



## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 16<sup>th</sup> Annual General Meeting of Infotrek Syscom Limited will be held at 205, Centre Point, Next to Hotel Kohinoor, Andheri Kurla Road, Andheri East, Mumbai - 400 059 on Tuesday, December 28, 2010 at 5 p.m.

### Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010, Profit and Loss Account for the Financial Year ended on that date and the Reports of the Auditors' and the Directors' thereon.
2. To appoint a Director in place of Deepak Nanda, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Vedula Vijay and Ramanathan as Statutory Auditors of the Company for the period commencing from the conclusion of this meeting until conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

### Special Business

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provision of Section 269 of the Companies Act, 1956 Shri Brijkishor Soni be & is hereby re-appointed as Managing Director of the Company for a further period of five years with effect from 1st September 2010."

"FURTHER RESOLVED THAT in accordance with the provisions of Sections 198, 269 & 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the General Body be and is hereby accorded that Shri B. K. Soni be paid following remuneration and perquisites, w. e. f. 1st September, 2010, in consideration of performance of his duties as a Managing Director:

- (a) Basic Salary: Rs. 2,50,000 (Rupees Two Lac Fifty Thousand only) per month with such annual increments as considered by the board.
- (b) Commission : @ 1% (one percent) of the net profit of the Company in the financial year computed in the manner laid down in Sections 349 & 350 of the Companies Act, 1956 subject to a ceiling of 50% of the annual salary as defined in para (a) above.
- (c) Perquisites and Allowances: In addition to the salary and commission as outlined above, the Managing Director shall be entitled to perquisites/allowance as under:
  - (i) Housing : Free furnished residential accommodation or in case no accommodation is provided by the Company, reimbursement of actual expenditure incurred by the Managing Director on hiring accommodation shall be made by the company subject to the ceiling of 60% of the salary as defined in para (a) above. In addition, the expenditure incurred for utilities such as gas, fuel, electricity, water, furnishing, repairs/upkeep and maintenance of accommodation and servants' salaries shall be reimbursed on actual basis.
  - (ii) Medical Benefits: Payment/reimbursement of expenses incurred for self and family (including mediclaim/medical insurance premium) or medical allowance in accordance with the rules of the Company.
  - (iii) Leave Travel Allowance/Assistance: Once in a year on actual for traveling within the Country or once in a year on a foreign tour with family.
  - (iv) Club Fees: Payment/reimbursement of club fees for not more than two clubs in India, excluding admission and life membership fees.
  - (v) Personal Accident Insurance Premium: For a personal accident insurance cover not exceeding Rs.100 lacs.
  - (vi) Contribution to Provident Fund, Pension/Superannuation or Annuity Funds: As per the Rules framed under the Company's relevant scheme.
  - (vii) Gratuity: As per the Rules of the Company and applicable statutory provisions from time to time.



- (viii) Leave Encashment: Leave with full pay and allowance as per rules of the Company. Accumulation/encashment of unavailed earned or privilege leave will be permissible in accordance with the Rules specified by the Company.
- (ix) Car/Communication Facilities: The following shall not be included in the computation of perquisites-
- (a) Provision of Company's car(s) with driver for the official use.
  - (b) Provision of free telephone(s) and/or other communication facilities or reimbursement of telephone/communication expenses at residence including payment of local calls and long distance official calls.

**Explanation(s):**

- (a) The said perquisites and allowances shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per the Income Tax Act, 1961 or any rules thereunder as are in force from time to time.
  - (b) The Company's contribution to or provision for provident fund, pension/superannuation or annuity funds, to the extent these either singly or put together are not taxable under the Income Tax Act, and gratuity payable and encashment of leave at the end of the tenure, as per the rules of the Company, shall not be included in the computation of limits for the remuneration which includes salary, commission, perquisites and allowances.
  - (c) For the purpose of gratuity, pension and other benefits, the services of Shri. B.K. Soni will be considered continuous service with the Company from the date he joins the services of sister concern(s) of this Company in any capacity from time to time and termination of the appointment or renewal(s) will not be considered as a break in service. However, in case of gratuity any benefit already obtained from such sister concern(s) or the Company shall be deducted from the final amount payable.
  - (d) The Company shall reimburse travelling, entertainment and other business promotion expenses actually and properly incurred, by the Managing Director, in the course of the legitimate business of the Company in accordance with rules and regulations of the Company in force from time to time or as may be approved by the Board. Expenses relating to spouse accompanying on any official domestic and overseas trip or other trip or other facilities, if any, shall be dealt with in accordance with the practices and policies of the Company as applicable from time to time.
- "FURTHER RESOLVED THAT the Board of Directors is entitled to revise the remuneration payable to the Managing Director at any time, such that the aggregate of the salary (inclusive of annual increments, if any) in any financial year shall not exceed ceiling laid down in Sections 198, 269, & 309 read with the Schedule XIII of the Companies Act, 1956, including any statutory modification(s), re-enactment thereof or any amendment thereto."

"FURTHER RESOLVED THAT notwithstanding the above, in the event of any loss or inadequacy of profits in any financial year of the company during the tenure of Shri. B. K. Soni as Managing Director of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Section II Part II of Schedule XIII to the Companies Act, 1956, as amended from time to time, subject to the compliance of provisions thereof but in any event shall not exceed the remuneration payable as provided above when the profits of the company are adequate."

"FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution or otherwise considered by it in the best interest of the Company."

Place: Mumbai

By order of the Board

Date : 02/12/2010

Chairman and Managing Director

Registered Office:

205, Centre Point, Next to Hotel Kohinoor,  
Andheri Kurla Road, Andheri East, Mumbai - 400 059



## Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and the proxy need not be a member of the Company. Under the Companies Act, 1956, voting is by a show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs. 50,000. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. Members /Proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting.
3. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company will remain closed from December 21, 2010 to December 28, 2010 (both days inclusive) for the purpose of Annual General Meeting.
6. Members holding shares in physical form and desirous of making changing nomination in respect of their shareholding in the Company, may send their request in the prescribed form to the Registrar & Transfer Agents of the Company.
7. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
8. Members desirous of obtaining any information on the Accounts and Operations of the Company are requested to write at least one week before the meeting so that the same could be compiled in advance.
9. Members are requested to notify changes, if any, in their registered addresses along with the pin code to the Company's Registrar and Share Transfer Agent.
10. Members are requested to bring their copy of Annual Report to the Meeting.
11. All documents referred to in the notice are open for inspection at the registered office of the Company between 10.30 A. M. and 1.00 P.M. on all working days up to the date of the Meeting.
12. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updations of savings bank account to their respective Depository Participants.
13. Member are requested to address all correspondences, including dividend matters, to the Registrar and Share transfer Agents, M/s. Big Share Services Private Limited, E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 Tel No: +91 22 28470652/53, Fax No.: +91 22 28475207, Email: investor@bigshareonline.com
14. Members are requested to address all the correspondences to Register and Share Transfer Agents of the Company
15. As per the provisions of the Companies Act, 1956, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Transfer Agents of the Company
16. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting.

# INFOTREK SYSCOM LTD.



e-waste to the best

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The term of appointment of Shri Brijkishor Soni as Chairman and Managing Director of the Company expired on August 31, 2010. Shri Brijkishor Soni is the promoter of the Company and has given tremendous contribution of his experience and knowledge.

The Board of Directors of the Company at its Meeting held on December 2, 2010 has pursuant to the recommendation of the Remuneration Committee and subject to the approval of Members, approved the re-appointment and payment of remuneration to Shri Brijkishor Soni as set out in the resolution mentioned above.

Your approval is sought for the aforesaid resolutions.

The Directors of the Company are concerned or interested in the aforesaid resolutions to the extent of their Shareholding.

None of the Directors of the Company other than Shri Brij Kishor Soni & Smt. Anita Soni are in any way concerned or interested in passing of this resolution.

INFORMATION UNDER CLAUSE 49 (IV) (G) (I) AND CLAUSE 49 (IV) (E) (V) OF THE LISTING AGREEMENT REGARDING RE-APPOINTMENT OF DIRECTORS

Mr. Deepak Nanda:

Deepak Nanda is a Chartered Accountant with over 23 years of professional experience in Banking and Financial services and 11 years of professional experience in audit, taxation and management consultancy services and is currently working as the Chairman & Managing Director of Knightbridge Financial Services Pvt Ltd. (KFS), an Investment Bank based in Mumbai. He has worked with clients from USA, Europe and Asia buying into Indian companies. He has provided strategic advice, valuations and closed several equity and debt transactions in the media, telecommunications, IT, Retail, Real Estate, Internet, pharmaceuticals, engineering and other sectors of Indian industry. He has also advised Indian companies looking for foreign investors and / or investing in overseas companies and has arranged several joint ventures, tie ups, alliance takeovers over the past 23 years.

