kumar Sananageria	4
Mr. Mahesh Saraf	4

### IV. REMUNERATION COMMITTEE:

The Remuneration Committee was constituted on 25<sup>th</sup> April, 2008. At present the Committee consist of two Non-Executive Directors, namely Mr. Promod Kumar Sanganageria -Chairman and Mr. Yogesh Singhanian-Member.

The Committee recommends the remuneration payable to Managing Director and Whole Time Director or any Executive Directors based on their contribution to the growth and development of the Company, keeping in mind the remuneration package of the industry.

The Company has not paid remuneration to any Executive Directors during the year under review.

During the year under review, two meeting of the Remuneration Committee were held, the dates being 25<sup>th</sup> April 2008 and 19<sup>th</sup> August 2008.

The composition and attendance of members at the Remuneration Committee Meetings are as follows:

Name of the Member	Meeting attendance
Mr. Pramod Kumar Sananageria (Chairman)	2
Mr. Yogesh Singhanian	2
Mr. Anil Raika*	1

\* ceased to be a member of the Committee w.e.f. 24<sup>th</sup> January, 2009.

### V. SHAREHOLDERS'/INVESTORS' GRIEVANCE & SHARE TRANSFER COMMITTEE:

This Committee was reconstituted on 31<sup>st</sup> January, 2009. At present the Committee consist of one Executive and two Non-Executive Directors, namely Mr. Pramod Kumar Sanganageria-Chairman, Mr. Yogesh Singhanian and Mr. Mahesh Saraf as Members of the Company

The Committee would specifically look into the redressal of the shareholders' complaints in respect of all matters including transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, dematerialization of shares and investors complaints etc.

Name and designation of Compliance Officer: Mr. Mahesh Saraf, Managing Director.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review was Nil. There were no outstanding complaints as on today.

The Committee met ten times during the year under review and all the Committees members were present at all the meetings.

## VI. GENERAL BODY MEETINGS:

Details of the last three Annual General Meetings of the Company were held as under :

Financial Year	AGM/EGM	Day, Date & Time	Venue	Special Resolution Passed
2005-2006	11 <sup>th</sup> AGM	Friday 29th September 2006 at 10.00 a.m.	<b>Registered Office :</b> 401, Arcadia Building, 195 NCPA Marg , Nariman Point, Mumbai - 400 021	NIL
2006-2007	12 <sup>th</sup> AGM	Friday 28th September 2007 at 3.30 p.m.	<b>Registered Office :</b> 401, Arcadia Building, 195 NCPA Marg , Nariman Point, Mumbai - 400 021	NIL
2007-2008	13th AGM	Tuesday, 30th September, 2008 at 10.00 a.m.	<b>Registered Office :</b> 315, Corporate Avenue, Sonawala Road, Goregaon (E) Mumbai - 400 063.	1) Alteration in Articles of Articles of Association. 2) Voluntarily de-listing from Ahmedabad Stock Exchange 3) Appointment of Mr. Mahesh Saraf as Managing Director 4) Appointment of Mr. Anil Raika as Whole Time Director

### Special Resolution Passed through Postal Ballot & Voting Pattern for the Same.

At the ensuing Annual General Meeting, no matter has been placed before the shareholders to be passed through postal ballot.

The company passed a special resolution for Change in the Main Object Clause of the Memorandum of Association of the company and Change of Name of the Company through postal ballot and the results were announced by the Board in the Board Meeting held on 19<sup>th</sup> November, 2008. Mrs. Divya Momaya, Practising Company Secretary was appointed as Scrutinizer for conducting Postal Ballot.

Sr.No.	Particulars	Results
1	Valid Postal Ballot Forms in favour of the resolutions	10
2	Valid Postal Ballot Forms against the resolution	0

## VII. DISCLOSURES:

### 1) Compliance with other Mandatory Requirements:

- a) **Management Discussion and Analysis:** A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under clause 49(IV)(F) of the Listing Agreement.



- b) **Basis of related party transactions:** As required by revised clause 49, a statement in summary form of transactions with related parties are periodically placed before the Audit Committee.
- c) **Disclosure of Accounting Treatment:** Disclosure of Accounting Treatment wherever applicable have been made in the audited financial accounts for the year ended 31<sup>st</sup> March, 2009.
- d) **Disclosure on Risk Management:** The Company is in the process of implementing a suitable Risk Management Policy.
- e) **Code of Conduct:** As required by the revised clause 49 of the Listing Agreement, the Board of Directors of the Company have adopted a Code of Conduct for all Board Members and Senior Management of the Company. The members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review. A declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.
- f) **CEO Certification:** A Certificate from Mr. Mahesh Saraf, Chairman cum Managing Director of the Company on the financial statements of the Company was placed before the Board.
- g) **Note on appointment or re-appointment of Directors:** Particulars of Directors who need to be appointed/ re-appointed at the ensuing Annual General Meeting are given under the Note no.13 of the Notice convening the meeting.

