

19TH ANNUAL REPORT
2011-2012

CENTERAC TECHNOLOGIES LIMITED
(Formerly EZ-COMM TRADE TECHNOLOGES LIMITED)

Optimising business processes

C O N T E N T S

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COMPANY INFORMATION

BOARD OF DIRECTORS:

MR. SANJIV KHANDELWAL
(Chairman & Managing Director)
MRS. SHILPA KHANDELWAL
MR. KHUSHROW SHIAVAX PATEL
MR. MOHAN JAYAKAR

AUDITORS:

MESSRS. A. J. MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS
SHAHVIRI BUILDING, 1ST FLOOR,
PICKET ROAD, MUMBAI – 400 002

BANKERS:

ABN-AMRO BANK
CORPORATION BANK
HDFC BANK
STATE BANK OF INDIA – SILVASSA
UNION BANK OF INDIA
THE BANK OF RAJASTHAN LTD.

REGISTERED OFFICE:

4TH FLOOR, DOULATRAM MANSION
RAMBHAU SALGAONKAR MARG
COLABA, MUMBAI – 400 005

TEL: 91-22-2282 5252

FAX: 91-22-2202 3563

E-MAIL: mail@ezcommindia.com

WEBSITE: www.ezcommindia.com and www.yarnsandfibers.com

SHARE TRANSFER AND DEMAT REGISTRARS:

M/S LINK INTIME INDIA PRIVATE LIMITED
C-13, PANNALAL SILK MILLS COMPOUND
L. B. MARG, BHANDUP (W)
MUMBAI – 400 078
Tel.: 022 – 25923837

NOTICE

Notice is hereby given that the **Nineteenth Annual General Meeting** of the members of **Centerac Technologies Limited** (Formerly EZ-COMM Trade Technologies Limited) will be held on Saturday 29th September, 2012 at 9.30 a.m at the Registered Office of the Company at 4th Floor, Doulatram Mansion, Rambhau Salgaonkar Marg, Colaba, Mumbai – 400 005 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2012 and the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Mohan Jayakar, who retires by rotation and being eligible, offers himself for re-appointment.
3. **To appoint M/s. Bansi S Mehta & associates, Chartered Accountants, Mumbai in place of resigning auditors M/s A. J. Mehta & Associates, Mumbai, as the Auditors of the Company until the conclusion of the next Annual General Meeting and to fix their remuneration.**

By order of the Board of Directors
Sd/-
Sanjiv Khandelwal
Chairman and Managing Director

Mumbai:

Registered Office:

4th Floor, Doulatram Mansion
Rambhau Salgaonkar Marg
Colaba, Mumbai – 400 005

NOTES:

1. **A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of himself and a proxy need not be a member. The proxy form, in order to be effective, must however be deposited at the Registered Office of the Company, not less than forty-eight hours before the commencement of the meeting.**
2. The Register of Members and Share Transfer Books will remain closed through between 25.09.2012 to 29.09.2012 (both days inclusive).
3. Members are requested to sign at the place provided for the attendance slip annexed to the Proxy Form and hand over the slip at the entrance to the place of the meeting.
4. Members who hold shares in dematerialised form are requested to bring their client ID and DP ID numbers for easier identification of attendance at the meeting.
5. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report to the meeting.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Nineteenth Annual Report together with the Audited Statement of Accounts for the year ended the 31st March 2012.

Financial Results: (in Rs.)	<u>Year ended</u> 31-03-2012	<u>Year ended</u> 31-03-2011
	In Rupees	In Rupees
Revenue from Operations	26,521,383.08	5,948,601.00
Profit Before Exceptional and Extraordinary Items	5,633,808.37	1,261,501.18
Exceptions Items	Nil	Nil
Profit Before Extraordinary Items	5,633,808.37	1,261,501.18
Extraordinary Items	(734,449.85)	Nil
Profit before Tax	4,899,358.52	1,261,501.18
Less : Tax Expenses		
Current Tax	1,900,000.00	Nil
Deferred Tax (Net)	269,320.00	394,788.00
PROFIT/(LOSS) after tax	3,268,678.52	1,656,289.18
	=====	=====

Change of Name

During the year under review the Company has changed its name from Ez-Comm Trade Technologies Limited to Centerac Technologies Limited vide fresh certificate consequent to change of name issued by the Ministry of Corporate Affairs on 11th June, 2012.

Income, Activities & Operations:

During the year, the Company earned Rs.26,521,383.08 as sales income and Rs.446,478.51 as other income and was able to make a profit of Rs.3,268,678.52 as against the profit of Rs.1,656,289.18 in the previous year and the Company expects good returns in the coming years.

Dividend:

The Directors do not recommend any dividend.

Public Deposits:

The Company has not accepted any Deposit within the meaning of Section 58A of The Companies Act, 1956 and the rules made thereunder during the year.

Directors:

Mr. Mohan Jayakar retires by rotation and being eligible, offers himself for re-appointment.

Directors' Responsibility Statement:

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

- (i) That in the preparation of the accounts for the financial year ended 31st March 2012, the applicable accounting standards have 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 judgements and estimates that were fairly reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March 2012 on a 'going concern' basis.

Particulars of Employees:

The Company has not paid any remuneration attracting the provision of Companies (Particulars of Employees) Rules, 1975 read with Section 217(2A) of the Companies Act, 1956, as amended. Hence, there is no requirement to append any information to this report in this regard.

Particulars of Energy Conservation, Technology absorption & Foreign Exchange Earnings and outgo:

Since the Company has ventured into the e-commerce and software development business and there are no manufacturing activities, there are no particulars relating to conservation of energy and technology absorption.

The following foreign exchange earnings and outgo were there during the year:

(A) Earnings in Foreign Currency (on accrual basis)

		Year ended March 31, 2012	Year ended March 31, 2011
a)	Sale of E-business Reports	1,67,709	Nil
	Sale of E-business Membership	23,57,430	Nil
	Fees for preparation of Special Projects	8,27,886	8,16,231
	Fees for preparation of Special Projects – Mobile Applications	11,50,406	Nil

(B) CIF Value of Imports and Expenditure in Foreign Currency (on accrual basis)

		Year ended March 31, 2012	Year ended March 31, 2011
a)	C. I. F. Value of Imports	NIL	NIL
b)	Expenditure in Foreign Currencies (on accrual basis)		
	Travelling Expenses	2,41,635	Nil
	Business Promotion Expenses	42,107	Nil
	Hosting Charges	4,28,223	7,875
	Membership & Subscription	95,068	Nil

Auditors:

M/s A. J. Mehta & Associates, Chartered Accountants, Mumbai, the Auditors of the Company have expressed their inability to continue as Auditors of the Company. The Board of Directors propose to appoint M/s. Bansi S Mehta & Associates, Chartered Accountants Mumbai as Auditor of the Company in place of the resigning auditors. The Company has received letters from the new auditors to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1-B) of the Companies Act, 1956. The Board recommends their re-appointment.

Auditors' Report:

The Auditors' Report is attached to the Balance Sheet as at 31st March 2012. The comments of the auditors to the accounts referred to in the Auditors' Report are self-explanatory.

Scheme of Amalgamation

In accordance with the Scheme of Arrangement and Amalgamation Scheme ("the Scheme") as approved by the Hon'ble Bombay High court vide Order dated 09-05-2012, the paid up capital of the Company has been reduced from ` 508.20 lakhs to ` 50.82 lakhs by writing off ` 9/- per share which had been wiped out due to accumulated losses of the Company. Further, as per the Scheme, the balance accumulated losses have been adjusted against share Forfeiture Account to the extent of ` 40,000/- and ` 34,21,252/- against the balance in the General Reserve. Further, in terms of the Scheme, the paid up value per equity share of the Company has been reduced from ` 10/- per share to ` 1/- per share with effect from appointed date i. e. 1st August, 2010.

Listing:

The Equity Shares of the company are listed on The Stock Exchange, Mumbai, The Stock Exchange, Ahmedabad and The Delhi Stock Exchange Association.

The company's shares are tradable compulsorily in electronic form and the company has established connectivity with both the depositories, i.e. Central Depository Services (India) Ltd. & National Securities Depository Ltd.

The company has also appointed M/s LINK INTIME INDIA PRIVATE LIMITED as its Share Transfer and Depository Registrars. Shareholders are requested to send the matters relating to share transfers and/ or dematerialisation to the Company Registrars. In view of the numerous advantages offered by the depository system, members are requested to avail of the facility of dematerialisation of the company's shares on either of the Depositories as aforesaid.

Corporate Governance:

In line with the guidelines stipulated by the Securities and Exchange Board of India (SEBI) Committee on Corporate Governance, adequate steps have been taken to ensure that most of the provisions of Clause 49 of the Listing Agreement are duly complied with.

A separate report on corporate governance is included/ attached as part of the Annual Report. The Auditors' Certificate confirming Compliance of Conditions of Corporate Governance is included in the said Corporate Governance Report. The Company is soon to induct more Directors.

Acknowledgement:

The Directors record their thanks to all the shareholders, banks for their co-operation. The Directors also acknowledge the co-operation received from officers and staff of the Company.

For and on behalf of the Board of Directors

Mumbai
Dated:

**Sd/-
Sanjiv Khandelwal
Chairman and Managing Director**

Management Discussion & Analysis Report

Industry Structure & Development

The Indian IT industry growth was normal during the year

However, in the course of the last decade, India's IT software industry has scripted one of the most amazing success stories by contributing very substantially to India's flourishing forex reserves and to employment, alongwith radically altering the country's image and standing amongst nations.

Opportunities & Threats

IT, when appropriately used, has proven to be of immense benefit in increasing efficiency, cutting costs, improving decision-making and providing better customer service. There are document case studies on how IT has helped reduce inventories, cut down time-to-market, and generally improved the bottom-line of companies.

As an enabler and enhancer, IT is clearly a major productivity too. India's software expertise has helped foreign companies – and countries – to become more competitive. So far, most of this has been to companies / counties that are not in direct competition with Indian companies or India. It would, indeed, be ironical if Indian software expertise were to enhance a competitor's productivity, and help it overtake Indian companies. (Source: NASSCOMM report)

Risk and Concerns

Technology Obsolescence

CENTERAC manages potential operational risks by adopting continuous technological upgradation of technologies and systems.