Before joining CEA, Deepak was Head of Corporate Finance at Hinduja Finance Ltd (currently called Hinduja TMT Ltd) for 3 years. In this role he structured and closed several transactions that raised US\$ 500 million in equity and debt financing for clients in the Indian capital markets and from overseas investors / markets. He was involved in raising equity funding through private equity transactions, IPOs (Initial Public Offerings) and GDR issues for Indian Corporates in overseas markets. Deepak was also the Chairman of the Finance Sub-Committee of the Entertainment Committee of FICCI for two years. He has made various presentations to the Information and Broadcasting Ministers and Finance Ministers for the media industry. He has also been involved in policy making for the media industry in India.

Shareholding of Mr. Deepak Nanda (both on or held by/for other persons on a beneficial basis) as on date is 13,000

Working for Environment, Ecology to Earn & serve



## DIRECTORS' REPORT

The Members of  
INFOTREK SYSCOM LIMITED

Your Directors present with pleasure the Annual Report together with the Audited Statement of Accounts of the Company for the year ended March 31, 2010.

### 1. AMALGAMATION OF ECO RECYCLING LIMITED WITH THE COMPANY

Eco Recycling Limited has been amalgamated with the Company. The Scheme of Amalgamation was approved by the Hon'ble High Court of Judicature at Bombay vide Order dated October 29, 2010. The Scheme became effective on November 24, 2010, the Appointed Date of the Scheme being January 1, 2010.

The amalgamation of Eco Recycling Limited with the Company would result into carrying out the activities of recycling, refurbishing, refining, manufacturing, on and off site data destruction buying, selling, importing, & exporting, exchanging, transporting, warehousing, hiring & leasing of used, discarded, dismantled, scrap and new personal computers etc as adopting the activities of Eco Recycling Limited, the Transferor Company.

### 2. CHANGE IN NAME AND OBJECT PURSUANT TO AMALGAMATION

As envisaged in the Scheme of Amalgamation, the name of the Company would be changed from Infotrek Syscom Limited to Eco Recycling Limited. The Scheme of Amalgamation envisages the transfer and vesting of the entire business and undertaking including all its properties, immovable, and other trading assets of whatsoever nature, such as licences and quota rights, trade marks and other industrial property rights and all other interest rights, or powers of every kind and assets, liabilities and reserves of the erstwhile Eco Recycling Limited with the Company with effect from the appointed date i.e. 1st January, 2010.

### 3. FINANCIAL RESULTS

	(Rs. In Lakhs)	
	2009-2010	2008-2009
Total Income	587.18	1597.79
Profit before Interest, Depreciation and tax	26.47	8.68
Less: Depreciation	6.66	5.10
Profit before Interest and Tax	19.81	3.57
Interest	1.93	0.88
Profit before Tax	17.88	2.69
Less: Provision for Income Tax	3.43	0.28
Less: Fringe Benefit Tax	-	0.25
Profit after Tax	14.45	2.16
Add: Balance brought forward	233.85	230.26
Balance carried to Balance Sheet	191.59	233.85

### 4. OPERATIONS

Pursuant to amalgamation your company will carry on the activities of recycling, refurbishing, refining, manufacturing, on site and off site data destruction dealing, buying, selling, importing, & exporting, exchanging, transporting, warehousing, hiring & leasing of used, discarded, dismantled, scrap and new personal computers, cell phones, TVs, Fridges, other electrical & electronic equipments etc and the Business as an investment activities.

The turnover of the Company was Rs. 587.18 lacs for the year ended 31st March, 2010 as compared to Rs. 1597.79 lacs for the year ended 31st March, 2009.



## 5. CAPITAL

The Authorised Share Capital after the said Amalgamation is Rs. 30,00,00,000/- divided into 3,00,00,000 Equity Shares of 10/- each for the financial year ended 31st March, 2010 as compared to Rs. 10,00,00,000/- divided into 1,00,00,000 Equity Shares of Rs. 10/- each for the financial year ended 31st March, 2009.

The Paid up Capital of the Company for the financial year ended 31st March, 2010 is Rs. 15,94,25,000 divided into 1,59,42,500 Equity Shares of Rs. 10/- each as compared to year ended 31st March, 2009 being Rs. 6,81,00,000/- divided into 51,00,000 Equity shares of Rs.10 each and Rs.1,71,00,000 Convertible warrants partly paid-up.

## 6. DIVIDEND

In order to conserve resources, no dividend has been declared for the year 2009-2010.

## 7. TRANSFERS TO RESERVES

During the year, the Company proposes to transfer Rs. Nil to General Reserve.

## 8. FUTURE PLANS

We are pleased to inform you that your company's e-waste recycling facility was the first facility approved for registration by the Central Pollution Control Board and the first facility of Maharashtra. It is equally pleasant to inform you that this is the first company listed on any stock exchanges in the country dedicated to e-waste recycling activities in India. Your company is going for a major expansion of its capabilities including precious metal recovery. Presently your company is serving to more than 300 corporate entities across India and we hope to reach to 500 in the calendar year 2011. It may not be out of place to mention that presently e-waste recycling industry is of more than Rs. 3000 crores in India and has potential of more than 25% CAGR. As the pioneer of this activity in the country, your Directors envisage an extraordinary potential in the segment particularly in the wake of new e-waste Rules which has been proposed to be effective from 1st Jan, 2012.

## 9. DIRECTORS

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956 at least two-thirds of our Directors shall be subject to retirement by rotation. One-third of these retiring Directors must retire from office at each Annual General Meeting of the Shareholders. The retiring Directors are eligible for re-election.

In accordance with the said provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Deepak Nanda, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

## 10. AUDITORS

M/s. Vedula Vijay and Ramanathan., Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956. Your Directors recommend their re-appointment.

## 11. FIXED DEPOSIT

In terms of the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit Rules) 1975, the Company has not accepted any fixed deposits during the year and as such, no amount of Principal or Interest is outstanding as of the Balance sheet date.

## 12. SUBSIDIARY COMPANY

Eco Recycling Limited was the Subsidiary of your Company which has now amalgamated with the Company.

## 13. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

(i) that in the preparation of the Annual Accounts for the year ended March 31, 2010; the applicable accounting standards



have been followed along with proper explanation relating to material departures, if any.

- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2010 and of the profit of the Company for that year.
- (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 Annual Accounts for the year ended March 31, 2010, on a going concern basis.

#### 14. CORPORATE GOVERNANCE

As required under clause 49 of the Listing Agreement with the Stock Exchange, the report on Corporate Governance is furnished as a part of the Directors' Report and forms part of this report showing that the Company has taken appropriate steps and measures to comply with all the applicable mandatory provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges and section 292A of the companies Act 1956. Certificate from the Company's Auditors regarding compliance is annexed hereto and forms part of this report.

#### 15. COMPLIANCE CERTIFICATE:

As required under section 383 A (1) of the Companies Act, 1956, Compliance Certificate from Company secretary in whole time practice is attached herewith.

#### 16. PARTICULARS OF EMPLOYEES

Since none of the employees of the Company was drawing remuneration in excess of limits laid down pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, details therewith are not furnished.

#### 17. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) A rule, 1988 is not required as your company is not a manufacturing company..

For and on behalf of the Board of  
Directors

Place: Mumbai  
Date: 02/12/2010

Registered Office: 205,  
Centre Point,  
2nd floor, J. B. Nagar,  
Andheri - Kuria Road,  
Andheri (East), Mumbai:- 400 059

B. K. Soni  
Chairman and Managing Director



## CORPORATE GOVERNANCE REPORT:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance means to steer an organization in the desired direction. It deals with laws, procedures, practices and implicit rules that determine a Company's ability to take informed managerial decisions vis – a – vis its claimants – in particular, its shareholders, creditors, customers, the State and employees. There is a global consensus about the objective of 'good' corporate governance: maximizing long – term shareholder value."