## 2) Compliance with Non-Mandatory Requirements:

- a) The Company has not yet fixed any tenure for the Independent Directors on the Board of the Company.
- b) The Board has set up a Remuneration Committee, details of which are furnished earlier in the Report.
- c) The quarterly/half yearly financial results are published in the newspapers.
- d) The Company has yet not adopted any training programme for the members of the Board.
- e) The Company has not adopted any Whistle Blower Policy.

## VIII. OTHER DISCLOSURES:

- a) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their relatives, its subsidiaries etc. that may have potential conflict with the interests of the Company at large. Transactions with related parties during the period are disclosed in the Annual Report, in accordance with the requirements of Accounting Standard AS-18.
- b) During the last three years there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets, except a SEBI imposed penalty of Rs.1,50,000/- towards settlement charges for Consent application filed for non compliance of Regulation 6 and 8 of SEBI(Substantial Acquisitions and Takeover) Regulations, 1997 and Reinstatement Penalty paid to BSE towards Revocation of Suspension in trading of equity shares.

## IX. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual results are communicated to the Bombay Stock Exchanges Limited where the Company's shares are listed, as soon as the same are approved and taken on record by the Board of Directors of the Company. Further, the results are published in Business Standard (English) and Lakshadeep (Marathi). The results are not sent individually to the shareholders.

## X. GENERAL SHAREHOLDERS INFORMATION :

AGM : Date, Time and Venue	30 <sup>th</sup> September, 2009 at 10.00 A.M. <b>Registered Office of the Company :</b> 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063
Financial Year 2009-10 Financial Year ending -Result for First Quarter ending 30.06.09 -Result for Second Quarter ending 30.09.09 -Result for Third Quarter ending 31.12.09 -Audited Result for the year 31.03.10	(Tentative) 31 <sup>st</sup> March, 2010 Last week of July, 2009 Last week of October, 2009 Last week of January, 2010 On or before 30 <sup>th</sup> June, 2010
Date of Book Closure	23.09.09 to 30.09.09 (both days inclusive)
Listing on Stock Exchange	Bombay Stock Exchange Limited & Ahmedabad Stock Exchange Limited
Stock Code	531616
Demat ISIN Numbers in NSDL & CDSL for Equity Shares	ISIN: INE347I01010
Market price Data : High , Low during each month in the financial year 2008-2009	See Table No. 1 below
Registrar and Share Transfer Agents	Purva Shareregistry (India) Private Limited 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400 011.
Share Transfer System	Share Transfers are registered and return within a period of 30 days from the date of receipt, if the documents are clear in all respects.
Distribution of shareholding & Category-wise distribution	See table no. 2 & 3
De-materialisation of shares and liquidity	As on 31 <sup>st</sup> March, 2009, 87.84% of the Company's total equity shares representing 43,92,680 shares were held in dematerialized form and balance 12.16% representing 6,07,920 shares were held in physical form.
Outstanding GDRS/ADRS/Warrants or any convertible instruments, conversion date and likely impact on equity	There were no such outstanding instruments as on 31 <sup>st</sup> March, 2009
Address for correspondence	<b>Regd. Off. :</b> 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063. armsfin@gmail.com or <b>Purva Shareregistry (India) Private Limited</b> 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400 011.

Table 1 - Market Price Data

High and Low of market price of the Company's shares traded on Bombay Stock Exchange Limited, during the financial year 2008-2009.

Month	BSE	
	High	Low
April - 2008	—	—
May - 2008	—	—
June - 2008	—	—
July - 2008	—	—
August - 2008	14.30	13.00
September -2008	22.35	15.01
October -2008	19.20	18.25
November - 2008	18.10	18.10
December - 2008	18.90	17.20
January - 2009	16.35	16.35
February - 2009	15.60	15.60
March - 2009	14.30	13.00

Table 2 - Distribution of shareholding as on 31st March, 2009

Grouping of Shares	No. of Shares holders	% of total Shareholders	No. of Shares per Category	% of total share
upto 500	189	45.00	79120	1.58
501 to 1000	191	45.48	175900	3.52
1001 to 2000	13	3.10	19400	0.39
2001 to 3000	6	1.43	16300	0.33
3001 to 4000	1	0.24	3900	0.08
4001 to 5000	1	0.24	4100	0.08
5001 to 10000	3	0.71	24900	0.50
10001 and above	16	3.81	4676980	93.53
<b>Total</b>	<b>420</b>	<b>100.00</b>	<b>5000600</b>	<b>100.00</b>

Table 3 - Distribution of Shareholding as on 31<sup>st</sup> March, 2009

Category	No. of Shareholders	No. of Shares held	% of total shares
Promoters	4	36,15,980	72.31
Financial Institution	1	4,100	0.08
Bodies Corporate	10	18,600	0.37
Indian Public	403	11,11,920	22.24
Foreign Bodies Corporate	1	2,50,000	5.00
<b>Total</b>	<b>419</b>	<b>5,00,000</b>	<b>100.00</b>

**Practicing Company Secretary's Certificate on Corporate Governance**

The Practicing Company Secretary's Certificate on compliance of Clause 49 of the Listing Agreement relating to corporate Governance is published as an annexure to the Directors' Report.