Intellectual Property

Although the Company takes adequate precautions to protect its Intellectual Property (IP), it faces the risk of others using and gaining from its IP.

Insurance

The Company needs to consider insurance of its assets and operations against a wide range of risks as part of its overall risk management strategies. The management is now considering the same.

Internal Controls

CENTERAC has proper and adequate system of internal controls to ensure that all assets are safeguarded, and protected against loss from unauthorised use or disposition, and that transactions are authorised, recorded and reported correctly.

The internal control systems are supplemented by an extensive programme of internal audits, reviews by management, and documented policies, guidelines and procedures. The internal control systems are designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

Discussions on Financial Performance with respect to operational Performance:

During the year, the Company earned Rs.26,521,383.08 as sales income and Rs.446,478.51 as other income and was able to make a profit of Rs.3,268,678.52 as against the profit of Rs.1,656,289.18 in the previous year and the Company expects good returns in the coming years.

Material Development in Human Resources / Industrial Relations:

Company hires the best talent from anywhere in the country to attract the best people that it needs for its services. The Company has well designed training programme to take care of the training needs of the professionals to keep them abreast of the new technologies changes.

The Company enjoys healthy relations with its customers, investors, employees, banks, and various state and central government departments. To offer the most cost-effective solutions to the overseas existing clients and also to capture new clients, the Company also recruits highly skilled technical persons from reputed institutes.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections estimates, and exceptions may be "forward looking statements" within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors. 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. PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealings with the shareholders, employees, the Government and other parties. Your Company believes the Code on Corporate Governance provides a structure by which the rights and responsibilities amongst different participants in the organization, such as the Board, employees and shareholders are distributed. In carrying this out, it helps to ensure that the Company's objectives are well defined and performance against those objectives are adequately measured and monitored. Your Company believes that all its operations and actions must serve the underlying goal of boosting overall shareholder value, over a sustained period of time.

In so far as compliance of Clause 49 of the Listing Agreement with the Stock Exchanges is concerned, the Company has complied in most material respects with the requirements of Corporate Governance specified in the Listing Agreement with the Mumbai, Ahmedabad and Delhi Stock Exchanges.

II. BOARD OF DIRECTORS

A. Composition of the Board:

As on 31st March 2012, the Board of Directors of Centerac Technologies Limited comprises the Chairman, Mr. Sanjiv Khandelwal, who is an executive director and a promoter. Besides, there are three non-executive directors viz. Mr.Mohan Jayakar , Mr. Kushrow Shiavax Patel who are Independent Directors and Mrs. Shilpa Khandelwal. The Non Executive Directors is eminent professionals with wide range of knowledge and experience in business, industry. The composition of the Board and other relevant details relating to Directors are given below:

Name of the Director	Category of Director	No. of Board Meetings held	No. of Board Meetings attended	No. of other Director -ships	Committee Member -ships	Committee Chairmanships	Last Annual General Meeting attended
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. Sanjiv Khandelwal <i>Chairman & Managing Director</i>	Executive and Promoter Director	5	5	2	2	0	Yes
Mrs. Shilpa Khandelwal Director	Non-Executive and Promoter Director	5	5	2	2	1	Yes
Mr. Kushrow Shiavax Patel	Non-Executive and Independent Director	5	5	0	2	1	Yes
Mr. Mohan Jayakar	Non-Executive and Independent Director	5	1	-	Nil	Nil	No

5 (Four) meetings of the Board of Directors were held during the financial year 2011-12.

III. AUDIT COMMITTEE

- a. **Terms of reference:** The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Section 292A of the Companies Act, 1956 with additional functions/ features as are contained under Clause 49 of the Listing Agreement.
- b. **Composition:** The Audit Committee was constituted by the Board of Directors in the year 2001 and comprises 2 Non-Executive Directors with one of them being independent and one Executive Director. The Chairman of the Committee is an independent Director. 4 (Four) meetings of the Committee were held during the year under review. The composition of the Committee and attendance of the members is given hereunder:

Name of member	Member/ Chairman	Number of Meetings Attended
Mr. Khushraw Shiavax Patel	Chairman	4
Mr. Sanjiv Khandelwal	Member	4
Mrs. Shilpa Khandelwal	Member	4

IV. Remuneration Committee:

The Board has not constituted the Remuneration Committee yet, as it is not a mandatory requirement.

Remuneration of Executive Directors: There is only one Executive Director on the Board i.e. the Managing Director, Mr. Sanjiv Khandelwal.

Remuneration of Non-Executive Directors: The Company pays sitting fees to Non-Executive Directors @ Rs. 1,000/- per meeting.

Remuneration of Employees: It mainly consists of fixed salaries i.e. basic pay, allowances & perquisites, which varies with different grades and related to the qualifications, experience & responsibilities shared by the employees.

V. Share Transfer and Grievance Committee

A Committee for Share Transfers was constituted by the Board in 1995-96 and was later renamed and reconstituted as Share Transfer and Investor Grievance Committee. The Chairperson of the Committee, Mrs. Shilpa Khandelwal is a Non-Executive Director.

The Shareholders'/Investors' Grievance Committee looks into investors' complaints/queries, approves/ ratifies transfer of shares, transmission of shares, issue of duplicate share certificates, splitting of shares into marketable lots, issue of share certificates on consolidation, subdivision etc.

The Committee meets at frequent intervals to consider Shareholders' complaints. All valid share transfers received during the year 2011-12 have been approved and attended to by the Committee. It may also be noted here that the Company now has a common Registrar and Transfer Agent for its physical and demat segments.

Number of Shareholder complaints received during the year:

During the year under review, no investor complaints was received.

VI. General Body Meetings

The details of Annual General Meetings (AGM) held in the last three years are given hereunder:

Meeting	Day & Date of Meeting	Time	Place
16 th Annual General Meeting	Wednesday September 30, 2009	3.00 p.m.	Registered Office: 4th Floor, Doulatram Mansion, Rambhau Salgaonkar Marg, Colaba, Mumbai – 400005
17 th Annual General Meeting	Thursday September 30, 2010	3.00 p.m.	Registered Office: 4th Floor, Doulatram Mansion, Rambhau Salgaonkar Marg, Colaba, Mumbai – 400005
18 th Annual General Meeting	Wednesday December, 21 2011	3.00 p.m.	Registered Office: 4th Floor, Doulatram Mansion, Rambhau Salgaonkar Marg, Colaba, Mumbai – 400005

VII. Disclosures

- a. Disclosures on materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.**

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years**

The Company has complied most of the requirements of the regulatory authorities on matters related to capital markets and paid the necessary penalties wherever applicable by the Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets.

VIII. Means of communication

The Company publishes its quarterly, half-yearly and full year results in either of the following combination of newspapers:

Free Press Journal (English) and Navshakti (Marathi)

Other information, news/ press releases are displayed on the Company's website viz. www.Centerac.com

The Company does not have the system of intimating shareholders individually of its quarterly/ half-yearly results. However, investors/ shareholders desirous of getting the quarterly/ half-yearly unaudited results are given copies thereof after consideration of results by the Board and publication in newspapers.

The Management Discussion and Analysis report is given separately in the Annual Report.

IX. General shareholder information

AGM: Date, Time & Venue

The AGM will be held on 29th September, 2012 at 9.30 a.m at the Registered Office of the Company at 4th Floor, Doulatram Mansion, Rambhau Salgaonkar Marg, Colaba, Mumbai 400 005. The Company has obtain necessary extention from the Registrar of companies , Maharashtra to hold the Annual General Meeting on or before 31st December, 2011.

Financial year of the Company: 1st April 2011 to 31st March 2012

Date of Book Closure: between 25.09.2012 to 29.09.2012 (both days inclusive)

Dividend payment date: Since no dividend is recommended, this is not applicable.

Listing on Stock Exchanges: Bombay, Ahmedabad and Delhi. The Company has taken shareholders' approval for delisting from the Delhi and Ahmedabad Exchanges. The Company is to apply to the Exchanges soon for delisting.

Stock Code:

Mumbai Stock Exchange (Regional) : 531621
 Ahmedabad Stock Exchange : 05787
 Delhi Stock Exchange : 6107

Market Price Data: High & Low price of equity shares on the Stock Exchange, Mumbai is as under:

Month	High (Rs.)	Low (Rs.)
April 2011	3.01	2.45
May 2011	2.70	1.85
June 2011	2.69	1.75
July 2011	2.70	2.03
August 2011	2.89	2.41
September 2011	2.66	1.81
October 2011	2.76	1.88
November 2011	2.04	1.53
December, 2011	2.11	1.68
January 2012	2.00	1.86
February 2012	2.10	1.82
March 2012	2.34	1.65

Performance in comparison to broad-based index i.e. BSE Sensex is as under:

Month	BSE Index	Closing Price of Shares
April 2011	19135.96	2.58
May 2011	18503.28	1.85
June 2011	18845.87	2.12
July 2011	18197.20	2.53
August 2011	16676.75	2.45
September 2011	16453.76	1.88
October 2011	17705.01	2.14
November 2011	16123.46	1.60
December, 2011	15454.92	1.95
January 2012	17193.55	2.00
February 2012	17752.68	2.10
March 2012	17404.20	1.72

Registrar and Transfer Agent: The Company has appointed a common Registrar for its physical and demat share activities viz., M/s LINK INTIME INDIA PRIVATE LIMITED. Their address is:

M/s LINK INTIME INDIA PRIVATE LIMITED

C-13, Panalal Silk Mills Compound,

L. B. Marg, Bhandup (West),

Mumbai – 400 078 Tel: 022-55555454 Fax: 022-55555353

Contact Person: Ms.Sujata Kotian

Share Transfer System: The Company (now the Company's Registrars and Share Transfer Agents) normally registers shares sent for transfer in physical form within 30 days of the receipt of the documents. Shares under objection are returned within two weeks. The Company has, as per SEBI guidelines, also offered the facility of transfer-cum-demat.

Compliance Officer: The Company has appointed Mr.Sanjiv Khandelwal, the Managing Director of the Company as the Compliance Officer.