INFOTREK SYSCOM LIMITED believes that Corporate Governance brings about equilibrium between the expectations of the owners, employees, customers and all other stakeholders. It builds continuing bonds with shareholders, employees, investors, depositors, borrowers, suppliers, customers and business constituents.

The Company believes that its fundamental objective is not mere fulfillment of the requirements of law but in ensuring commitment of the Board in managing the Company in a transparent manner for maximizing stakeholder value.

Securities and Exchange Board of India (SEBI) incorporated Clause 49 in the Listing Agreement in February 2000, as part of its endeavour to improve the standards of Corporate Governance in line with the needs of a dynamic market. As a Company, which believes in implementing and adopting best-in-class corporate governance policies, INFOTREK SYSCOM LIMITED has adopted practices mandated in the revised Clause 49 and has established procedures and systems to be fully compliant with it.

Good governance is integral to the very existence of the Company. It seeks to achieve following objectives of the Company viz

- i) A properly structured Board capable of taking independent and objective decisions;
- ii) Adoption of transparent procedures and practices and to arrive at decisions on the strength of adequate information.
- iii) To keep the shareholders informed of relevant developments impacting the Company.

Your Board of Directors presents the Corporate Governance Report for the year 2009-2010.

### 2. BOARD OF DIRECTORS

The Board of Directors is the core of our Corporate Governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure highest standards of Corporate Governance.

#### a) Size and Composition of Board

The Composition of Board of Directors is a combination of Executive and Non Executive Directors. The Board consists of 5 Directors, out of which 3 are Independent Non Executive Directors. The Composition of the Board and Category of Directors are as follows:

Category	Name of the Directors
Executive Director	Mr. Brij Kishore Soni (Executive Director & MD)
	Ms. Aruna Soni (Executive Director)
Independent and Non-Executive Director	Mr. Deepak Nanda
	Mr. Srikrishna Bhamidipati
	Ms. Ananya Bhattacharya

Independent Non-Executive Directors are appointed for their professional exercise in their individual capacity as Independent professionals / Business Executives. Independent Non Executive Directors receive sitting fees for attending the meeting of the Board and various Committees. They do not receive any remuneration apart from the sitting fees.





- b) The following table gives the number of other Directorships and Chairmanships / Membership of Committees of each Director in various Companies as on 31st March, 2010.

Name of Directors	Category	No. of Membership / Chairmanship of other Board Committees*
Brij Kishore Soni	Chairman & Managing Director	3
Aruna Soni	Executive Director	2
Deepak Nanda	Non-Executive-Independent	1
Srikrishna Bhamidipati	Non-Executive-Independent	3
Ananya Bhattacharya	Non-Executive-Independent	1

\*Notes

\*Excludes Directorship in Indian Private Limited Companies.

- c) Attendance at Board Meeting and Annual General Meeting:  
During the accounting year 2009 – 2010, 10 Board Meetings were held on 18th June, 2009, 11th July, 2009, 31st July, 2009, 31st August, 2009, 29th September, 2009, 31st October, 2009, 31st December, 2009, 30th January, 2010, 15th February, 2010 and 10th March, 2010.

The details of Directors attendance at Board Meeting held during the year commencing 1st April, 2009 to 31st March, 2010 and the last Annual General Meeting

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

### 3 AUDIT COMMITTEE :

Audit Committee acts as a link between the Statutory, Internal Auditors and the Board of Directors. The primary objective of the Audit Committee is to provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures.

- a) Constitution and Composition of Committee

The Audit Committee for the accounting year comprises of following three non-executive and independent directors.

Name of Members	Designation	Category of Director	Nos. of meetings Held	Nos. of meetings attended
Mr. Deepak Nanda	Chairman	Non-Executive Independent	4	4
Mr. Srikrishna B	Member	Non-Executive Independent	4	4
Ms. Ananya Bhattacharya	Member	Non-Executive Independent	4	0



In addition to the members of the Audit Committee, these meetings are attended by the General Manager Finance & Accounts and other respective functional heads, internal auditors and statutory auditors of the Company, whenever necessary, those executives of the Company who can provide inputs to the Committee. Members have discussions with the statutory auditors during the meetings of the Committee and the quarterly/half-yearly and annual audited financials of the Company are reviewed by the audit committee before consideration and approval by the Board of Directors. The Committee also reviews the internal control systems, IT systems and conduct of the internal audit.

## b) Meetings

During the accounting year 2009- 10, four Audit Committee Meetings were held on 18/06/2009, 31/07/2009, 25/10/2009, 29/01/2010

## c) The functions of the Audit Committee include the following:

- Reviewing the Company's financial reporting process and the disclosure of its financial information to ensure the financial statement is correct, sufficient and credible.
- To recommend re-appointment of Statutory Auditors and to fix their remuneration.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with management the annual / half-yearly / quarterly financial statements before submission to the Board of Directors.
- Reviewing with management performance of statutory and internal auditors, the adequacy of the internal control systems.
- Discussion with statutory auditors before the audit, any significant findings and follow up thereon.
- Discussion with statutory auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non payment of declared dividends) and creditors.
- To review Related Party Transactions.
- To review the matters required to be included in the Director's Responsibility Statement to be included in the Board Report in terms of clause (22A) of Section 217 of the Companies Act, 1956.
- To review the Management discussion and analysis of financial conditions and results of operations.
- Reviewing any other areas which may be specified as a role of the audit Committee under the Listing Agreement, Companies Act and other Statutes, as amended from time to time.

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in complex matters such as financial /business plans, financial results, detailed presentations are made. The Agenda and the related notes are sent in advance separately to each Member to enable the Committee to take informed decisions.

The Minutes of the Meetings of the Committee are circulated through email to all Directors and are confirmed at the subsequent Meeting.

The Statutory Auditors are invitees to the Audit Committee Meeting.

The Chairman of Audit Committee Mr. Deepak Nanda was present in last Annual General Meeting of the Company.

## 4 REMUNERATION COMMITTEE:

The Remuneration Committee of the Board has been constituted in the year 2007, which, Inter-alia recommends to the Board the compensation terms of whole- time directors. The scope of the committee includes consideration of proposals such as stock options, performance based incentives etc.

a) Composition of the Committee

The Remuneration Committee comprises of Mr. Deepak Nanda, Non-Executive and Independent Director as Chairman, Ms. Ananya Bhattacharya Non- Executive and Independent Director, Mr. Srikrishna B., Non- Executive and Independent Director

b) The functions of the Remuneration Committee include the following:

- a) To approve the Annual Remuneration Plan of the Company;
- b) To review and grant annual increments to Executive/Managing Director.
- c) Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.

c) Disclosure of Remuneration paid:

At present Non-executive and Independent Directors are not paid any remuneration except sitting fees for attending Board Meetings

Name of Directors	Remuneration including Salary, Perquisites Amount (Rs.)	Sitting Fees Rs.	Total Rs.
Mr. Deepak Nanda	0	5,000	5,000
Mr. Srikrishna B	0	0	0
Ms. Ananya Bhattacharya	0	0	0
Mr. Brij Kishore Soni	4,50,000	0	4,50,000
Ms Aruna Soni	0	5,000	5,000

## 5 INVESTORS GRIEVANCE COMMITTEE

a) Constitution and Composition of Committee

The Investors Grievance Committee has delegated with the authority to approve requests for transfer of shares & redress investor complaints by the Board of Directors.. The Committee also takes care of issues like non receipt of balance sheet, non-reciepf of declared dividends etc. Apart from that, the Company's Registrar and Share transfer Agents, Bigshare Services Pvt. Ltd is also dedicated in ensuring that the share transfer requests are attended to and the investors grievances are resolved at the earliest.

Name of Members	Designation	Category of Director	Nos. of meetings Held	Nos. of meetings attended
Mr. Deepak Nanda	Chairman	Non-Executive Independent	7	7
Mr. Srikrishna B	Member	Non-Executive Independent	7	7
Ms. Ananya Bhattacharya	Member	Non-Executive Independent	7	4

b) Meeting of the Shareholders' grievance Committee

During the accounting year 2009 – 2010, seven times Shareholders' Grievance Committee Meetings were held on 09/04/2009, 29/05/2009, 01/09/2009, 08/09/2009, 01/10/2009, 16/11/2009 and 08/01/2010.