**Declaration on compliance with Code of Conduct**

It is hereby affirmed that all the directors and the senior management personnel have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

**FOR STARCOM INFORMATION TECHNOLOGY LIMITED**

**MAHESH SARAF**

Chairman & Managing Director

Place: Mumbai

Date: 27th July, 2009



## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

Practising Company Secretary's certificate on compliance of the conditions of Corporate Governance for the year ended 31<sup>st</sup> March, 2009, under Clause 49 of the Listing Agreement.

To

**The Members of Starcom Information Technology Limited**  
(Earlier known as Jatia Finance Limited)  
Mumbai.

I have examined the compliance of conditions of Corporate Governance by **Starcom Information Technology Limited**, for the year ended on 31<sup>st</sup> March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the condition of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representation made by the Directors and the Management, I certified that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2009, no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Shareholders/Investors' Grievance and Share Transfer Committee.

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

**Geeta K. Sheth**  
Company Secretary  
M.No. 11952

Mumbai , 27th July, 2009

## REPORT OF THE AUDITORS

To  
The Members,  
Starcom Information Technology Limited  
(formerly known as Jatia Finance Limited)

We have audited the attached Balance Sheet of **Starcom Information Technology Limited (Formerly known as Jatia Finance Limited)** as at 31st March 2009, the Profit and Loss Account and the Cash Flow Statement 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.

1. 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.
2. As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that :
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company as appears from our examination of such books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
  - d) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the requirements of the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from all the Directors of the Company as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on 31st March 2009, from being appointed as a director in terms of clause (g) of sub section (1) to 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, 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:
    - i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2009.
    - ii. In the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date.
    - iii. In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

For Singrodia Goyal & Co.  
Chartered Accountants

Place: Mumbai  
Date : 19<sup>th</sup> June, 2009

Suresh Murarka  
Partner  
Mem. No. 044739



## ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in Paragraph (1) thereof)

Annexure referred to in Paragraph 2 of our report of even date on the accounts of Starcom Information Technology Limited (formerly known as Jatia Finance Limited) for the year ended 31<sup>st</sup> March, 2009.

As required by the Companies (Auditors Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) (a) Since the Company does not have any Fixed Assets clause 4(i) (a),(b) & (c) of the said order are not applicable to the Company
- (ii) (a) The Securities held as Stock-in-trade have been confirmed with the statement of holdings provided by the depository participants at the financial year end. In our opinion, the frequency of confirmation is reasonable.  
(b) In our opinion, the procedures of confirmation of securities held as stock in trade followed by the management are reasonable & adequate in relation to the size of the company & the nature of its business.  
(c) On the basis of our examination of the records of the Company relating to securities held as stock in trade. In our opinion, the Company has maintained proper records of stock in trade & no material discrepancies between the book records & the statement of holdings provided by depository participants have been noticed.
- (iii) (a) The Company has neither granted nor taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. However loan for Rs. 50 lacs granted in earlier years has been received during the year.  
(b) In view of our comments in para (iii)(a) above, Clause 4 (iii) (c) to (d) & (f) to (g) of the said Order are not applicable to the Company
- (iv) There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of Investment and fixed assets and with regard to sale of investments and inventory. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- (v) (a) During the period, the Company has not entered into any transactions that need to be entered in the register in pursuance of Section 301 of the Companies Act, 1956.  
(b) In view of our comments in para (v) (a) above, clause 4 (v) (b) of the said Order are not applicable to the Company.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company does not have a formal internal audit system commensurate with its size and natures of its business but its financial and other internal checks, ensures proper recording of the financial transactions.
- (viii) The Central Government has not prescribed for maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for the Company.
- (ix) (a) Accordingly to the records of the Company, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess, wherever applicable have been regularly deposited with the appropriate authorities. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2009 for a period more than six months from the date they became payable.  
(b) There are no amount in respect of any disputed sales tax, income tax, wealth tax, service tax, custom duty, excise duty and cess.
- (x) The Company does not have accumulated losses at the end of financial year, However the Company has incurred cash losses during the current financial year but not in the previous financial year.
- (xi) The Company has no facilities from banks and financial institutions.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
- (xiv) In respect of dealing in shares, securities and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries



have been made therein. The shares, securities and other investments have been held by the company in its own name.

- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not obtained any term loans during the year.
- (xvii) On an overall examination of the balance sheet of the Company, we are of the opinion that no short-term funds have been used for long-term investments.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money through public issues during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year.

For Singrodia Goyal & Co.  
Chartered Accountants

Suresh Murarka  
Partner  
Mem. No. 044739

Place: Mumbai

Date: 19<sup>th</sup> June, 2009



## Balance Sheet as at 31st March, 2009

	SCH.	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
<b>I. SOURCES OF FUNDS</b>			
SHAREHOLDERS FUND			
Share Capital	'1'	50,006,000	50,006,000
Reserves & Surplus	'2'	581,109	1,449,728
<b>TOTAL</b>		<b>50,587,109</b>	<b>51,455,728</b>
<b>II. APPLICATION OF FUNDS</b>			
INVESTMENTS	'3'		2,750,000
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	'4'	—	11,259,865
Sundry Debtors	'5'	417,735	—
Cash & Bank Balances	'6'	48,835,360	1,103,633
Loans & Advances	'7'	2,225,668	37,222,705
		51,478,763	49,586,203
Less: Current Liabilities & Provision	'8'	891,655	880,475
<b>NET CURRENT ASSETS</b>		<b>50,587,108</b>	<b>48,705,728</b>
	<b>TOTAL</b>	<b>50,587,109</b>	<b>51,455,728</b>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	'12'		

AS PER OUR REPORT ATTACHED OF EVEN DATE

For SINGRODIA GOYAL & CO.

Chartered Accountants

SURESH MURARKA

PARTNER

Mem. No. 044739

Place : Mumbai

Dated : 19th June, 2009

For and on behalf of the Board of Directors

MAHESH SARAF

Chairman &  
Managing Director

YOGESH SINGHANIA

Director

Place : Mumbai

Dated : 19th June, 2009

## Profit & Loss Account for the Year Ended 31st March, 2009

	SCHE.	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
<b>A. INCOME</b>			
Income from Operations	'9'	4,809,238	3,389,311
Other Income	'10'	3,971,200	—
<b>TOTAL (A)</b>		<b>8,780,438</b>	<b>3,389,311</b>
<b>B. EXPENDITURE</b>			
Loss in Share Trading Activities (Refer Note: II(10) of Schedule "12")		8,160,326	1,108,221
Administration and Other Expenses	'11'	1,485,854	885,840
<b>TOTAL (B)</b>		<b>9,646,180</b>	<b>1,994,061</b>
<b>Profit/(Loss) Before Tax</b>		<b>(865,743)</b>	<b>1,395,250</b>
<b>Less: Provision for Tax</b>			
Current Tax		—	560,291
Deferred Tax Liability / (Assets)		—	—
Fringe Benefit Tax		2,876	—
Prior Period Items		—	19,583
<b>Profit / (Loss) After Tax</b>		<b>(868,619)</b>	<b>815,376</b>
Balance brought forward from previous year		1,449,728	634,352
<b>Balance Transferred to the Balance Sheet</b>		<b>581,109</b>	<b>1,449,728</b>
<b>Earning per share of Rs. 10/- each - Basic</b>		<b>(0.17)</b>	<b>0.16</b>
- Diluted		<b>(0.17)</b>	<b>0.16</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>	'12'		

AS PER OUR REPORT ATTACHED OF EVEN DATE

For SINGRODIA GOYAL &amp; CO.

Chartered Accountants

SURESH MURARKA

PARTNER

Mem. No. 044739

Place : Mumbai

Dated : 19th June, 2009

For and on behalf of the Board of Directors

MAHESH SARAF  
Chairman &  
Managing Director

YOGESH SINGHANIA  
Director

Place : Mumbai

Dated : 19th June, 2009



## Cash Flow Statement for the Year Ended 31st March, 2009

Particulars	Year Ended 31.3.2009 (Rs.)	Year Ended 31.3.2008 (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxation & Extraordinary items	(865,743)	1,395,250
<b>Add/(Less) Adjustments for:</b>		
Preliminary & Share Issue Expenses Write Off	—	—
Loss on sale of Machinery	—	—
(Profit)/Loss from Sale of Investment	150,000	2,000
(Profit)/Loss from Sale of Premises	(3,971,200)	—
Dividend received	(157,538)	—
Other Income	—	(3,257,774)
<b>Operating Profit before working Capital Changes</b>	<b>(4,844,481)</b>	<b>(1,860,524)</b>
<b>Add/(Less) Working Capital Changes:</b>		
(Increase)/Decrease in Trade Receivables	(417,735)	1,254,141
(Increase)/Decrease in Inventories	11,259,865	(11,251,473)
(Increase)/Decrease in Loans and advances	35,767,990	11,150,730
Increase/(Decrease) in Current Liabilities	8,304	(111,047)
<b>Net Cash from Operating Activities</b>	<b>41,773,943</b>	<b>(818,173)</b>
Net Income Tax paid	(770,952)	(46,497)
<b>Net Cash Flow from Operating Activities</b>	<b>(a) 41,002,991</b>	<b>(864,670)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	—	(2,750,000)
Sale of Investment	2,600,000	398,200
Sale of Premises	11,107,800	—
Purchase of Premises	(7,136,600)	—
Dividend received	157,538	—
Other Income	—	3,257,774
<b>Net Cash Flow from Investment Activities</b>	<b>(b) 6,728,738</b>	<b>905,974</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest on Loans	—	—
<b>Net Cash Flow from Financing Activities</b>	<b>(c) —</b>	<b>—</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(a+b+c) 47,731,728</b>	<b>41,304</b>
<b>Add: Cash &amp; Cash Equivalents at the beginning of year</b>	<b>1,103,633</b>	<b>1,062,329</b>
<b>Cash &amp; Cash Equivalents at the end of year</b>	<b>48,835,361</b>	<b>1,103,633</b>