Distribution of shareholding as on 31st March, 2012

Range of Shares held	No.of share holders	% of share holders	Share Amount in Rupees	% of total share amount
1 to 5000	2595	79.7235	2174940	4.2797
5001 to 10000	312	9.5853	2899010	5.7045
10001 to 20000	149	4.5776	2537160	4.9924
20001 to 30000	55	1.6897	1491900	2.9357
30001 to 40000	27	0.8295	1010890	1.9852
40001 to 50000	21	0.6452	1013620	1.9945
50001 to 100000	44	1.3518	3385780	6.6623
100000 and above	52	1.5975	36306700	71.4418
TOTAL	3255	100.00	50820000	100.00

Shareholding pattern of the Company as on 31st March 2012

	Category	Number of Shares Held	Percentage holding
A.	Promoters' Holding		
1.	Promoters		
	- Indian Promoters	2073190	40.79
	- Foreign Promoters	Nil	0.00
2.	Persons acting in Concert	Nil	0.00
	Sub-Total (1+2)	2073190	40.79
B.	Non-Promoters' Holding		
3.	Institutional Investors		
	a. Mutual Funds and UTI	Nil	Nil
	b. Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions, Non-Government Institutions)	Nil	0.00
	c. FIIs (Foreign Institutional Investors)	Nil	0.00
	Sub-Total	Nil	Nil
4.	Others		
	a. Private Sector Corporate Bodies	188503	3.71
	b. Indian Public	2820307	55.50
	Grand Total	5082000	100.00

Dematerialisation of shares and liquidity:

Almost 80% of the Company's paid up equity share capital has been dematerialised. Trading in the Company's shares is permitted only in the dematerialised form as per notification issued by SEBI. The shares have considerable liquidity on the Bombay Stock Exchange.

Outstanding GDR's/ ADR's/ Convertibles: NONE

Plant Locations: NONE

Address for correspondence:

4th Floor, Doulatram Mansion,

Rambhau Salgaonkar Marg,

Colaba, Mumbai – 400005

Tel. No.: 022-22825252

Fax. No.: 022-22023563

eMail: secretary@ezcommindia.com, ezcomm@vsnl.com



A. J. MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS

CA. Atul J. Mehta

B. Com., F. C. A.

Tel. : 2201 7858 • 2201 9831
Telefax : 2206 7627 • 2206 7527
Email : atulmehta9@hotmail.com

AUDITORS' REPORT

To
The Members of
CENTERAC TECHNOLOGIES LIMITED

1. We have audited the attached Balance Sheet of **CENTERAC TECHNOLOGIES LIMITED** as at **March 31, 2012**, and also Profit and Loss 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.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure hereto, a statement on the matters specified in Paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in above paragraph, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper Books of Account as required by law have been kept by the Company so far as it appears from examination of those books;





A. J. MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS

CA. Atul J. Mehta

B. Com., F. C. A.

Tel. : 2201 7858 • 2201 9831
Telefax : 2206 7627 • 2206 7527
Email : atulmehta9@hotmail.com

- iii) The Balance Sheet and Profit and Loss Statement dealt with by this Report are in agreement with the Books of Account;
- iv) Subject to the observation in para 4(vi) below, in our opinion, the Balance Sheet, and Profit and Loss 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 **except for adhoc provision for Retirement Benefits under Accounting Standards AS – 15.**
- v) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as director in terms of clause (g) of sub-section (1) to Section 274 of the Companies' Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, subject to Note No. 29(I) relating to adhoc provision for Gratuity Payable Employees as per Accounting Standard AS-15 issued by the Institute of Chartered Accountants of India, the said accounts give the information required by the Companies' Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
- a) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2012; and
- b) in the case of Profit and Loss Statement, of the **PROFIT** for the year ended on that date.
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Mumbai,
Dated **28 AUG 2012**



For **A. J. MEHTA & ASSOCIATES**
Chartered Accountants
Firm Registration No. 106179W

Atul J. Mehta

(ATUL J. MEHTA)
Proprietor

Membership No. 36959



A. J. MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS

CA. Atul J. Mehta

B. Com., F. C. A.

Tel. : 2201 7858 ● 2201 9831
Telefax : 2206 7627 ● 2206 7527
Email : atulmehta9@hotmail.com

ANNEXURE TO THE AUDITORS' REPORT

ANNEXURE REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of the audit, we further state that :

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the Management during the year. As informed, no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off any fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at the end of the year.
- (b) The procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) As informed, the Company has granted interest free advances to two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved to the said companies and other persons, after considering provision for doubtful loans and advances, were ₹ 50,000/- and the year-end balance was ₹ 50,000/-
- (b) In our opinion and according to the information and explanation given to us, the other terms and conditions on which the loans have been granted to companies covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.





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- (c) In respect of other loans and advances to a company and the persons covered in the register maintained under section 301 of the Companies Act, 1956 to whom interest free loans and advances have been granted, the said loans and advances are repayable on demand.
- (d) There is no overdue amount of loans granted to companies, firms or other persons listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The company has taken loans from four parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 34.51 lakhs and the year end balance of loans taken from such parties was ₹ Nil.
- (f) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions for such loans, are not, prima facie, prejudicial to the interest of the Company.
- (g) The Company is regular in repaying the principal amounts as stipulated.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system of the Company.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of such contracts or arrangements exceeding value of ₹ Five lakhs have been entered in to during the financial year at price which are reasonable having regards to the prevailing market price at the relevant time.





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- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and consequently the directives issued by the Reserve Bank of India, the provisions of sections 58A and 58AA or any relevant provisions of the Companies Act, 1956 and the Rules framed thereunder are not applicable. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its operations.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanation given to us and on the basis of our examination of books of accounts and other records, there are delays from the Company in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales tax, customs, wealth-tax. Service tax, and other material statutory dues applicable to it. We are informed that custom duty, excise duty, provisions relating to employees' state insurance are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, customs, wealth-tax. Service tax, custom duty excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for the period more than six months from the date they became payable except interest on Provident Fund and Profession Tax of ₹ 1,385/-

- (b) According to the information and explanations given to us and the records of the Company, there are no dues outstanding in respect of income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.





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- (x) The Company does not have any accumulated losses at the end of the year and has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedure and as per the information and explanations given by the management, the Company has not borrowed any amount from any financial institution or banks. Further, the Company has not issued any debentures and hence clause 4(xi) is not applicable to the Company.
- (xii) According to the information and explanations given to us and based on documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) 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 as amended are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) order, 2003 as amended are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) Based on the information and explanation given to us by the management, the Company has neither raised any new term loans during the year nor has any amount outstanding at the year end.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on the short term basis have been used for the long term investment.
- (xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.





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- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based on upon the audit procedure perform for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Mumbai,
Dated **28 AUG 2012**



For A. J. MEHTA & ASSOCIATES
Chartered Accountants
Firm Registration No. 106179W

Atul J. Mehta
(ATUL MEHTA)
Proprietor
Membership No. 036959

CENTERAC TECHNOLOGIES LTD.

BALANCE SHEET AS AT MARCH 31, 2012

	NOTES	As at 31-Mar-2012	As at 31-Mar-2011
		₹	₹
<u>Equity and Liabilities</u>			
Shareholders' Funds			
(a) Share Capital	3	5,082,000.00	50,860,000.00
(b) Reserves and Surplus	4	5,395,442.09	(43,651,236.43)
		10,477,442.09	7,208,763.57
Equity Shares Pending Allotment in terms of * Scheme of Arrangement and Amalgamation		5,952,700.00	0.00
Non-current Liabilities			
(a) Deferred Tax Liabilities (Net)	5	0.00	121,812.00
(b) Long-term provisions	6	604,532.00	0.00
		604,532.00	121,812.00
Current Liabilities			
(a) Short Term Borrowings	7	0.00	3,451,000.00
(b) Trade Payables	8	37,221.00	13,388.00
(c) Other Current Liabilities	9	5,937,379.54	2,559,878.27
		5,974,600.54	6,024,266.27
	TOTAL	23,009,274.63	13,354,841.84
Assets			
Non-current Assets			
(a) Fixed assets			
(i) Tangible assets	10	4,305,426.00	3,555,623.00
(ii) Intangible assets		1,745,051.00	1,943,335.00
(iii) Capital Work in Progress		195,495.00	0.00
		6,245,972.00	5,498,958.00
(b) Non-current Investments	11	2,520,675.40	190,696.00
(c) Deferred tax assets (net)	12	147,508.00	0.00
(d) Long-term loans and advances	13	128,042.11	60,843.31
		9,042,197.51	5,750,497.31
Current Assets			
(a) Inventories	14	103,456.00	103,456.00
(b) Trade receivables	15	3,490,074.49	2,322,850.00
(c) Cash and Bank Balances	16	5,215,068.95	321,082.50
(d) Short-term loans and advances	17	5,025,973.98	4,827,308.03
(e) Other Current Assets	18	132,503.70	29,648.00
		13,967,077.12	7,604,344.53
	TOTAL	23,009,274.63	13,354,841.84

NOTES

As per our Report even date
For **A. J. MEHTA & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration No. 106179W

Atul J. Mehta
(ATUL MEHTA)
Proprietor

Membership No. 36959

Place : Mumbai

Date Dated : **28 AUG 2012**



For and on behalf of the Board of Directors

For Centerac Technologies Limited

[Signature]

Director

For Centerac Technologies Limited

[Signature]

Director

Place : Mumbai

Date Dated : **28 AUG 2012**

CENTERAC TECHNOLOGIES LTD.
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON MARCH 31, 2012