- c) Samrat Maheshwari has been designated as the Compliance Officer of the Company.  
 d) Investor Grievance Redressal

Number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up as under:

Nature of Complaints	Opening	Received	Resolved	Outstanding as at 31st March, 2010.
Non Receipt of Refund orders and /or non credit of shares in demat account	0	10	10	0

During the accounting year ended March 31, 2010, 10 complaints were received from shareholders, all of which have been attended/ resolved as on date. All valid Share Transfers received during the accounting year ended March 31, 2010 have been acted upon. There were no Share Transfers pending as on March 31, 2010, for more than 30 days.

The Shareholders Grievance Committee continued to function effectively and had seven meetings during the year under review. It continued to attend the matters related to Share Transfers and redressal of Shareholders' complaints. The complaints and grievances of shareholders received were duly attended by the Committee and as of now no complaints are pending.

- e) The functions of the Shareholders' Grievance Committee include the following:

- Transfer /Transmission of shares,
- Issue of duplicate Share Certificates,
- Reviewing Shares dematerialized, rematerialized and all other related matters,
- Monitoring expeditious redressal of Investors' Grievances,
- Non receipt of Annual Report and declared dividend,
- All other matters related to Shares.

## 6 GENERAL BODY MEETINGS:

The particulars of last Three Annual General Meetings are as under:-

Financial Year	Day and Date	Location of AGM	Time
2008 - 2009	Tuesday 29th September, 2009	205, Centre Point, Next to Hotel Kohinoor, Andheri-Kurla Road, Andheri (East), Mumbai:- 400 059	5.00 P.M
2007 - 2008	Thursday 30th September, 2008	205, Centre Point, Next to Hotel Kohinoor, Andheri-Kurla Road, Andheri (East), Mumbai:- 400 059	4.00 P.M
2006 - 2007	Thursday 14th August, 2007	205, Centre Point, Next to Hotel Kohinoor, Andheri-Kurla Road, Andheri (East), Mumbai:- 400 059	4.00 P.M

Details of Special Resolution passed in the previous three Annual General Meetings:

At the Annual General Meeting of the shareholders held on August 14, 2007, the following special resolutions were passed:

- Re-appointment of Mr. Brijkishor Soni as Managing Director of the Company for a period of three years w.e.f September 1, 2007.
- Increase in Authorised Share Capital of the Company from five crores to ten crores.



- Issue and Allotment of Convertible Equity Warrants to First Online Comtrades Private Limited, Knights Bridge Financial Services Private Limited, Mahakosh Holdings Private Limited and Alomarya Technical LLC.
- Increase in FII and NRI investment in Company upto 40 % and 24 %, post conversion of warrants.
- Change in Registered office of the Company from 6, Ruston Building, 2nd Floor, 29, Veer Nariman Road, Fort, Mumbai - 400 001 to 205, Centre Point, 2nd Floor, Next to Hotel Kohinoor, Andheri Kurfa Road, Andheri (E), Mumbai-400 059.

At the Annual General Meeting of the shareholders held on September 30, 2008, the following special resolution was passed:

- Appointment of M/s Vedula Vijay And Ramanathan, Chartered Accountants as Statutory Auditors in place of M/s DMKH & Co who expressed their desire that they be not re-appointed at the Annual General Meeting.

At the Annual General Meeting of the shareholders held on September 29, 2009, the following special resolution was passed:

- Approval for fixing the maximum borrowing limits of Rupees Fifty Crores u/s 293 (1) (d) of the Companies Act, 1956.
- Payment of Remuneration to Mr. Brijkishor Soni from the accounts of Eco Recycling Limited.
- Formation of subsidiaries of the Company for carrying on the business of Logistics & warehousing, and extraction of precious metals from the electronic waste to enhance the present business bringing in economies of scale and development both for the shareholders and the company.

## 7 DISCLOSURES :

### 1. Related Party Transactions

- Related Parties and transactions as required under Accounting Standard (AS-18) are furnished under paragraph number 6 of the Notes to the Accounts attached with the financial statements for the year ended March 31, 2010.
- No transaction of material nature has been entered into by the Company with its promoters, the directors or the management, their subsidiary or relatives etc. that may have a potential conflict with the interest of the Company. The Register of Contracts containing transactions, in which directors are interested, is placed before the Board regularly.

### 2. Compliance by the Company

- The Company has complied with the requirements of the Stock Exchange (BSE), the Securities and Exchange Board of India (SEBI) and Statutory Authorities on all matters related to capital markets and no penalties / strictures were imposed on the Company during the last three years.

### 3. Mandatory & Non Mandatory requirement of this clause

- Adoption of non mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.
- The Company has set up a Remuneration Committee, details of which have been given earlier in this Report.
- The statutory financial statements of the Company are unqualified.
- The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behaviour. No person has been denied access to the Audit Committee.

## 8 MEANS OF COMMUNICATION:

- The Quarterly and Half Yearly results of the Company are published in one English and one Regional newspaper. The results are also displayed on the Company's website: [www.ecoreco.com](http://www.ecoreco.com)
- SEBI/CFD/DIL/LA/4/2007/27/12 dated 27th December, 2007 pertaining to the Amendments in the Listing Agreement, Clause 51 relating to EDIFAR filing has been removed and a new Clause 52, pertaining to shareholding pattern etc. through Corporate Filing and Dissemination System (CFDS) with the Stock Exchanges, has been introduced. The Company's name has not been identified by the participating Stock Exchanges for filing through CFDS. The Company



currently submits the documents through fax and E-Mail. The Company also files hard copy of the same to the Stock Exchanges by hand delivery.

- The Company informs the Stock Exchanges about all price sensitive matters or such other matters which are material and of relevance to the shareholders and subsequently issues a Press Release on the said matters. A Management Discussion and Analysis Statement is a part of the Company's Annual Report.

## 9 CODE OF CONDUCT:

- The Board of Directors has adopted the Business Ethics Policy and Code of Conduct for Directors and Senior Management. The Code is reviewed from time to time by the Board. The said Code has been communicated to the Directors and Members of the Senior Management.

## 10 GENERAL SHAREHOLDER INFORMATION

### a) Annual General Meeting

- Date : December 28, 2010
- Time : 5.00 P.M
- Venue : 205, Centre Point, Near to Hotel Kohinoor, Andheri – Kurla Road, Andheri (East), Mumbai- 400 059

### Financial Year

The financial year of the Company is from April 1, 2009 to March 31, 2010

### b) Financial Calendar

- Quarterly Financial Reporting for

Quarter ending June 30, 2010	By end July 2010
Quarter/Half year ending September 30, 2010	By end October 2010
Quarter ending December 31, 2010	By end January 2011
Quarter/Year ending March 31, 2011	By end April 2011

- Date of Book Closure: December 21, 2010 to December 28, 2010. (both days inclusive)

### c) Dividend Payment Date:

No dividend has been declared for the financial year 2009-2010.

- In compliance with the SEBI (Prevention of Insider Trading) Regulations, 1992, our company has appointed Shri Sa Maheshwari as Compliance Officer who is responsible for setting policies, procedures for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct for trading in Company's securities under the overall supervision of the Board. The Company has adopted a Code of Conduct for Prevention of Insider Trading.



d) Market information

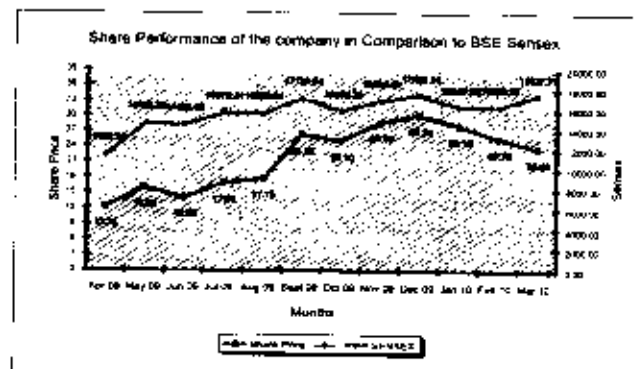
- Listing on Stock Exchange : The Bombay Stock Exchange Limited
- Listing fee for the year 2010 – 2011 has been paid in full to the Bombay Stock Exchange.
- Stock Code : 530643 Bombay Stock Exchange Limited
- ISIN in CDSL for equity shares : INE316A01038
- Corporate Identification No. : L74120MH1994PLC079971