- Note: 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
2. Cash & Cash equivalent at the end of the year consist of cash in hand and balances with banks and are net of short term loans and advances from banks as follows:

Particulars	As at 31.03.2009	As at 31.03.2008
Cash in hand	3,214	270,796
Balances with Bank		
In Current Account	1,046,502	832,837
In Fixed Deposit Account	47,785,645	—
	<b>48,835,361</b>	<b>1,103,633</b>

- 3 Previous Year Figures have been regrouped , rearranged wherever necessary in order to confirm to current year's presentation.
- 4 Figures in brackets denotes cash outflows.

For and on behalf of the Board of Directors

For SINGRODIA GOYAL & CO.

Chartered Accountants

SURESH MURARKA

PARTNER

Mem. No. 044739

Place : Mumbai

Dated : 19th June, 2009

MAHESH SARAF

Chairman &  
Managing Director

Place : Mumbai

Dated : 19th June, 2009

YOGESH SINGHANIA

Director

## Schedules Forming Part of the Balance Sheet as on 31st March, 2009

Particulars	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
<b>SCHEDULE : '1' - SHARE CAPITAL</b>		
Authorised Capital		
55,00,000 Equity Shares of Rs.10 each	55,000,000	55,000,000
	55,000,000	55,000,000
 Issued, Subscribed and paid- up Capital		
50,00,600 Equity Shares of Rs.10 each fully paid up.	50,006,000	50,006,000
	50,006,000	50,006,000
 <b>SCHEDULE: '2' - RESERVES &amp; SURPLUS</b>		
Balance of Profit & Loss Account	581,109	1,449,728
	581,109	1,449,728
 <b>SCHEDULE: '3' - INVESTMENTS</b>		
<b>(Long Term; Non Trade)</b>		
<b>QUOTED:</b>		
Nil (P.Y. 50,000) Equity Shares of Lyka Labs Ltd. of Rs.10 each fully paid up (Market Value Rs. Nil, Previous Year Rs. 18,97,500/-)	—	2,750,000
	—	2,750,000
 <b>SCHEDULE : "4" - INVENTORIES</b>		
<b>(As taken, valued &amp; certified by the Management)</b>		
Stock of Shares (Refer Note: II(10) of Schedule "12")	—	11,259,865
	—	11,259,865

## Schedules Forming Part of the Balance Sheet as on 31st March 2009 and

Particulars	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
<b>SCHEDULE : "5" - SUNDRY DEBTORS</b>		
(Unsecured, Considered Good)		
Debts outstanding for a period less than Six Months	417,735	—
	417,735	—
<b>SCHEDULE : "6" - CASH &amp; BANK BALANCES</b>		
Cash in Hand	3,214	270,796
Balances with Scheduled Banks		
In Current Accounts	1,046,502	832,837
In Fixed Deposit Accounts	47,785,645	—
	48,835,360	1,103,633
<b>SCHEDULE : "7" - LOANS &amp; ADVANCES</b>		
(Unsecured, Considered Good)		
Advance recoverable in cash or kind for which value to be received	359	35,768,348
Advance Tax & TDS	2,225,309	1,454,357
	2,225,668	37,222,705
<b>SCHEDULE: '8' - CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities</b>		
<b>Sundry Creditors</b>		
Due to Micro, Small & Medium Enterprises (Refer Note: II(4) of Schedule "12")	—	—
Due to Others	33,075	28,208
Other Liabilities	6,429	12,976
Book O/D HDFC Bank	9,984	—
<b>Provisions</b>		
Provision for Tax	842,167	839,291
	891,655	880,475