	NOTES	For the Year ended	For the Year ended
		31-Mar-12	31-Mar-11
		₹	₹
INCOME			
Revenue from Operations (Gross)		26,521,383.08	5,948,601.00
Less: Excise Duty		0.00	0.00
Revenue from Operations (net)	19	26,521,383.08	5,948,601.00
Other Income	20	446,478.51	409,202.28
Total Revenue		26,967,861.59	6,357,803.28
Expenses			
Trading Purchases		1,081,725.00	422,237.00
(Increase) / Decrease in Inventories of Traded Goods	22	0.00	140,667.00
Employee Benefit Expenses	23	10,390,380.00	225,856.00
Finance Costs	24	2,692.00	0.00
Depreciation and Amortization Expenses	25	1,642,408.59	1,246,804.00
Other Expenses	26	8,216,847.63	3,060,738.10
Total Expenses		21,334,053.22	5,096,302.10
Profit Before Exceptional and Extraordinary Items and Tax		5,633,808.37	1,261,501.18
Exceptional Items		0.00	0.00
Profit before Extraordinary Items		5,633,808.37	1,261,501.18
Extraordinary Items		(734,449.85)	0.00
Profit before Tax		4,899,358.52	1,261,501.18
Less: Tax Expenses			
- Current Tax		1,900,000.00	0.00
- Deferred Tax (Net)		269,320.00	394,788.00
PROFIT / (LOSS) after Tax		3,268,678.52	1,656,289.18
Earning per equity share (nominal value of share ₹ 1/- - Previous Year ₹ 10/- each)	28		
Basic			
Earning per Share - Basic before extra ordinary items (Face value of equity share ₹ 10/-)		NA	0.33
Earning per Share - Basic after extra ordinary items (Face value of equity share ₹ 10/-)		NA	0.33
Earning per Share - Basic before extra ordinary items (Face value of equity share ₹ 1/-)		0.79	NA
Earning per Share - Basic after extra ordinary items (Face value of equity share ₹ 1/-)		0.64	NA
Diluted			
Earning per Share - Diluted before extra ordinary items (Face value of equity share ₹ 10/-)		NA	0.33
Earning per Share - Diluted after extra ordinary items (Face value of equity share ₹ 10/-)		NA	0.33
Earning per Share - Diluted before extra ordinary items (Face value of equity share ₹ 1/-)		0.36	NA
Earning per Share - Diluted after extra ordinary items (Face value of equity share ₹ 1/-)		0.30	NA

NOTES

As per our Report even date
For A. J. MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No. 106179W

Atul J. Mehta
(ATUL MEHTA)
 Proprietor

Membership No. 36959

Place : Mumbai

Dated : **28 AUG 2012**



For and on behalf of the Board of Directors
For Centerac Technologies Limited

[Signature]
 Director

For Centerac Technologies Limited

[Signature]
 Director

Place : Mumbai

Dated : **28 AUG 2012**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note – 1 : CORPORATE INFORMATION

Centerac Technologies Limited is a Public Company incorporated in India in the year 1993 under the Companies Act, 1956 and having its registered office in Mumbai, Maharashtra. The shares of the Company are listed on the Bombay Stock Exchange. The name of the Company was changed from Ez-comm Trade Technologies Ltd. to Centerac Technologies Ltd. after the close of the accounting year. The Company is a full service technology provider, operates in three primary verticals; Internet, Networking, and Mobile and provide end to end customized solutions for a range of industries

Note – 2 : SIGNIFICANT ACCOUNTING POLICIES

- i) **Basis for preparation of Financial Statements :**
The Financial Statements have been prepared to comply within all materials with the Notified accounting standard by Companies (accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those use in the previous year.
- ii) **Method of Accounting :**
The Financial Statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairments is made.
- iii) **Tangible Fixed Assets and Capital Work in Progress :**
- a) Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.
- b) Impairment Loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.
- iv) **Intangible Assets :**
Intangible Assets are stated at their cost of acquisition less accumulated amortization and impairment losses. An asset is recognised where it is possible that future economic benefits attributable to the assets will flow to the enterprise and where its cost can be reliably measured. The

S Chandrababu



For Centerac Technologies Limited

[Signature]

Director

depreciable amount on intangible assets is allocated over the best estimate of its useful life on a straight line basis or the period of agreement whichever is lower.

iv)

Depreciation / Amortisation :

- a) Except for items on which 100% depreciation rates are applicable, depreciation is provided using Straight Line Method as per the useful lives of the assets estimated by the management or at the rates prescribed in Schedule XIV of the Companies Act, 1956. Assets valuing less than ₹ 5,000/- are depreciated at the rate of 100% in the year of acquisition. Depreciation in respect of addition to / deletion from the Fixed Assets, provided on the pro-rata basis with reference to the date of additions to / deletion from the assets.
- b) Depreciation on intangible assets is provided on the straight line method. Technical Know How and Goodwill are being amortised over 60 months being the estimated useful life.

v)

Investments :

- a) Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.
- b) Current Investments are carried at lower of the cost and fair value determined on an individual investment basis.
- c) Long Term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

vi)

Inventories :

Inventories (Trading Goods) are valued at cost and net realisable value, whichever is lower. Materials in transit are valued at cost to date. Due allowance is estimated and made for defective and obsolete items, wherever considered necessary.

vii)

Revenue Recognition :

- a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- b) Revenue from Sale of Goods is recognised when the significant risks and rewards of ownership of the good have passed to the buyer. Excise Duty deducted from the turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the period. Sales are net of Sales Tax / Value Added Tax.
- c) The e-membership fees and website maintenance and server hosting fees received are recognised and accounted for on pro-rata basis on the basis of period for which membership is subscribed / website maintenance and server hosting is paid by the member customers.
- d) The revenues from e-solutions and special applications, preparation of feasibility study reports and special reports are recognised on achievement of performance milestones specified in the customer contracts.



For Centerac Technologies Limited

Director

S. Chandrasekhar

- e) Interest revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- f) Dividend Income is accounted when the right to receive the income is established.

viii)

Foreign Currency Transactions

- a) All the transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transactions.
- b) Foreign Currency monetary assets and liabilities, outstanding at the close of the year are converted in Indian Currency at the exchange rates prevailing on the Balance Sheet date. The resultant gain or loss is accounted for during the year.
- c) Non monetary items – Investments in subsidiary are carried in terms of historical cost denominated in a foreign currency is reported using the exchange rate at the date of the transaction.
- d) In respect of forward exchange contracts entered into towards hedge of foreign currency risks, the difference between the forward rates and the exchange rate at the inception of the contract is recognised as income or expenditure over the life of the contract. Further, the exchange differences arising on such contracts are recognised as income or expenditure along with exchange difference on the underlying assets / liabilities. Profit or loss on cancellation / renewals of forward contracts is recognised for during the year.

ix)

Employees Benefits :

- a) Retirement benefits in form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- b) The Company has defined benefit gratuity plan. Every employee who has completed five years or more of services get a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on adhoc basis pending receipt of detailed actuarial valuation report.

x)

Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of such assets upto the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

xi)

Taxation :

- a) Tax expense comprises current and deferred taxes. Current Income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India.



For **Centeroc Technologies Limited**

Director

S. Chandrasekhar

- b) Deferred income taxes reflects the impact of current year timing difference between the taxable income and accounting income for the year and reversal of timing difference of earlier years.
- c) Deferred tax is measured based on the tax rates and the tax laws enacted or subsidiary enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to taxes on income levied by same governing taxation law. In situation where the company has unabsorbed depreciation or carried forward tax losses, all deferred tax assets are recognised only if, there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.
- d) At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- e) Provision for current income-tax / wealth-tax is computed as per 'Total Income' returnable under the Income-tax Act, 1961 taking into account available deductions and exemptions.
- f) The Company avails credit of MAT if there is reasonable certainty that the same would be set off in the eligible period.

xii)

Provisions :

A provision is recognised when an enterprise has a present obligation as result of past event. It is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimates require to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the best current estimates.

xiii)

Earnings per share :

- a) Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of any equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.
- b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



For Centerac Technologies Limited

[Signature]

Director

For Centerac Technologies Limited

[Signature]

Director

CENTERAC TECHNOLOGIES LTD.

NOTES FORMING PART OF THE BALANCE SHEET

	As at 31-Mar-2012 ₹	As at 31-Mar-2011 ₹
NOTE - 3 : SHARE CAPITAL		
Authorised		
7,00,00,000 (Previous Year 70,00,000) Equity Shares of ₹ 1/- each (Previous Year - ₹ 10/-)	70,000,000.00	70,000,000.00
Issued, Subscribed and Paid up		
50,82,000 (Previous Year - 50,82,000) Equity Shares of ₹1/- (Previous Year - ₹ 10/-) each fully paid up	50,820,000.00	50,820,000.00
Less: Reduction in Share Capital to be adjusted against accumulated Losses	(45,738,000.00)	0.00
	5,082,000.00	50,820,000.00
Nil (Previous Year - 8,000) Forfeited Equity Shares with paid up amount of Rs. 5/- per share	40,000.00	40,000.00
Less: Adjustment of Forefeiture Amount to be adjusted against accumulated Losses	(40,000.00)	0.00
	0.00	40,000.00
	5,082,000.00	50,860,000.00

a) Reconciliation of the shares outstanding at the beginning and at the end of the Reporting Period

	As at 31-03-2012		As at 31-03-2011	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the year	5,082,000	50,820,000	5,082,000.00	50,820,000
Issued during the year - Bonus	0	0	0.00	0
Issued during the year - ESOP	0	0	0.00	0
Less : Reduction				
Outstanding at the end of the year	5,082,000	50,820,000	5,082,000.00	50,820,000

b) **Terms / Rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹ 1/- per share (Previous Year ₹ 10/- per share).

Each holder of the Equity Shares is entitled to one vote per share held

The Company declares and pays dividends in Indian Rupees. Dividend, if any, proposed by the Board of Directors will be subject to the approval of the Shareholders in the ensuing Annual General Meeting except in case of Interim Dividend.