Market Price Data : High low during each month in last financial year

INFOTREK SYSCOM LIMITED								BSE Sensex		
	Open	High	Low	Close	No. of Shares	No. of Trades	Net T/O (Rs.)	High	Low	Close
Date 2009	(Rs.)	(Rs.)	(Rs.)	(Rs.)				(Rs.)	(Rs.)	(Rs.)
Apr	10.00	12.50	9.85	12.33	26,137	161	2,87,460	11,492.10	9,546.29	11,403.25
May	12.00	16.11	11.16	15.92	2,46,077	400	30,26,537	14,930.54	11,621.30	14,625.25
Jun	16.50	21.20	13.60	14.00	92,265	290	17,32,167	15,600.30	14,016.95	14,493.84
Jul	13.35	17.00	12.50	17.00	13,860	104	2,03,846	15,732.81	13,219.99	15,670.31
Aug	17.85	18.50	14.00	17.75	29,952	116	4,85,700	16,002.46	14,684.45	15,666.64
Sept	18.60	26.95	18.60	26.25	84,443	386	18,86,868	17,142.52	15,356.72	17,126.84
Oct	27.00	30.60	22.20	25.10	81,690	307	22,54,912	17,493.17	15,805.20	15,896.28
Nov	25.95	29.00	19.50	28.90	49,230	244	11,71,507	17,290.48	15,330.56	16,926.22
Dec	30.00	34.95	28.50	30.25	47,586	405	14,97,941	17,530.94	16,577.78	17,464.81
2010										
Jan	30.95	32.25	26.35	28.15	23,356	202	6,89,908	17,790.33	15,982.08	16,357.96
Feb	29.55	31.00	22.30	25.70	20,330	186	5,64,863	16,669.25	15,651.99	16,429.55
Mar	26.85	26.95	22.70	23.95	47,189	237	11,93,350	17,793.01	16,438.45	17,527.77

Performance in comparison to BSE sensex:

	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sept 09	Oct 09	Nov 09	Dec 09	Jan 10	Feb 10	Mar 10
Share	12.33	15.92	14.00	17.00	17.75	26.25	25.10	28.90	30.25	28.15	25.70	23.95
SENSEX	11,403.25	14,625.25	14,493.84	15,670.31	15,666.64	17,126.84	15,896.28	16,926.22	17,464.81	16,357.96	16,429.55	17,527.77





d) Share Transfer System & Other Related Matters.

- Share Transfer System

The Shares lodged for transfer are processed by the Registrar and Transfer Agent and are approved by Shareholder Grievance Committee. Shares sent for transfer in physical form are registered and returned within a maximum period of 30 days from the date of receipt, subject to documents being valid and complete in all respects. Similarly all requests for demat are received and processed by the Registrar and Transfer Agent and confirmations are given to the depositor within the prescribed time limit.

- Registrar and Share Transfer Agent:

Bigshare Services Pvt. Ltd.  
E-2, Ansa Industrial Estate  
Saki Vihar Road, Saki Naka  
Andheri (E), Mumbai - 400072  
Tel. No. : +91 22 28470652/53  
Fax No. : +91 22 28475207  
Email : investor@bigshareonline.com  
Website : www.bigshareonline.com

- Nomination Facility for Shareholding:

As per the provisions of the Companies Act, 1956, facility for making nomination is available for shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Transfer agents of the Company.

- Payment of Dividend through Electronic Clearing Service:

The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors whose ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend.

- Correspondence regarding Change in Address:

Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents.

Bigshare Services Pvt. Ltd. E-2 , Ansa Industrial Estate  
Saki Vihar Road, Saki Naka Andheri (E), Mumbai – 400072  
Email: investor@bigshareonline.com

Distribution of Share Holding as on 31.03.2010

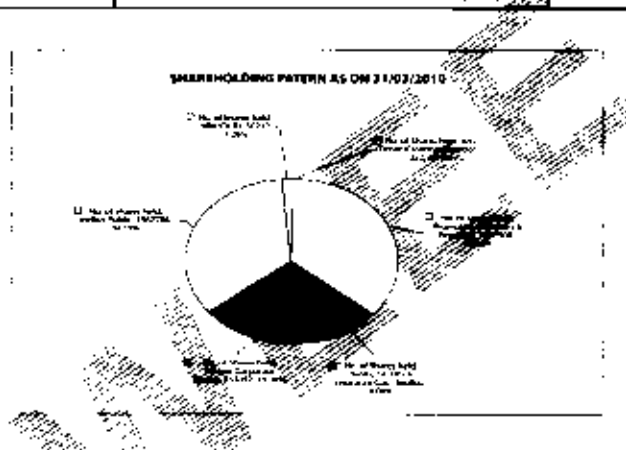
NO. OF EQUITY SHARES HELD	NO. OF SHARE HOLDERS	% OF TOTAL SHARE HOLDERS	TOTAL HOLDING IN RUPEES	% OF TOTAL NUMBER SHARES
1 - 5000	3,127	88.3333	50,92,380	1
5001 - 10000	218	6.1582	17,79,910	
10001 - 20000	82	2.3164	12,36,110	
20001 - 30000	35	0.9887	9,11,500	
30001 - 40000	10	0.2825	3,42,520	
40001 - 50000	15	0.4237	6,91,940	
50001 - 100000	22	0.6215	16,93,670	
100001 AND ABOVE	31	0.8757	2,82,51,970	7
TOTAL	3,540	100.00	4,00,00,000	





### Shareholding Pattern As On 31.3.2010

CATEGORY	NO. OF SHARES HELD	PERCENTAGE TO TOTAL NUMBER OF SHARES (%)
a. Promoters, Directors & Relatives	14,57,968	36.45
b. Persons Acting in concert	0	0.00
c. Banks, FIs & Insurance Cos.	3,60,800	9.02
d. Private Corporate Bodies	7,63,092	19.07
e. Indian Public	13,67,706	34.19
f. NRIs/OCBs	50,212	1.26
g. Any Other (Clearing Member)	222	0.01
<b>TOTAL</b>	<b>40,00,000</b>	<b>100</b>



- **Dematerialisation of Shares**

The Shares of the Company can be held and traded in electronic form. As on March 31, 2010, 72.26% (28,90,438 Shares) of total shares of the Company were held in demat form.

Break up of shares in physical and demat form as of 31st March, 2010:

No. of Share	Percentage of Shares
Physical Segment	27.74
<b>Demat Segment :</b>	
NSDL	47.10
CDSL	25.16
<b>Total</b>	<b>100.00</b>

- Outstanding GDRs/ ADRs / Warrants or any convertible Instrument, conversion date and likely impact on equity : NIL
- Plant Location : Eco House, Adj to Top Glass Enclave, Nr. Range Office, Sativali Road, Bhoidapada Vasai East Distt Thane Pin 401208.
- Address for Correspondence: INFOTREK SYSCOM LIMITED 205, Centre Point, Next to Hotel Kohinoor, Andheri Kurla Road, Andheri (East), Mumbai:- 400 059 Fax: +91 22 40052951/52/53
- E-mail Id for Investor's Grievances: The Company has designated separate Email Id for the investor grievance and to improve the quality of the services to the investor. The e-mail address for investor grievance is [shareholders@ecoreco.com](mailto:shareholders@ecoreco.com)



## COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

Company Secretary's Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement (a)

**The Members,  
Infotrek Syscom Limited**

We have examined the compliance of conditions of Corporate Governance by Infotrek Syscom Limited for the year ended 31st March 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

Place: Mumbai  
Date: December 2, 2010

For Pramod S. Shah & Associates  
Practicing Company Secretaries

Pramod S. Shah  
CP No. 38



**Auditor's Certificate to the Members of the Company on compliance of the conditions of Clause 49 of the Listing Agreement (Corporate Governance) for the year ended 31st March, 2010:**

To  
The Member's of  
Infotrek Syscom Limited

We have examined the compliance of corporate governance by Infotrek Syscom Limited for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions for Corporate Governance as stipulated in the above mentioned Listing Agreement except for the appointment of a Whole Time Secretary as required under Section 383A of the Companies Act, 1956.

We state that none of the Investor Grievances is pending for a period exceeding one month, as at 31st March, 2010 against the Company as per records maintained by the Shareholders' / Investors' Grievance Committee.