## Schedules Forming Part of the Profit & Loss Account for the year ended 31st March, 2009

Particulars	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
<b>SCHEDULE : '9' - INCOME FROM OPERATIONS</b>		
Interest (TDS Rs. 7,56,887/-, P.Y. Rs. 5,97,915/-)	3,894,474	3,242,066
Bill Discounting Charges	705,413	-
Brokerage & Commission (TDS Rs. 4,823/-, P.Y. Rs. 17,730/-)	51,813	147,245
Dividend	157,538	-
	<u>4,809,238</u>	<u>3,389,311</u>
<b>SCHEDULE: '10' - OTHER INCOME</b>		
Profit on Sale of Fixed Asset	3,971,200	-
	<u>3,971,200</u>	<u>-</u>
<b>SCHEDULE: '11' - ADMINISTRATIVE AND OTHER EXPENSES</b>		
Salaries	199,000	371,204
Legal & Professional Charges	53,480	45,675
Auditors Remuneration	30,008	16,854
Travelling & Conveyance	186,156	-
Printing & Stationery	20,655	11,919
Advertisement Expenses	34,914	17,144
Securities Transaction Tax	59,455	269,311
Share Transaction Charges	76,909	65,507
Fees & Registration Charges	620,543	50,765
Registrar Charges	51,095	25,751
Loss on Sale of Investments	150,000	2,000
Miscellaneous Expenses	3,639	9,710
	<u>1,485,854</u>	<u>885,840</u>



## Schedules Forming Part of the Accounts for the Year Ended 31st March, 2009

### Schedule '12': Significant Accounting Policies and Notes on Accounts

#### I. SIGNIFICANT ACCOUNTING POLICIES:

##### 1. Basis of Preparation of Financial Statements

The Financial Statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956 and comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

##### 2. Investments

Investments that are intended to be held for more than a year from the date of acquisition, are classified as long term investment and are carried at cost less any provision for permanent diminution in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

##### 3. Inventory

Stock of shares and securities is valued at lower of cost or market value.

##### 4. Revenue Recognition

- i) Profit or Loss from dealing in shares and securities are recognized on settlement dates.
- ii) Dividend on shares is being considered on receipt basis.
- iii) In respect of other heads of income, the Company follows the practice of accounting on accrual basis.

##### 5. Provision for Income Tax

###### Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

###### Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred tax assets are reviewed as at each Balance Sheet date.

###### Fringe Benefits Tax

Provision for Fringe Benefits Tax (FBT) has been recognized on the basis of harmonious contextual interpretation of the Income Tax Act, 1961.

##### 6. Treatment of Contingent Liabilities.

- (i) Contingent Liabilities (if any) are disclosed by way of notes.

#### II. NOTES ON ACCOUNTS

1. In the opinion of Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated as realisable in the ordinary course of business and the provisions of all known liabilities are adequate.
2. The Balances and classification of Loans and Advances, Sundry Creditors and other liabilities shown in the Financial Statements are as per the ledger and are subject to confirmation and consequent reconciliation and adjustment.
3. Retirement Benefits.  
There are no Employees in the Company at the year end and hence no provision has been made as required by AS-15 "Accounting for Employee Benefits"
4. The names of Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act, 2006" could not be identified, as the necessary evidence is not in the possession of the Company.
5. The Company had made an application to the Reserve Bank of India (RBI) for deregistering the Company from Non-Banking Finance Company (NBFC). However the said application has been rejected by the Reserve Bank of India (RBI) vide letter dated April 21, 2009.

6. During the year, the Company has passed the following resolutions through Postal Ballot on 17<sup>th</sup> November, 2008:
- The Company has decided to replace its existing main objects of the Memorandum & Articles of the Company of NBFC Business with the Main object of Designing, Developing & Dealing in Softwares & other allied activities.
  - In view of the change in the main object of the Company and to fall in line with the new activity of the Company the name of the Company has been changed from **Jatia Finance Limited** to **Starcom Information Technology Limited** & a fresh certificate of Incorporation dated 10<sup>th</sup> December, 2008 has been received from the Registrar of Companies, Maharashtra.
7. During the year, the Company has purchased Commercial Property at Goregaon (E), Mumbai for Rs. 71,36,600/- which has been subsequently sold for Rs. 1,11,07,800/- and the resultant Profit on Sale of the same amounting to Rs. 39,71,200/- has been credited to the Profit & Loss Account under the head "Profit on sale of Fixed Assets".
8. During the year, the Company has converted its Investments in 50,000 Shares of Lyka Labs Limited into Stock-in-trade on 21<sup>st</sup> April, 2008. These Stocks have been subsequently sold during the year.
9. Auditor's Remuneration

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
Statutory Audit	10,000	10,000
Tax Audit	5,000	5000
Other Services	12,000	—
Tax	3,008	1854
<b>Total</b>	<b>30,008</b>	<b>16,854</b>

10. Additional information pursuant to the provisions of Part II of Schedule VI of the Companies Act, 1956
- The quantitative information of opening stock, purchases, sales and closing stock of shares & securities is given below.