In the even off liquidation of the Company, the holders of the Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



For Centerac Technologies Limited

For Centerac Technologies Limited

Director

Director

c) **Shares held by holding / ultimate holding company and / or their subsidiaries / Associates**

There are no shares held by holding / ultimate holding company and / or their subsidiaries / Associates

d) **Details of Shareholders holding more than 5% of each class of shares issued by the Company**

Name of the Shareholder	As at 31-03-2012		As at 31-03-2011	
	Nos.	% of Share- - holding	Nos.	% of Share- - holding
Equity Shares				
Safal Holdings Pvt. Ltd.	1,086,930	21.39%	1,086,930.00	21.39%
Awesome Exports & Investment Pvt. Ltd.	956,600	18.82%	956,600.00	18.82%
Venkatesh Subramanian	301,701	5.94%	0.00	0.00%

NOTE - 4 : RESERVES AND SURPLUS

General Reserve

	As at 31-Mar-2012 ₹	As at 31-Mar-2011 ₹
Balance as per last account	4,168,381.75	4,168,381.75
Less : Transfer to Surplus A/c. for adjustment of Accumulated Losses	(3,421,252.00)	
	747,129.75	4,168,381.75

Surplus

Opening Balance	(47,819,618.18)	(48,686,331.36)
Add / (less): Net Profit / (Loss) for the year	3,268,678.52	866,713.18
Add : Transfer from General Reserve for adjustment of Accumulated Losses	3,421,252.00	0.00
Add : Transfer from Equity Share Capital for adjustment of Accumulated Losses	45,738,000.00	0.00
Add : Transfer from Share Forfeiture Account for adjustment of Accumulated Losses	40,000.00	0.00
Closing Balance	4,648,312.34	(47,819,618.18)

Total Reserves and Surplus

5,395,442.09

(43,651,236.43)



For Centerac Technologies Limited

G. S. Khanna
Director
For Centerac Technologies Limited

S. Chandrasekhar
Director

NOTE - 5 : DEFERRED TAX LIABILITIES

	As at 31-Mar-2012 ₹	As at 31-Mar-2011 ₹
Deferred Tax Liabilities		
Related to Fixed Assets	105,066.00	274,560.00
	<u>105,066.00</u>	<u>274,560.00</u>
Deferred Tax Assets		
Unabsorbed Depreciation and Business / Short Term Losses	1,020.00	152,748.00
Disallowance under the Income-tax Act, 1961	251,554.00	0.00
	<u>252,574.00</u>	<u>152,748.00</u>
Net Deferred Tax Liabilities	<u>(147,508.00)</u>	<u>121,812.00</u>
(Also Refer Note - 12 - Deferred Tax Assets)		

NOTE - 6 : LONG TERM PROVISIONS

	As at 31-Mar-2012 ₹	As at 31-Mar-2011 ₹
Provision for Employees Benefits		
Provision for Gratuity	604,532.00	0.00
	<u>604,532.00</u>	<u>0.00</u>

NOTE - 7 : SHORT TERM BORROWINGS

Loans from related Parties - Corporates (Unsecured)	0.00	2,400,000.00
Loans from related Parties - Directors (Unsecured)	0.00	1,051,000.00
	<u>0.00</u>	<u>3,451,000.00</u>
Unsecured Short Term demand Loans were carrying NIL rate of interest		

NOTE - 8 : TRADE PAYABLES

Trade Payables	37,221.00	13,388.00
	<u>37,221.00</u>	<u>13,388.00</u>

NOTE - 9 : OTHER CURRENT LIABILITIES

a) Other Payables

Statutory Dues Payable	602,206.94	190,074.00
Advances from Customers	230,752.00	623,767.00
Salary / Wages Payable	877,654.00	26,700.00
Deferred Revenue Income	1,485,681.95	0.00
Unrealised Service tax	384,463.17	119,480.00
Other Payables	2,356,621.48	1,599,857.27
	<u>5,937,379.54</u>	<u>2,559,878.27</u>



For Centerac Technologies Limited

Director
For Centerac Technologies Limited

Note - 10 : FIXED ASSETS

Tangible Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION				Net Block		
	As at April 01, 2011	Acquired under Scheme of Amalgamation	Additions during the year	Deductions / Adjustments	As at March 31, 2012	As at April 01, 2011	Acquired under Scheme of Amalgamation	Charge For the Year	On Disposal	As at March 31, 2012	As at March 31, 2011
Land	2,161,384.00	0.00	0.00	0.00	2,161,384.00	0.00	0.00	0.00	0.00	2,161,384.00	2,161,384.00
Borewell	22,350.00	0.00	0.00	0.00	22,350.00	8,950.00	0.00	746.00	0.00	12,654.00	13,400.00
Furniture & Fixtures	974,039.00	419,761.00	0.00	0.00	1,393,800.00	770,644.00	419,761.00	58,656.00	0.00	1,44,739.00	203,395.00
Computers	2,947,129.65	1,044,305.00	427,030.00	0.00	4,418,464.65	2,527,682.65	669,902.00	314,873.00	0.00	3,512,457.65	419,447.00
WiFi Equipments	985,281.00	380,420.00	52,150.00	0.00	1,417,831.00	742,255.00	216,890.00	142,263.00	0.00	316,423.00	243,006.00
Electric Installation	2,215.00	0.00	0.00	0.00	2,215.00	2,215.00	0.00	0.00	0.00	2,215.00	0.00
Generator	0.00	0.00	56,700.00	0.00	56,700.00	0.00	0.00	705.00	0.00	55,995.00	0.00
Vehicles	830,260.00	0.00	17,496.00	0.00	847,756.00	471,504.00	0.00	79,708.00	0.00	296,544.00	358,756.00
Office Equipments	205,111.00	472,359.40	113,288.00	0.00	790,758.40	48,876.00	295,029.40	35,173.00	0.00	411,680.00	156,235.00
Total	8,127,749.65	2,316,845.40	666,664.00	0.00	11,111,259.05	4,572,126.65	1,601,582.40	632,124.00	0.00	4,305,426.00	3,555,623.00
Previous Year Tangible	7,817,866.65	0.00	309,863.00	0.00	8,127,749.65	4,173,206.65	0.00	398,920.00	0.00	3,555,623.00	3,044,090.00

Intangible Assets

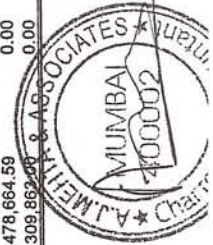
PARTICULARS	GROSS BLOCK				DEPRECIATION				Net Block		
	As at April 01, 2011	Acquired under Scheme of Amalgamation	Additions during the year	Deductions / Adjustments	As at March 31, 2012	As at April 01, 2011	Acquired under Scheme of Amalgamation	Charge For the Year	On Disposal	As at March 31, 2012	As at March 31, 2011
Technical Knowhow	5,230,624.00	0.00	0.00	0.00	5,230,624.00	3,287,289.00	0.00	847,884.00	0.00	1,095,451.00	1,943,335.00
Goodwill generated under Scheme of Arrangement and	0.00	0.00	812,000.59	0.00	812,000.59	0.00	0.00	162,400.59	0.00	649,600.00	0.00
Previous Year intangible	5,230,624.00	0.00	812,000.59	0.00	6,042,624.59	3,287,289.00	0.00	1,010,284.59	0.00	1,745,051.00	1,943,335.00
Previous Year Tangible	5,230,624.00	0.00	0.00	0.00	5,230,624.00	2,439,405.00	0.00	847,884.00	0.00	1,943,335.00	2,791,219.00

Capital Work in Progress

PARTICULARS	GROSS BLOCK				DEPRECIATION				Net Block		
	As at April 01, 2011	Acquired under Scheme of Amalgamation	Additions during the year	Deductions / Adjustments	As at March 31, 2012	As at April 01, 2011	Acquired under Scheme of Amalgamation	Charge For the Year	On Disposal	As at March 31, 2012	As at March 31, 2011
Capital Work in Progress	0.00	195,495.00	0.00	0.00	195,495.00	0.00	0.00	0.00	0.00	195,495.00	0.00
Previous Year Capital WIP	0.00	195,495.00	0.00	0.00	195,495.00	0.00	0.00	0.00	0.00	195,495.00	0.00

TOTAL	13,358,373.65	2,512,340.40	1,478,664.59	0.00	17,349,378.64	7,859,415.65	1,601,582.40	1,842,408.59	0.00	11,103,406.64	6,245,972.00
Total Previous Year	13,048,510.65	0.00	309,863.00	0.00	13,358,373.65	6,612,611.65	0.00	1,246,804.00	0.00	7,859,415.65	5,498,958.00

For Centex Technologies Limited



Gary J. Harbison
Director

As at
31-Mar-2012

As at
31-Mar-2011

₹

₹

NOTE - 11 : NON CURRENT INVESTMENTS

Long Term Investments at cost, unless otherwise specified

Trade Investments (unquoted)

Investment in Equity Instruments (Fully paid up)

(i) Subsidiary Nil (Previous Year - 10,000) Equity Shares of ₹ 10/- Each in Ez-comm Wireless Private Limited	0.00	100,000.00
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(Extinguished on amalgamation of the said Company with the Company)

Other Investments (Quoted) - Non Trade

150 (Previous Year - Nil) Equity Shares of Axis Bank Ltd.	199,275.00	0.00
1000 (Previous Year - Nil) Equity Shares of IRB Infrastructure Developers Ltd.	229,400.00	0.00
1000 (Previous Year - Nil) Equity Shares of Jaiprakash Associates Ltd.	139,240.00	0.00
1000 (Previous Year - Nil) Equity Shares of JBF Industries Ltd.	164,000.00	0.00
1000 (Previous Year - Nil) Equity Shares of Max India Ltd.	169,990.00	0.00
2500 (Previous Year - Nil) Equity Shares of PTC India Ltd.	297,375.00	0.00
3000 (Previous Year - Nil) Equity Shares of Subros India Ltd.	151,320.00	0.00
500 (Previous Year - Nil) Equity Shares of Karur Vysya Bank Ltd.	299,535.00	0.00
500 (Previous Year - Nil) Equity Shares of Thomas Cook (I) Ltd.	34,425.00	0.00
800 (Previous Year - 300) Equity Shares of Vakrangee Softwares Ltd.	221,551.00	90,696.00
Cash with MF Global	0.00	0.00

Amount C/f.. 1,906,111.00

190,696.00



For Centerac Technologies Limited

[Signature]

Director

For Centerac Technologies Limited

[Signature]

Director

	As at 31-Mar-2012 ₹	As at 31-Mar-2011 ₹
Amount B/f..	1,906,111.00	190,696.00
Other Investments (unquoted) - Non Trade		
10,04,932 (Previous Year - 10,04,932) Equity Shares of ₹ 10/- each in Asia Polytex (India) Limited	7,878,511.00	7,878,511.00
24 (Previous Year - Nil) Equity Shares of ₹10/- each and 262 Cumulative Convertible Redeemable Preference Shares of ₹ 100/- each of HMS Infotech (P) Ltd.	299,951.40	0.00
5 (Previous Year - Nil) Equity Shares of ₹10/- each of United Mobile Apps. Pvt. Ltd.	194,444.00	0.00
8 (Previous Year - Nil) Equity Shares of ₹1/- each and 261 Cumulative Convertible Redeemable Preference Shares of ₹ 100/- each of Exotel	120,169.00	0.00
	<u>10,399,186.40</u>	<u>8,069,207.00</u>
Less : Provision for Diminution, other than temporary in investment in shares of Asia Polytex (I) Ltd.	7,878,511.00	7,878,511.00
	<u><u>2,520,675.40</u></u>	<u><u>190,696.00</u></u>
Aggregate Value of unquoted investments	8,493,075.40	7,978,511.00
Aggregate value of quoted investments	1,906,111.00	90,696.00
Aggregate market value of quoted investments	1,607,270.00	104,700.00
Aggregate provision for diminution in value of investments	7,878,511.00	7,878,511.00