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

Mumbai  
Dated: 02.12.2010



FOR VEDULA VIJAY AND RAMANATHAN  
Chartered  
Accountants

CA S. Vedula  
Partner  
Membership No. 38150  
Firm Regd: 106742w





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

1. A) The Company has maintained proper records showing full particulars including quantitative details and situation of the Fixed Assets.  
B) The fixed assets have been physically verified by the Management during the year as per phased programme of verification. In our opinion the frequency of verification is reasonable having regard to the size of the company and the nature of the assets no material discrepancies were noticed on such verification.  
C) During the year the company has not disposed off a major part of fixed assets which has affected the going concern status of the company.
2. A) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, frequency of the verification is reasonable.  
B) In our opinion and according to the information and explanations given to us, procedures of physical verification inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
C) In our opinion and according to the information and explanation given to us the company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification between physical stock and book records.
3. A) The Company has not granted or taken any advances in the nature of loan to companies in which director's are interested as listed in register maintained under section 301 of the Companies Act, 1956. Hence the clauses (B), (C) and (D) are not applicable.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weaknesses in internal control system.
5. A) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
B) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public during the year & consequently the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 & the rules framed there under are not applicable.
7. The Company does not have a formal internal audit system commensurate with its size & nature of the business but its financial & other check ensure proper recording of financial transaction.
8. According to the information and explanation given to us the maintenance of Cost records has not been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956 for any of the activities of the Company.
9. A) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it and there is no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty and cess as on 31st March, 2010 which have remained outstanding for a period of more than six months from the date they became payable.



- B) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, service tax, excise duty and cess which have not been deposited on account of any dispute except Rs.1, 2 the A Y 1998-99 for which the Tribunal has referred back the matter to CIT Appeals.
10. The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the financial year or in the immediately preceding financial year.
  11. According to the information and explanations provided to us the company has not defaulted in the repayment of any debt to financial institution or bank
  12. In our opinion and according to the information and explanations provided to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
  13. In our opinion and according to the information and explanations provided to us the nature of activities of the company do not attract special statute applicable to Chit Fund and Niddhi /Mutual Benefit Fund / Society.
  14. In our opinion, the Company has maintained proper records of the transaction and contracts of the investments dealt by the company and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name.
  15. In our opinion and according to the information and explanations provided to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
  16. On the basis of records examined by us the company has prima-facie applied the term loans for which they were obtained.
  17. In our opinion and according to the information and explanations provided to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
  18. The company has not made any preferential allotment of shares during the year to parties and companies covered in Schedule III maintained under section 301 of the act.
  19. The company has not issued any debenture during the year.
  20. The company has not raised any money through public issue during the year.
  21. To the best of our Knowledge and belief and according to the information and explanations given to us, no fraud or irregularity has been noticed or reported during the year.

Mumbai  
02.12.2010

FOR VEDULA VIJAY AND RAMANI  
Chartered Accountants

Membership No. 12345  
Firm Reg. No. 67890



## COMPLIANCE CERTIFICATE

U/S 383 A of the Companies Act, 1956 & Rule 3 of the companies (Compliance Certificate) Rules, 2001.

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

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

I have examined the registers, records, books and papers of INFOTREK SYSCOM LIMITED as required to be maintained under the Companies Act 1956, and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited company, comments are not required.
4. The Board of Directors duly met 10 times respectively on 10.04.2009, 18.06.2009, 11.07.2010, 31.07.2009, 31.08.2009, 31.10.2009, 31.12.2009, 30.01.2010, 15.02.2010, 10.03.2010. In respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolution passed in the Minutes Books maintained for the purpose.
5. The Company has closed its Register of Members and/or Debenture holders from 22/09/2009 to 29/09/2009 both days inclusive, during the financial year.
6. The Annual General meeting for the financial year ended on 31/03/2009 was held on 29/09/2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. One Extra Ordinary General meeting was held during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. i. There was no allotment/ transfer / transmission of the securities during the financial year  
ii. The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year

# INFOTREK SYSCOM LTD.



e-waste to the best

- iii. The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
- iv. No amount was required to be transferred to Investors Education & Protection Fund.
- v. The Company has duly complied with the requirements of section 217 of the Act regarding Board's report.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate Directors and directors to fill casual vacancy during the financial year.
15. The appointment of Managing Director / Whole Time Director / Manager has been made in compliance with the provisions of the Act.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director Registrar and/or such other authorities prescribed under the various provisions of the Act during the year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any Shares / Debentures / other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions, necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of Section 59 during the financial year.
24. The Company, being a private company, the borrowings made during the financial year do not attract provisions of section 293(d) of the Act.
25. The Company, has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company during year under scrutiny.
30. The Company has not altered the provisions of its Articles of Association during the financial year.
31. There were no prosecution initiated against or show cause notices received by the company and no fines or penalties or other punishment imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. Provident Fund is not applicable.

Mumbai.  
02.12.2010

Promod S. :  
Company Secy  
C.P.No.:

Working for Environment, Ecology to Earn & serve





**INFOTREK SYSCOM LTD.**

**ANNEXURE A**

**a. Statutory Registers.**

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

**b. Other Registers**

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

**ANNEXURE B**

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

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

# INFOTREK SYSCOM LTD.



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## BALANCESHEET (POST-MERGER) AS ON 31.03.2010

PARTICULARS	Schedule	31.03.2010 (Rupees)	31.03.2010 (Rupees)
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds</b>			
Share Capital	A	159,425,000	68,100,000
Reserves & Surplus	B	121,986,164	109,112,000
		281,411,164	177,212,000
<b>Loans</b>			
Secured Loan	C	5,186,230	698,000
Unsecured Loan		2,129,205	
		922,779	429,000
Deferred Tax Liability			
<b>TOTAL</b>		<b>289,649,378</b>	<b>178,339,000</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Goodwill	D	68,055,000	3,893,000
Gross Block		51,998,100	1,972,000
Less : Depreciation		2,638,654	1,920,000
Net Block		49,359,446	1,920,000
Investments	E	67,912,452	138,760,000
<b>Net Current Assets</b>			
Inventories	F	9,852,644	5,290,000
Sundry Debtors		29,166,831	40,530,000
Cash and Bank balances		7,269,550	780,000
Loans and Advances		61,204,128	33,050,000
		107,493,153	79,670,000
Less : Current Liabilities & Provisions	G	5,321,699	42,270,000
		102,171,453	37,400,000
Miscellaneous Expenditure (to the extent not written off)		2,151,026	250,000
<b>TOTAL</b>		<b>289,649,378</b>	<b>178,339,000</b>
<b>As Per Our Report of Even Date Attached</b>		<b>B K Soni Chairman</b>	
<b>For Vedula Vijay &amp; Ramanathan Chartered Accountants</b>		<b>Deepak Nanda Director</b>	
<b>S.Vedula Partner M.No.38150 Firm Regd: 106742w Dated: 2.12.2010</b>		<b>Aruna Soni Director</b>	

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**PROFIT AND LOSS ACCOUNT (POST-MERGER) FOR THE YEAR ENDED 31.03.2010**

PARTICULARS	Schedule	31.03.2010 (Rupees)	31.03.2009 (Rupees)
<b>INCOME</b>			
Income from Operations	H	58,717,998	159,778,965
Other Income	I	1,793,885	4,916,091
Increase / (Decrease) in stock	J	104,565	-5,039,092
<b>Total</b>		<b>60,616,448</b>	<b>159,655,964</b>
<b>EXPENDITURE</b>			
Purchases	K	48,792,430	154,188,480
Direct Expenses		1,713,670	166,513
Administration & General Exp.	L	7,462,959	4,433,457
<b>Total</b>		<b>57,969,059</b>	<b>158,788,450</b>
Profit/(Loss) Before Interest, Depreciation & Tax		2,647,388	867,514
Less: Depreciation		666,470	510,448
Profit/(Loss) Before Interest & Taxation		1,980,918	357,066
Interest		192,719	88,242
Profit/(Loss) Before Taxation		1,788,199	268,824
Less: Provision For Income Tax		(343,000)	(28,200)
Less: Fringe Benefits Tax		-	(25,000)
Net Profit/(Loss) for the Year		1,445,199	215,624
Profit/(Loss) b/d from previous year		23,384,588	23,025,674
Add: Excess Provision Made in the Earlier Year		-	54,729
Add/(Less): Provision for Deferred Tax Asset/Liability		(172,799)	88,561
Less: Eco 31-12-09 Debit balance of P&L		(4,895,595)	-
Less: Interest capitalised on investment in subsidiary		(602,855)	0
<b>Balance C/f to Balance Sheet</b>		<b>19,158,539</b>	<b>23,384,588</b>

As Per Our Report of Even Date Attached

B K Soni  
Chairman

For Vedula Vijay & Ramanathan  
Chartered Accountants

Deepak Nanda  
Director

S. Vedula  
Partner  
M.No.38150  
Firm Regd: 106742w  
Dated: 2.12.2010

Aruna Soni  
Director

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# INFOTREK SYSCOM LTD.