Particulars	31st March 2009		31st March 2008	
	Quantity Nos.	Value (Rs.)	Quantity Nos.	Value (Rs.)
Opening Stock (A)				
Equity Shares	101,000	11,259,864	1,200	8,392
<b>TOTAL</b>	<b>(A)</b>	<b>101,000</b>	<b>1,200</b>	<b>8,392</b>
Purchases				
Equity Shares	1,009,564	28,355,973	807,290	111,780,393
<b>TOTAL</b>	<b>(B)</b>	<b>1,009,564</b>	<b>807,290</b>	<b>111,780,393</b>
Sales				
Equity Shares	1,110,564	33,628,932	707,490	99,420,700
<b>TOTAL</b>	<b>(C)</b>	<b>1,110,564</b>	<b>707,490</b>	<b>99,420,700</b>
Closing Stock				
Equity Shares	—	—	101,000	11,259,864
<b>TOTAL</b>	<b>(D)</b>	<b>—</b>	<b>101,000</b>	<b>11,259,864</b>
Profit/(Loss) on Trading in Options/Futures (Net)	(E)	(2,173,421)	—	—
<b>Loss in Share Trading (A+B-C-D-E)</b>		<b>8,160,326</b>		<b>1,108,221</b>

# Transactions & Stocks on account of error trades/trades not confirmed by clients have not been considered

ii) Expenditure, earning and remittance in foreign currency: Nil

### 11. Earnings Per Share

Particulars	2008- 2009	2007-2008
<b>A</b> Weighted average number of Equity Shares of Rs. 10/- each		
i Number of shares at the end of the year	50,00,600	50,00,600
ii Weighted average number of Equity Shares outstanding during the year	50,00,600	50,00,600
iii Weighted average number of Potential Equity Shares outstanding during the year	50,00,600	50,00,600
iv Total number of Potential Equity share for calculating Diluted Earning Per Share	50,00,600	50,00,600
<b>B</b> Net Profit/(Loss) after Tax available for Equity shareholders (Rs.)	<b>(868,619)</b>	<b>815,376</b>
<b>C</b> Basic Earnings Per Share (in Rs.) {B/A (ii)}	(0.17)	0.16
<b>D</b> Diluted Earnings Per Share (in Rs.) {B/A (iv)}	(0.17)	0.16

### 12. Related Party Disclosures

Related party disclosures as required by the Accounting Standard -18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below.

#### (a) Key Management Personnel

Name of Person	Category
Mr. Mahesh Saraf	Whole Time Director
Mr. Anil Raika	Whole Time Director *
Mr. Yogesh Singhanian	Independent - Non Executive
Mr. Promod Kumar Sangneria	Independent - Non Executive
Mr. Jitendra Tibrewal	Independent - Non Executive **

\*Resigned w.e.f 24<sup>th</sup> January, 2009

\*\*Resigned w.e.f 8<sup>th</sup> April, 2008

#### (b) Associates

M/s. Impex Developers Limited	Associate Concern
-------------------------------	-------------------

Transactions with the related parties during the year :

Amount (in Rs.)

Nature of Transactions	Refer to (a) above		Refer to (b) above	
	Current Year	Previous Year	Current Year	Previous Year
Repayment of Loans Received	Nil	Nil	50,00,000	
Outstanding :Loans & Advances	Nil	Nil	Nil	50,00,000

### 13. Segment Information

The segment wise details as per Accounting Standard 17 is not applicable as there are no separate reportable segments

**14. Deferred Taxes**

As per Accounting Standard ( AS-22 ) on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the timing difference relating mainly to depreciation and unabsorbed losses results into net Deferred Tax. As a measure of prudence the net Deferred Tax Liabilities/ (Assets) has not been recognized in the accounts.

15. Previous year figures have been regrouped, reclassified and rearranged wherever necessary.

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For SINGRODIA GOYAL & CO.

*Chartered Accountants*

**SURESH MURARKA**

**PARTNER**

Mem. No. 044739

Place : Mumbai

Dated : 19th June, 2009

For and on behalf of the Board of Directors

**MAHESH SARAF**

*Chairman &  
Managing Director*

**YOGESH SINGHANIA**

*Director*

Place : Mumbai

Dated : 19th June, 2009

## ADDITIONAL SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY

(as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms  
(Reserve Bank) Directions, 1998 - Circular reference no. DNBS (PD)CC no. 25/0202/2002-03 dtd. 29th March, 2003)

PARTICULARS	(Rupees) Amount Outstanding	Amount Overdue
<b>LIABILITIES SIDE :</b>		
<b>(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b>		
(a) Debentures : Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits	-	-
(g) Other Loans (specify nature) Loan from ICICI BANK	-	-
*Please see Note 1 below		
<b>(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :</b>		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
*Please see Note 1 below		
<b>ASSETS SIDE :</b>		
<b>(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
(a) Secured		
(b) Unsecured		
<b>(4) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL /HP activities</b>		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		
(b) Operating lease		
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire		
(b) Repossessed Assets		
(iii) Hypothecation loans counting towards EL /HP activities		
(a) Loans where assets have been repossessed		
(b) Loans other than (a) above		
<b>(5) Break-up of Investments :</b>		
<b>Current Investments :</b>		
1. Quoted :		

(CONTD..)