NOTE - 12 : DEFERRED TAX ASSETS

Deferred Tax Assets

Unabsorbed Short Term Capital Loss	1,020.00	
Disallowance under the Income-tax Act, 1961	251,554.00	0.00
	<u>252,574.00</u>	<u>0.00</u>

Deferred Tax Liabilities

Related to Fixed Assets	105,066.00	0.00
	<u>105,066.00</u>	<u>0.00</u>

Net Deferred Tax Assets

(Also Refer Note - 5 - Deferred Tax Liabilities)	<u><u>147,508.00</u></u>	<u><u>0.00</u></u>
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NOTE - 13 : LONG TERM LOANS AND ADVANCES

Securities Deposits		
Unsecured considered good	128,042.11	60,843.31
	<u><u>128,042.11</u></u>	<u><u>60,843.31</u></u>

Note - 14 : INVENTORIES

(Valued at lower of the cost and net realisable value unless stated otherwise)

Trading Goods	103,456.00	103,456.00
	<u><u>103,456.00</u></u>	<u><u>103,456.00</u></u>



For Centerac Technologies Limited

Director
For Centerac Technologies Limited

S. Chandrasekhar

	As at 31-Mar-2012 ₹	As at 31-Mar-2011 ₹
Note - 15 : TRADE RECEIVABLES		
(Unsecured, considered good unless stated otherwise)		
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	324,945.00	155,596.00
Other Trade Receivable		
Unsecured, considered good	3,165,129.49	2,167,254.00
	<u>3,490,074.49</u>	<u>2,322,850.00</u>
Note - 16 : CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Cash in Hand	358,221.25	321,082.50
Balances with Bank		
In Current Account	1,938,929.63	0.00
In Deposits with maturity of three months or less	1,595,006.07	0.00
Others		
Deposits with Bank with original maturity of more than 3 months but less than 12 months	1,322,912.00	0.00
	<u>5,215,068.95</u>	<u>321,082.50</u>
Note - 17 : SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good unless stated otherwise)		
Income-tax paid (net of Provisions for Income-tax)	2,718,198.48	1,222,885.00
Loans and Advances recoverable from Subsidiary Company	0.00	2,705,781.03
Loans and advances to related Party	50,000.00	0.00
Advances to Suppliers	10,000.00	10,000.00
Loans and Advances to Employees	108,500.00	0.00
Prepaid Expenses	106,680.50	12,903.00
Balance with Government Authorities	105,082.00	58,007.00
(Excise / Service Tax / VAT - Including Refund receivable)		
Loans and Advances to Others	1,927,513.00	817,732.00
	<u>5,025,973.98</u>	<u>4,827,308.03</u>
Note - 18 : OTHER CURRENT ASSETS		
Accruals		
Interest accrued on Deposits and Loans	132,503.70	29,648.00
	<u>132,503.70</u>	<u>29,648.00</u>



For Centerac Technologies Limited

[Signature]
Director
For Centerac Technologies Limited
[Signature]
Director

CENTERAC TECHNOLOGIES LTD.

NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS

	<u>For the Year ended 31-Mar-2012</u>	<u>For the Year ended 31-Mar-2011</u>
	<u>₹</u>	<u>₹</u>
NOTE - 19 : REVENUE FROM OPERATIONS		
Sale of Products		
Sale of Wi-fi equipments and components	1,432,867.00	1,071,915.00
Less : Excise Duty	0.00	0.00
Total	1,432,867.00	1,071,915.00
Sale of Services		
Fees for E-business Membership	2,828,136.96	0.00
Sale of Pre-paid Cards	432,445.00	0.00
Fees from Mobile Application	2,701,921.00	3,866,686.00
Fees for Feasibility Study Report	6,274,321.00	1,010,000.00
Fees for Website Maintenance and Server Hosting	7,174,085.00	0.00
Fees for Special Projects	3,067,017.00	0.00
Service Charges and Maintenance Contracts	2,086,570.00	0.00
Sale of E-Business Reports	524,020.12	0.00
Total	25,088,516.08	4,876,686.00
Revenues from Operations (Net)	26,521,383.08	5,948,601.00
Sale of Products / Services (Net)		
Products - Wi-fi Equipments and Components	1,432,867.00	1,071,915.00
Sale of / Fees from Services	25,088,516.08	3,804,771.00
	26,521,383.08	4,876,686.00

NOTE - 20 : OTHER INCOME

Dividend Received	25,237.50	0.00
Interest on Loans and Deposits (TDS ₹ 33,602/- - Previous year - ₹ 3,294/-)	351,378.83	43,326.12
Royalty	0.00	300,000.00
Profit on Sales of Investments	13,894.46	65,876.16
Other Miscellaneous Income and reimbursements	55,967.72	0.00
	446,478.51	409,202.28



For Centerac Technologies Limited

Director
For Centerac Technologies Limited

Director

For the Year ended 31-Mar-2012	For the Year ended 31-Mar-2011
₹	₹

NOTE - 21 : (INCREASE) / DECREASE IN INVENTORIES

Inventories at the end of the year		
Trading Goods	103,456.00	103,456.00
	<u>103,456.00</u>	<u>103,456.00</u>
Inventories at the beginning of the year		
Trading Goods	103,456.00	244,123.00
	<u>103,456.00</u>	<u>244,123.00</u>
	<u>0.00</u>	<u>140,667.00</u>

NOTE - 22 : EMPLOYEES BENEFIT EXPENSES

Salaries, Wages, Bonus, Ex-gratia etc.	8,393,563.00	225,190.00
Directors' Remuneration and Perquisites	1,100,000.00	0.00
Contribution to Provident and Other Funds	292,482.00	0.00
Gratuity paid during the year	83,000.00	0.00
Provision for Gratuity	151,894.00	0.00
Workman and Staff Welfare Expenses	369,441.00	666.00
	<u>10,390,380.00</u>	<u>225,856.00</u>

NOTE - 23 : FINANCE COSTS

Interest :		
Interest to Others	2,692.00	0.00
	<u>2,692.00</u>	<u>0.00</u>

NOTE - 24 : DEPRECIATION AND AMORTISATION EXPENSES

Depreciation of Tangible Assets	632,124.00	1,246,804.00
Amortisation of Intangible Assets	1,010,284.59	0.00
	<u>1,642,408.59</u>	<u>1,246,804.00</u>

NOTE - 25 : OTHER EXPENSES

Labour Charges	21,200.00	4,095.00
Freight and Forwarding	0.00	1,890.00
Rent	1,101,000.00	0.00
Hosting Charges	566,247.00	7,875.00
Web Development Charges	697,291.00	700,000.00
Software Development Expenses	0.00	250,000.00
Directors' Travelling Expenses including Foreign Travelling	596,812.00	91,992.00
Travelling Expenses - Others	180,944.00	29,802.00

Amount Cf... 3,163,494.00 1,085,654.00

For Centerac Technologies Limited



Director

S. Chandekar

	For the Year ended 31-Mar-2012	For the Year ended 31-Mar-2011
	₹	₹
Amount B/f...	3,163,494.00	1,085,654.00
Repairs & Maintenance		
Wi-fi equipments	0.00	3,275.00
Building	14,500.00	0.00
Others	133,655.00	53,776.00
Insurance Charges	15,515.00	11,555.00
Business Promotion Expenses	398,959.00	78,624.00
Electricity Charges	187,654.00	0.00
Annual Maintainance Contract	29,264.00	0.00
Shop & Establishment Expenses	5,254.59	0.00
Exchange Difference	73,761.85	6,949.00
Commission Paid	0.00	70,880.00
Bank Charges	42,133.48	6,430.65
Profession Tax on Company	2,500.00	2,500.00
Listing Fees	45,000.00	35,000.00
Service Charges	163,885.00	0.00
Printing and Stationery	248,117.00	12,500.00
Conveyance Expenses	117,964.00	1,373.00
Motor Car Expenses	33,289.73	31,844.00
Guest House Rent and Charges	42,200.00	415,890.00
Advertising and Publicity Expenses	196,640.00	33,147.00
Membership and Subscription	183,744.50	70,611.00
Books and Periodicals	3,750.00	2,875.00
Software Expenses	0.00	7,013.00
Miscellaneous Expenses	54,379.00	0.00
Communication Expenses	722,895.01	48,201.00
Legal and Professional Expenses	1,778,231.00	794,664.00
Auditors' Remuneration (Net of Service Tax)	205,000.00	159,000.00
Rebate and Discount	3,066.00	0.00
Sundry Balances Written Off	164,543.47	3,568.95
Security Transaction Tax paid	549.00	915.00
Donation	23,500.00	0.00
Annual Custody Fees	15,000.00	25,000.00
Preliminary Expenses W/off	0.00	0.00
Prior Period Expenses	137,884.00	42,779.50
TDS/ TCS Written off	10,519.00	0.00
Equity Issue Expenses written off	0.00	56,713.00
	8,216,847.63	3,060,738.10

NOTE - 26 : AUDITORS' REMUNERATION

As Auditor		
For Audit	120,000.00	50,000.00
For Tax Audit	25,000.00	0.00
For Taxation Matter	48,000.00	13,500.00
For Certification and Other Matters	12,000.00	95,500.00
(All above are net of Service Tax)		
	205,000.00	159,000.00



For Centergae Technologies Limited

[Signature]
Director

[Signature]
Director

For the Year ended 31-Mar-2012	For the Year ended 31-Mar-2011
₹	₹

NOTE - 27 : PRIOR PERIOD EXPENSES (NET OF INCOME)