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## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Current year 2009-2010 (Rupees)	Current year 2008-2009 (Rupees)
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit (Loss) before Tax and Extraordinary items	1,788,199	268,824
Adjustments for:		
Depreciation	666,470	510,448
Interest Expenses	192,719	82,676
Deferred Revenue Expenditure	153,067	30,000
(Profit)/Loss on sale of Investment	3,434,593	(4,075,156)
Dividend	(189,176)	(415,889)
Interest Received	(92,057)	(47,899)
<b>Operating Profit before working Capital Changes</b>	<b>5,953,815</b>	<b>(3,646,995)</b>
(Increase)/Decrease in Current Assets	(21,331,666)	(3,624,360)
Increase/(Decrease) in Current Liabilities	(36,456,304)	33,508,372
Cash Generated from Operations	(51,834,155)	26,237,017
Add/(Less): Excess/(Short) Provision in earlier years	(6,014,249)	1,529
<b>Net Cash Generated from Operating Activities</b>	<b>(57,848,404)</b>	<b>26,238,546</b>
<b>B. Cash Flow from Investing Activities:</b>		
Profit/(Loss) on sale of Investment	(3,434,593)	4,075,156
Dividend	189,176	415,889
Purchases of Fixed Assets	(48,104,555)	(9,000)
Sale/(Purchase) of Investment	(32,447,756)	(29,965,011)
Interest Received	92,057	47,899
Increase in Goodwill on Merger	(2,054,093)	
<b>Net Cash Flow from Investing Activities</b>	<b>(85,759,763)</b>	<b>(25,435,067)</b>
<b>C. Cash Flow from Financing Activities :</b>		
Interest Expenses	(192,719)	(82,676)
Loan Borrowed/(Repayment)	6,617,417	(270,482)
Change in Share Capital	143,670,000	
<b>Net Cash Flow from Financing Activities</b>	<b>150,094,698</b>	<b>(353,158)</b>
<b>Net Increase/(Decrease) in cash &amp; Cash Equivalent (A+B+C)</b>	<b>6,486,531</b>	<b>450,322</b>
Cash and Cash Equivalents -Opening Balance	783,019	332,699
Cash and Cash Equivalents -Closing Balance	7,269,550	783,019
<b>Net Increase/(Decrease) in cash &amp; Cash Equivalent</b>	<b>6,486,531</b>	<b>450,322</b>
<b>As Per Our Report of Even Date Attached</b>	<b>B K Soni</b> Chairman	
<b>For Vedula Vijay &amp; Ramanathan</b> Chartered Accountants	<b>Deepak Nanda</b> Director	
<b>S. Vedula</b> Partner M.No.38150 Firm Regd: 106742w Dated: 2.12.2010	<b>Aruna Soni</b> Director	

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## SCHEDULES TO BALANCESHEET AND PROFIT AND LOSS A/C (POST-MERGER)

	31.03.2010 (Rupees)	31.03.2009 (Rupees)
<b>SCHEDULE A</b>		
<b>Share Capital</b>		
Authorised :		
3,00,00,000 Equity Shares of Rs 10/- each (previous year 1,00,00,000 Equity shares of Rs. 10/- each)	300,000,000	100,000,000
Issued & Subscribed Capital	159,425,000	51,000,000
1,59,42,500 Equity Shares of Rs 10/- each (previous year 51,00,000 Equity shares of Rs. 10/- each)		
Convertible warrants (Party Paid-up)		17,100,000
Share Application	-	-
<b>Total</b>	<b>159,425,000</b>	<b>68,100,000</b>
<b>SCHEDULE B</b>		
<b>Reserves &amp; Surplus</b>		
<b>General Reserve</b>	19,712,130	19,712,130
Add: i) Addition during the year	-	-
Closing Balance of General Reserve	19,712,130	19,712,130
Share Premium	48,000,000	48,000,000
Profit & Loss Account	19,158,539	23,384,588
<b>Capital Reserve</b>		
Share application money forfeited	35,115,495	18,015,495
<b>Total</b>	<b>121,986,164</b>	<b>109,112,213</b>
<b>SCHEDULE C</b>		
<b>Secured Loan</b>		
Loan from ICICI Bank Ltd (against hypothecation of car)	362,536	698,018
Loan from ICICI Bank Ltd (Secured by Motor Vehicle)	72,025	-
Loan from Kotak Mahindra bank Ltd.	4,751,669	-
	<b>5,186,230</b>	<b>698,018</b>
<b>Unsecured Loan</b>		
Upsurge Investment & Finance Ltd.	2,129,205	-
	<b>2,129,205</b>	-
<b>Total</b>	<b>7,315,435</b>	<b>698,018</b>

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SCHEDULE D												
Infotrek Syscom Ltd. (Post-Merger)												
Sr. No.	Particulars	Gross Block				Depreciation				Net Block		
		As on 1.4.2009	Additions	Deductions	As on 31.03.2010	Upto 31.3.2009	For the Year	De-duction	Upto 31.03.2010	As on 31.03.2010	As on 31.3.2009	
1	Computers	2,276,173	-	-	2,276,173	1,716,767	368,968	-	2,085,735	190,438	559,406	
2	D.G. Set	57,488	-	-	57,488	14,429	4,064	-	18,493	38,995	43,059	
3	Furniture & Fixtures	50,091	-	-	50,091	4,057	3,161	-	7,218	42,873	46,034	
4	Motor Car	1,227,685	-	-	1,227,685	117,905	116,631	-	234,536	993,149	1,108,780	
5	Office Equipments	282,108	-	-	282,108	149,626	17,892	-	136,918	145,190	163,082	
		3,893,545	-	-	3,893,545	1,972,804	510,716	-	2,482,900	1,410,545	1,921,361	
<b>Eco Recycling Ltd. Assets Taken Over on 1.1.2010</b>												
1	Cable Stripper	55,289	-	-	55,289	-	668	-	668	54,621	-	
2	Computer	29,667	-	-	29,667	-	1,652	-	1,652	28,015	-	
3	Furniture & Fixture	370,732	-	-	370,732	-	6,392	-	6,392	364,340	-	
4	Hand Pallet Truck	20,051	-	-	20,051	-	707	-	707	19,344	-	
5	Mobile Shredder	1,650,634	-	-	1,650,634	-	21,378	-	21,378	1,629,256	-	
6	Office Equipments	265,199	-	-	265,199	-	10,119	-	10,119	255,080	-	
7	Shredder Machine	6,079,314	-	-	6,079,314	-	78,147	-	78,147	6,001,167	-	
8	Tata Ace Truck	233,202	-	-	233,202	-	8,221	-	8,221	224,981	-	
9	Tata Truck LPT	732,245	-	-	732,245	-	25,813	-	25,813	706,432	-	
10	Weighing Scale	59,861	-	-	59,861	-	2,657	-	2,657	57,204	-	
		9,496,194	-	-	9,496,194	-	155,754	-	155,754	9,340,440	-	
	Intangible Assets											
1	Branding	26,757,325	2,468	-	29,225,881					29,225,881		
2	Capital WIP(R&D)	9,382,480	556	-	9,382,480					9,382,480		
	Total(B)	36,139,805	2,468	-	38,608,361					38,608,361		
	Grand Total(A+B)	49,529,544	2,468	-	51,998,100	1,972,184	666,470	-	2,638,654	49,359,446	1,921,361	
	Previous Year	3,884,545	9,000	-	3,893,545	1,461,736	510,448	-	1,972,184	1,921,361	2,422,809	