PARTICULAR	(Rupees)	
	Amount Outstanding	Amount Overdue
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
<b>Long Term Investments :</b>		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debenture and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debenture and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-

## (6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :

\*Please see Note below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other than related parties	-	-	-
<b>Total</b>	-	-	-

2. Other than related parties - - -  
**Total** - - -

**(CONTD..)****(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

\*Please see note below

Category	Market Value /Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries		
(b) Companies in the same group	—	—
(c) Other than related parties		
Total	—	—

\*\*As per Accounting Standard of ICAI

**(8) Other information**

Particulars	Amount
(I) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

AS PER OUR REPORT ATTACHED OF EVEN DATE

For SINGRODIA GOYAL &amp; CO.

Chartered Accountants

SURESH MURARKA  
PARTNER

Mem. No. 044739

Place : Mumbai

Dated : 19th June, 2009

For and on behalf of the Board of Directors

MAHESH SARAF  
Chairman &  
Managing DirectorYOGESH SINGHANIA  
Director

Place : Mumbai

Dated : 19th June, 2009

Additional Information as required under Part IV of Schedule VI to The Companies Act, 1956.

## Balance Sheet Abstract and Company's Business Profile

### I Registration details

Registration no.	State code	Balance sheet date
85704	11	31.03.2009

### II Capital raised during the year (Amount in Rs. Thousands)

Public issue	Rights issue	Bonus issue
NIL	NIL	NIL
Private placement		
NIL		

### III Position of mobilisation and deployment of funds (Amount in Rs. Thousands)

Total liabilities	Total assets
50,587	50,587

#### Sources of funds

Paid up capital	Reserves & surplus	Secured loans
50006	581	NIL
Unsecured loans		
NIL		

#### Application of funds

Net Fixed Assets	Investments	Net Current Assets
NIL	—	50,587
Deferred Tax Assets		
NIL		

### IV Performance of the Company (Amount in Rs. Thousands)

Turnover	Total Expenditure	
Rs. 8,780	Rs. 9,646	
Profit/Loss (Before Tax)		Profit/Loss (After Tax)
(866)		(869)
Earnings per Share in Rs.		Dividend Rate (%)
(0.17)		NIL

### V Generic names of one principal products/services of the Company (as per monetary terms)

Item Code No.:	0807
Product Description :	Trading in Shares & Securities & Designing, Developing & Dealing in Software & other allied activities

For and on behalf of the Board of Directors

For SINGRODIA GOYAL & CO.

Chartered Accountants

SURESH MURARKA

PARTNER

Mem. No. 044739

Place : Mumbai

Dated : 19th June, 2009

MAHESH SARAF  
Chairman &  
Managing Director

YOGESH SINGHANIA  
Director

Place : Mumbai

Dated : 19th June, 2009





**STARCOM INFORMATION TECHNOLOGY LIMITED**

Regd. Office: 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063

**ATTENDANCE SLIP**

Registered Folio No. / DPID / Client ID. \_\_\_\_\_

No. of Shares \_\_\_\_\_

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member(s) of the above named Company hereby appoint \_\_\_\_\_

or \_\_\_\_\_ failing him \_\_\_\_\_

of \_\_\_\_\_ as my/our Proxy to attend and vote for me/us on my/our behalf at the

14th Annual General Meeting of the Company to be held on Wednesday, 30th September, 2009, at 10.00 am. at 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063.

Signed :

Date :

**NOTE :** The Proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

----- Cut here -----

**STARCOM INFORMATION TECHNOLOGY LIMITED**

Regd. Office: 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063

**PROXY FORM**

Registered Folio No. / DPID / Client ID.: \_\_\_\_\_

No of Share held : \_\_\_\_\_

To be handed over at the entrance of Meeting Venue.

Name of the attending Member (IN BLOCK LETTERS)

Name of the Proxy (IN BLOCK LETTERS) (To be filled in by Proxy attending instead of the Member)

I/We hereby record my/our presence at the 14th Annual General Meeting of the Company to be held on Wednesday, 30th September, 2009, at 10.00 am. at 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063.

Member's/Proxy's Signature  
(To be signed at the time of handing over this slip)**NOTE :**

1. Interested Joint Members may obtain Attendance Slips for the Registered Office of the company.
2. Members' / Joint Member' Proxies are requested to bring the Attendance Slips with them. Duplicate slips will not be issued at the venue.

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