Expenses	For the Year ended 31-Mar-2012	For the Year ended 31-Mar-2011
Salary	89,178.00	20,000.00
URL Subscription	5,626.00	0.00
Electricity Expenses	5,936.00	0.00
Purchase of Software License	6,900.00	0.00
Repairs & Maintenance - Others	6,700.00	0.00
Printing and Stationery	3,428.00	0.00
Books and Periodicals	3,096.00	0.00
Conveyance Expenses	500.00	0.00
Internet Charges	500.00	0.00
Various Pre-paid Expenses of earlier years	14,370.00	0.00
Payment to Auditors	1,500.00	0.00
Listing Fees	150.00	0.00
Service Charges	0.00	9,279.50
Legal and Professional Fees	0.00	23,500.00
	137,884.00	52,779.50
Income		
Interest	0.00	10,000.00
	0.00	10,000.00
Net Prior Period Expenses over Prior Period Income	137,884.00	42,779.50

NOTE - 28 : EARNINGS PER SHARE (EPS - BASIC AND DILUTED)

BASIC :

Profit / (Loss) after tax but before extra ordinary items for calculation of Basic EPS	4,003,128.37	1,656,289.18
Profit / (Loss) after tax after extra ordinary items for calculation of Basic EPS	3,268,678.52	1,656,289.18
No. of shares used for calculation of Basic EPS	5,082,000	5,082,000
Earning per Share - Basic before extra ordinary items (Face value of equity share ₹ 10/-) in ₹	NA	0.33
Earning per Share - Basic after extra ordinary items (Face value of equity share ₹ 10/-) in ₹	NA	0.33
Earning per Share - Basic before extra ordinary items (Face value of equity share ₹ 1/-) in ₹	0.79	NA
Earning per Share - Basic after extra ordinary items (Face value of equity share ₹ 1/-) in ₹	0.64	NA



For Centerac Technologies Limited

For Centerac Technologies Limited

Director

DILUTED

Profit / (Loss) after tax but before extra ordinary items
for calculation of Diluted EPS

4,003,128.37 1,656,289.18

Profit / (Loss) after tax after extra ordinary items for
calculation of Diluted EPS

3,268,678.52 1,656,289.18

No. of shares used for calculation of Diluted EPS

11,034,700 5,082,000

Earning per Share - Diluted before extra ordinary items
(Face value of equity share ₹ 10/-) in

NA 0.33

Earning per Share - Diluted after extra ordinary items
(Face value of equity share ₹ 10/-) in

NA 0.33

Earning per Share - Diluted before extra ordinary items
(Face value of equity share ₹ 1/-) in ₹

0.36 NA

Earning per Share - Diluted after extra ordinary items
(Face value of equity share ₹ 1/-) in ₹

0.30 NA



For Centerac Technologies Limited

[Signature]
Director

For Centerac Technologies Limited

[Signature]
Director

Note – 29 : Additional information to the Financial Statements

(A) The Scheme of Amalgamation :

- (i) In accordance with the Scheme of Arrangement and Amalgamation Scheme ("the Scheme") as approved by the Hon'ble Bombay High court vide Order dated 09-05-2012, the paid up capital of the Company has been reduced from ₹ 508.20 lakhs to ₹ 50.82 lakhs by writing off ₹ 9/- per share which had been wiped out due to accumulated losses of the Company. Further, as per the Scheme, the balance accumulated losses have been adjusted against share Forfeiture Account to the extent of ₹ 40,000/- and ₹ 34,21,252/- against the balance in the General Reserve. Further, in terms of the Scheme, the paid up value per equity share of the Company has been reduced from ₹ 10/- per share to ₹ 1/- per share with effect from appointed date i. e. 1st August, 2010.
- (ii) Further, in terms of the Scheme, all the assets and liabilities of the wholly owned subsidiary company M/s. Ez-comm Wireless India Pvt. Ltd. (EWPL) has been transferred to and vested with the Company with effect from appointed date 1st August, 2010. The provisions of the Scheme has been given effect to in these accounts.
- (iii) Further, in terms of the Scheme, all the assets and liabilities of Centerac India Pvt. Ltd. (CIPL) has been transferred to and vested with the Company with effect from appointed date 1st August, 2010. The provisions of the Scheme has been given effect to in these accounts.
- (iv) The amalgamation has been accounted for under "The Purchase Method" of accounting as prescribed by Accounting Standard (AS) 14 "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India.
- (v) The difference of ₹ 8,12,001/- arising between the assets transferred as of 01-08-2010 and the equity shares to be issued in terms of the Scheme of Amalgamation (as computed below) has been debited to "Goodwill on Amalgamation "

Particulars	EWPL ₹	CIPL ₹	Total ₹
Fixed Assets	4,31,949	2,24,158	6,56,107
Capital Work in Progress	1,45,495	50,000	1,95,495
Investments	Nil	90,000	90,000
Current Assets	23,91,422	78,11,707	1,02,03,129
Total	29,68,866	81,75,865	1,11,44,731
Unsecured Loans	18,40,000	Nil	18,40,000
Current Liabilities and Provisions	15,79,407	24,84,625	40,64,032
Total	34,19,407	24,84,625	59,04,032
Net Assets / (Liabilities) transferred to the Company	(4,50,541)	56,91,240	52,38,699
Cancellation of Investment in shares held by the Company	(1,00,000)	Nil	(1,00,000)
Amount of equity shares of Rs. 1/- each to be issued to the shareholders of CIPL	Nil	59,52,700	59,52,700
Goodwill Arising of Amalgamation	5,50,541	2,61,460	8,12,001



For Company Director Limited

[Signature]
S. Chandrasekhar Director

- (vi) The aforesaid difference, as per AS – 14 "Accounting for Amalgamation" has been debited to Goodwill on Amalgamation Account and shown separately in the Intangible Assets under Fixed Assets in the Balance Sheet. Further, as per the said Accounting Standard, the said Goodwill on Amalgamation is to be written off over a period of 5 years and hence a sum of ₹ 1,62,401/- is written off in the Statement of Profit and Loss Account for the year.
- (vii) From August 01, 2010, the erstwhile Ez-comm Wireless India Pvt Ltd. and Centerac India Pvt. Ltd. had carried on their business in "Trust" on behalf of the Company. Profit / (Loss) for the 8 months period August 01, 2010 to March 31, 2011 of erstwhile EWPL (Loss after current tax, deferred tax and other adjustments of Rs. 9,03,496.93) and CITL (Profit after current tax, deferred tax and other adjustments of Rs. 1,69,047.08) has been shown in the Statement of Profit and Loss for the year as Extra Ordinary Items.
- (viii) In terms of the Scheme, 59,52,700 equity shares of ₹ 1/- each of the Company were to be issued and allotted to the shareholders of the erstwhile CIPL in the ratio of 2,375 equity shares of ₹ 1/- each of the Company for every 100 equity shares ₹ 10/- each of CIPL. Pending issue and allotment of these 59,52,700 equity shares of , the same are shown in the Balance Sheet – Equity shares pending Allotment in terms of Scheme of Arrangement and Amalgamation.
- (ix) Certain licenses, agreements, loan documents etc. are in the process of being transferred in the name of the Company.
- (x) In terms of the Scheme, all employees in service of the erstwhile EWPL and CIPL have become employees of the Company without any break or interruption in service. All rights, duties, power and obligations of erstwhile EWPL and CIPL in relation to Provident Fund etc. are in the process of being transferred in the name of the Company.
- (B) The plot of land at Silvassa acquired by the Company is subject to Registration and N. A. / Industrial and allied use permission for the agricultural land.
- (C) The Company had invested in a company whose accumulated losses has exceeded its share capital and free reserves and that company's net worth has become negative. That company is in the process of settling the dues with its lenders and other creditors. In the meantime, considering the losses and the financial position of the said company, the Company has made provision for 100% diminution in the value of the investments and loans and advances given to that company.
- (D) The Company has given loans to companies in which some of the directors of the company are directors during the year as well as in the earlier years. The above loans were inadvertently given in non compliance of section 295 of the Companies Act, 1956. The Company is in the process of making an application for condonation of the above inadvertent non compliance.



For Centerac Technologies Limited

[Handwritten Signature]
Director

For Centerac Technologies Limited

[Handwritten Signature]
Director

(E) Contingent Liabilities and Commitments (to the extent not provided for)

	Year ended March 31, 2012 ₹	Year ended March 31, 2011 ₹
Contingent Liabilities	Nil	Nil
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

(F) Earnings in Foreign Currency (on accrual basis)

	Year ended March 31, 2012 ₹	Year ended March 31, 2011 ₹
a) Sale of E-business Reports	1,67,709	Nil
Sale of E-business Membership	23,57,430	Nil
Fees for preparation of Special Projects	8,27,886	8,16,231
Fees for preparation of Special Projects – Mobile Applications	11,50,406	Nil

(G) CIF Value of Imports and Expenditure in Foreign Currency (on accrual basis)

	Year ended March 31, 2012 ₹	Year ended March 31, 2011 ₹
a) C. I. F. Value of Imports	NIL	NIL
b) Expenditure in Foreign Currencies (on accrual basis)		
Travelling Expenses	2,41,635	Nil
Business Promotion Expenses	42,107	Nil
Hosting Charges	4,28,223	7,875
Membership & Subscription	95,068	Nil

(H) In the opinion of the Board of Directors, unless otherwise stated in the Balance Sheet, the current assets, loans and advances have value of realization, in the ordinary course of business, at least equal to the amount stated in the Balance Sheet.

(I) The Company has made provision for Gratuity to employees to the extent of ₹ 6,04,532/- (Previous year – ₹ Nil/-) on an adhoc basis pending receipt of actuarial report.



For Centerac Technologies Limited

[Signature]
Director
[Signature]

- (J) Certain ~~essential~~ rights, licenses, agreements etc. are in the process of being transferred in the name of the Company.
- (K) Sundry Creditors include ₹ NIL (Previous Year ₹ NIL) due to Small Scale Industrial Undertakings (SSI's) to the extent such parties have been identified from the available information / documents with the company.
- (L) As per the information available with the Company in response to the enquiries from all existing suppliers with whom the Company deals, none of the suppliers are registered with the Micro, Small and Medium Enterprises Development Act, 2006.

(M) Disclosure as per Accounting Standard – 18 Related Party Information

Disclosures in respect of related parties (as defined in Accounting Standard 18), with whom transactions have taken place during the year given below :

- 1) Relationship
- a) Enterprise which is subsidiary Company :
Ez-comm Wireless India Pvt. Ltd.
- b) Enterprise where control of Key Management Personnel and / or their relatives exists.
1. Asia Polytex (India) Pvt. Ltd.
 2. Moksh Networks Pvt. Ltd.
 3. Awesome Exports & Investments Pvt. Ltd.
 4. Safal Holdings Pvt. Ltd.
 5. Therefore Couture Pvt. Ltd.
 6. Centerac India Pvt. Ltd.
- c) Key Management Personnel
1. Shri Sanjiv Khandelwal
 2. Smt. Shilpa Khandelwal
- d) Relative of Key Management Personnel
1. Shri J. C. Khandelwal
 2. Shri Rajeev Khandelwal
 3. Shri Sanjiv Khandelwal HUF

Particulars	Related Parties Referred in 1(a) above	Related Parties Referred in 1(b) above	Related Parties Referred in 1(c) above	Related Parties Referred in 1(d) above	Total
	₹	₹	₹	₹	
EXPENSES					
Expenses and Reimbursement	Nil (Nil)	Nil (Nil)	15,80,000 (Nil)	Nil (Nil)	15,80,000 (Nil)



For Centerac Technologies Limited

[Signature]
Director
[Signature]

INCOME					
Royalty Income	Nil (3,00,000)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (3,00,000)
OUTSTANDING					
Other amount receivable	Nil (3,90,781)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (3,90,781)
INVESTMENTS AND DEPOSITS					
Investments (##)	Nil (1,00,000)	78,78,511 (78,78,511)	Nil (Nil)	Nil (Nil)	78,78,511 (79,78,511)
## - Investment in subsidiary Company written off / adjusted on account of amalgamation)					
UNSECURED LOANS RECEIVED					
Opening	Nil (Nil)	24,00,000 (28,90,000)	10,51,000 (10,51,000)	Nil (Nil)	34,51,000 (39,41,000)
Received	Nil (Nil)	50,000 (400,000)	Nil (Nil)	Nil (Nil)	50,000 (4,00,000)
Repaid	Nil (Nil)	24,50,000 (8,90,000)	10,51,000 (Nil)	Nil (Nil)	35,01,000 (8,90,000)
Adjusted on account of Amalgamation	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (59,10,706)
Outstanding	Nil (Nil)	Nil (24,00,000)	Nil (10,51,000)	Nil (Nil)	Nil (34,51,000)
LOANS AND ADVANCES GIVEN					
Opening Balance	23,15,000 (14,90,000)	Nil (59,75,706)	Nil (Nil)	Nil (1,50,900)	23,15,000 (76,16,606)
Given	Nil (8,25,000)	50,000 (1,10,000)	Nil (Nil)	26,000 (Nil)	76,000 (8,71,562)
Received back	Nil (Nil)	Nil (45,000)	Nil (Nil)	26,000 (1,50,900)	26,000 (2,62,462)
Written off During the Year	Nil (Nil)	Nil (59,10,706)	Nil (Nil)	Nil (Nil)	Nil (59,10,706)
Adjusted on account of Amalgamation	23,15,000 Nil	Nil (Nil)	Nil (Nil)	Nil (Nil)	23,15,000 (Nil)
Outstanding	Nil (23,15,00)	50,000 (Nil)	Nil (Nil)	Nil (Nil)	50,000 (23,15,000)

(Figures in brackets pertains to previous year)

For Centerac Technologies Limited



For Centerac Technologies Limited

Director

Director

(N) TAXATIONi) Deferred taxation.

	Accumulated As at March 31, 2011 ₹	Charge / Credit During the Year ₹	Accumulated As at March 31, 2012 ₹
Deferred Tax Assets on account of:			
(i) Unabsorbed Depreciation and Business Loss	1,52,748	(1,51,728)	1,020
(i) Disallowance of expenses under the Income-tax Act, 1961	Nil	2,51,554	2,51,544
TOTAL (A)	1,52,748	99,826	2,52,574
Deferred Tax Liabilities on account of:			
(ii) Related to Fixed Assets	2,74,560	(1,69,494)	1,05,066
TOTAL (B)	2,74,560	(1,69,494)	1,05,066
Net Deferred Tax Assets /(Liabilities) (A-B)	(1,21,812)	2,69,320	1,47,508

- ii) The Deferred Tax Assets (Net) for the year of ₹ 2,69,320/- (Previous Year ₹ 3,94,788/-) is added to the Current Year's profit and added in balance in Deferred Tax.
- (O) Disclosure as required by Accounting Standard 29 on provisions, contingent liabilities and contingent assets :

For the Year ended March 31, 2012

Sr. No.	Particulars of Disclosures	Provision for Gratuity ₹
1	Balance as of 01.04.2011	Nil
2	Additions during the Year	6,04,532
3	Amount paid during the year	0
4	Balance as at 31.03.2012	6,04,532

For the Year ended March 31, 2011

Sr. No.	Particulars of Disclosures	Provision for Gratuity ₹
1	Balance as of 01.04.2010	Nil
2	Additions during the Year	Nil
3	Amount paid during the year	Nil
4	Balance as at 31.03.2011	Nil



For Centerac Technologies Limited

[Signature]
Director

[Signature]

(R) Disclosures in respect of Derivative Instruments :

a.

a. Category of Derivative Instrument	Currency	Amount outstanding as on March 31, 2012	
Forward Exchange Contracts	USD	0	0

Category of Derivative Instrument	Currency	Amount outstanding as on March 31, 2011	
Forward Exchange Contracts	USD	0	0

b. The said derivative instruments are acquired for hedging purposes.

c. The foreign currency exposures that are not hedged by a derivative instrument are as follows :

Details	Currency	Amount outstanding as on March 31, 2012	
Export Debtors	EURO	1,701	1,16,247

Details	Currency	Amount outstanding as on March 31, 2011	
Export Debtors	EURO	0	0

Note – 30 The figures for the current year March 31, 2012 include the figures of erstwhile Ez-comm Wireless India Pvt. Ltd. and Centerac India Pvt. Ltd. while the figures for the previous year are without inclusion of figures of erstwhile Ez-comm Wireless India Pvt. Ltd. and Centerac India Pvt. Ltd. and hence, the same are not strictly comparable.

Note – 31 The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for the previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

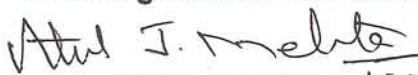
SIGNATURE TO NOTESS 1 TO 31

As per our Report of even date attached

For **A. J. MEHTA & ASSOCIATES**

Chartered Accountants

Firm Registration No. 106179W



(ATUL MEHTA)

Proprietor

Membership No. 36959

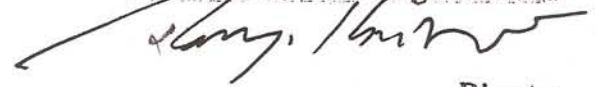


Place : Mumbai

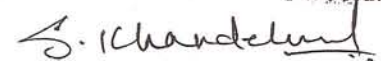
Date : 12 8 AUG 2012

For and on behalf of the
Board of Directors

For ~~Centerac Technologies Limited~~



Director



DIRECTORS

Place : Mumbai

Date : 12 8 AUG 2012

CENTERAC TECHNOLOGIES LIMITED
STATEMENT OF CASH FLOW PREPARED PURSUANT TO THE LISTING AGREEMENT
WITH STOCK EXCHANGES FOR THE YEAR ENDED MARCH 31, 2012

	2011 - 2012		2010 - 2011	
	₹	₹	₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS	5,633,808		1,261,501	
Adjustments for :				
Depreciation and amortisation expenses	1,642,409		1,246,804	
Deferred Revenue Expenditure	0		56,713	
Interest Income	(351,379)		(43,326)	
Dividend Income	(25,238)		0	
(Profit) / loss on Share Trading / Units of MF	(13,894)		65,876	
Exchange Rate Difference	73,762		6,949	
Interest Expenses	2,692		0	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6,962,160		2,594,517	
Adjustments for :				
CHANGES IN -				
Trade and other receivable	(40,632)		(2,813,318)	
Inventories	0		140,667	
Trade Payables	4,005,866		589,485	
CASH GENERATED FROM OPERATIONS :		3,965,234		(2,083,166)
		10,927,394		511,351
Interest paid	2,692		0	
Direct Taxes paid	3,395,313	3,398,005	404,710	404,710
Cash Cash Flow before extra ordinary items		7,529,389		106,641
Extraordinary Items		(734,450)		0
Net Cash Flow from Operating Activities	(A)	6,794,939		106,641
B CASH FLOW FROM INVESTING ACTIVITIES				
Sale / (Purchase) of Fixed Assets	(2,389,423)		(309,863)	
Sale of / Diminution in / (Purchase) of Investments	(2,316,085)		143,428	
Interest received	351,379		43,326	
Dividend Received	25,238		0	
Profit / (Loss) on Share Trading	0		0	
Exchange Rate Difference	(73,762)		(6,949)	
Net Cash used in investing activities	(B)	(4,402,653)		(130,058)



For Centerac Technologies Limited

[Signature]
 Director

For Centerac Technologies Limited

[Signature]
 Director

₹	₹	₹	₹
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C CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from hire purchase credits	0		0
Unsecured Loans	(3,451,000)		(490,000)
Increase in Capital on account of fresh issue of shares on scheme of Arrangement and Amalgamation	5,952,700		
Net Cash used in financing activities (C)	(C)	<u>2,501,700</u>	<u>(490,000)</u>
Net increase/(decrease) in cash & cash equivalents (A+B+C)		4,893,986	(513,417)
CASH AND CASH EQUIVALENTS AS AT MARCH 31, 2011 (OPENING BALANCE)		321,083	834,500
CASH AND CASH EQUIVALENTS AS AT MARCH 31, 2012 (CLOSING BALANCE)		5,215,069	321,083

As per our Report even date
 For A. J. MEHTA & ASSOCIATES
 Chartered Accountants
 Firm Registration No. 106179W

Atul I. Mehta
 (ATUL MEHTA)
 Proprietor

Membership No. 36959
 Place : Mumbai
 Dated : 28 AUG 2012



For and on behalf of the Board of Directors
 For Centerac Technologies Limited

[Signature]
 Director
[Signature]

Place : Mumbai
 Dated : 28 AUG 2012