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## SCHEDULE E

	31.03.2010		31.03.2009	
	No. of shares	(Rupees)	No. of shares	(Rupees)
<b>A. Quoted Shares</b>				
National Peroxide Ltd	2000	462550	2000	462550
G.V. Films Ltd.	10000	82150	10000	82150
Hindustan Motors Ltd.	29000	1042209	45000	1590327
Malu Paper Mills Ltd.	10000	375384	10000	375384
Prism Cement Ltd.	2000	120070	5000	300175
Ruchi Infrastructure Ltd.	424500	18798798	134950	2814343
Anik Industries Ltd.	50000	2473150	50000	2473150
Bongaigaon Refinery Ltd.	0	0	4500	250476
Nocil Ltd.	27169	643517	27169	643517
HFCL	3000	54000	3000	54000
<b>Total (A)</b>		<b>24,051,827</b>		<b>9,046,072</b>
<b>B. Unquoted Shares</b>				
Eco Recycling Limited	-	-	11835000	104805000
Soni Securities Ltd	-	-	330,300	5,303,000
Iland Informatics Limited	51,000	510,000	51,000	510,000
Dombivali Sahkari Bank Ltd	10,000	100,000	10,000	100,000
Sasistar Finance Pvt.Ltd.	575000	40250000	190000	19000000
Shamrao Coop Bank Ltd	25	625	25	625
Sanjay Chemical Pvt Ltd	3000	3000000	-	-
<b>Total (B)</b>		<b>43,860,625</b>		<b>129,718,625</b>
<b>Total (A+B)</b>		<b>67,912,452</b>		<b>138,764,697</b>

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	31.03.2010 (Rupees)	31.03.2009 (Rupees)
<b>Schedule F</b>		
<b>Current Assets, Loans &amp; Advances</b>		
A. Inventories	9,852,644	5299558
<b>Total (A)</b>	<b>9,852,644</b>	<b>5299558</b>
B. Debtors (Unsecured considered good)	2,135,092	2133346
a. More than six months	27,031,739	38400057
b. Others	29,166,831	40533403
<b>Total (B)</b>		
C. Cash & Bank balances	196,567	108885
Cash in Hand	7,072,982	674134
Balance with Banks	7,269,550	783019
<b>Total (C)</b>		
D. Loans & Advances	2,430,992	1929122
Advance Tax & TDS	17,924,818	10317121
Sundry Deposits	40,848,318	20812733
Other Advances	61,204,128	33,058,978
<b>Total (D)</b>	<b>107,493,153</b>	<b>79,674,958</b>
<b>Total (A+B+C+D)</b>		
<b>Schedule G</b>		
<b>Current Liabilities &amp; Provisions</b>		
A. Current Liabilities :	361,551	3939001
Creditors for Goods	2,476,298	77325
Creditors for Expenses & Current Liabilities	2,837,849	4016326
<b>Total (A)</b>		
B. Provisions	32,850	
For Fringe Benefit Tax	2,451,200	210820
For Income Tax	2,483,850	210820
<b>Total (B)</b>	<b>5,321,699</b>	<b>42,271,44</b>
<b>Total (A+B)</b>		

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	31.03.2010 (Rupees)	31.03.2009 (Rupees)
<b>Schedule H</b>		
<b>Income from Operations</b>		
Sales	58,185,135	148,628,822
Data Destruction Charges	532,863	11,150,143
<b>Total</b>	<b><u>58,717,998</u></b>	<b><u>159,778,965</u></b>
<b>Schedule I</b>		
<b>Other Income</b>		
Interest	92,057	47,899
Dividend	189,176	415,889
Profit/ (Loss) on trading in Shares	245,442	377,147
Profit/(Loss) on sale of Investment	-	4,075,156
Sundry balances W/back	1,267,210	-
<b>Total</b>	<b><u>1,793,885</u></b>	<b><u>4,916,091</u></b>
<b>Schedule J</b>		
<b>Increase/ (Decrease) in Stock</b>		
Closing Stock	9,852,644	5,299,558
Less: Opening Stock	9,748,079	10,338,650
<b>Total</b>	<b><u>104,565</u></b>	<b><u>(5,039,092)</u></b>
<b>Schedule K</b>		
<b>Purchases</b>		
Electrical and Electronic Equipment	45,140,117	145,751,409
Shares	3,652,313	8,437,071
<b>Total</b>	<b><u>48,792,430</u></b>	<b><u>154,188,480</u></b>

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	31.03.2010 (Rupees)	31.03.2009 (Rupees)
<b>Schedule L</b>		
<b>Administrative &amp; General Expenses</b>	23435	8281
Advertisement Expenses	43157	10000
Annual Listing Fees	11255	45000
Auditor's Remuneration	0	2132
Bad Debts	5751	503338
Bank Charges	94200	178174
Communication Expenses	450000	1200000
Director's Remuneration	10000	30000
Director's Sitting Fees	52191	81296
Electricity Charges	14644	19301
Insurance Premium	3434593	
Loss on sale of investment	262811	7481
Miscellaneous Expenses	0	2534
Motor Car Expenses	900000	60000
Office Rent	153067	
Preliminary Expenses W/Off	95307	11642
Printing & Stationery	664383	53051
Professional Fees	42040	5550
Registrar & Transfer Agent Expenses	110410	8000
Registrar of Companies Expenses	88491	820
Repairs & Maintenance	698589	7773
Salaries	237788	553
Staff Welfare	70848	325
Travelling & Conveyance	<u>7462959</u>	<u>44334</u>
<b>Total</b>		

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

### Significant Accounting Policies:-

(a) Accounting convention & concepts:

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

(b) Accounting Treatment Of Merger:

The appointed date of merger is 1st January, 2010 between INFOTREK SYSCOM LTD (Transferee Company) and ECO RECYCLING LTD (Transferor Company). To give effect to the merger, the assets and liabilities are recorded at Book Value in the books of the Transferee Company in accordance with AS – 14, as notified by the Companies (Accounting Standards) Rules, 2006 as amended from time to time. The Investments of Transferee Company in the Transferor Company stands cancelled. The difference between the book value of Assets and Liabilities, Inter-Company Investments and Fresh Issue of Capital to the Shareholders (excluding to Transferee Company) is treated as Goodwill.

The calculation of the GOODWILL created is given as follow:

a. Combined share capital	15,94,25,000
b. Share capital-Pre-merger	
Infotrek Syscom Ltd	4,60,00,000
Eco-recycling Ltd	14,86,70,000
TOTAL	19,46,70,000
c. Investment in Eco Recycling Ltd by Infotrek Syscom Ltd which stands extinguished On merger	10,33,00,000
d. Goodwill created (a-b+c)	6,80,55,000

Goodwill will be written-off in accordance with AS-26 from the next financial year.

(c) Revenue Recognition

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

(d) Fixed Assets

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

(e) Depreciation

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

(f) Investments

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

(g) Foreign Exchange transaction:-

Transactions in foreign currency are converted at the rates prevailing on the date of the transactions.

(h) Inventories

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

(i) Branding expenses

It is considered as intangible fixed asset and shown at actual cost.

# INFOTREK SYSCOM LTD.



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## NOTES TO ACCOUNTS:-

- In the opinion of the Board, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the financial statements.
- No revaluation of fixed assets has been made since the date of incorporation of the Company.
- In the opinion of the Management, the Provident Fund and ESI Acts are not applicable to the Company.
- The Company has not provided for gratuity and leaves encashment and leave travel allowances to employees on accrual basis, which is not in conformity with AS-15 issued by ICAI. However in the opinion of management the amount involved is negligible and has no impact on profit and loss account.
- Standing Bank guarantee of Rs. 1810000/= In favor of The Customs, JNPT is fully secured against equal fixed deposit with the bank.
- As per the accounting standard 18 on "Related Party Disclosures" issued by the ICAI the related Parties of the company and nature of relationship are as follows:

RELATED PARTY	NATURE OF RELATIONSHIP
Brij Kishor Soni	Key Management Personnel
Aruna Soni	Director
N.R. Colors Ltd	One Common Director
First Online Comrades Pvt. Ltd.	Two Common Directors
B. K. Soni HUF	CMD Is Karta Of HUF

Nature and Volume of transactions carried out with the above related parties in the ordinary course of business for year ended March 31, 2010.

Particulars	Key Management Personnel	Others
Remuneration	4,50,000	10,
Sitting Fees	-	9,00,
Rent	-	135,50,
Deposits	-	215,00
Sale Of Investment And Receivables	-	50,00
Advance Given	-	-

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

	2009-2010	2008-2009
<b>(a) Auditors' Remuneration:</b>		
Audit Fees	30,000	20,000
Tax Audit Fees	15,000	10,000
VAT Audit Fees	25,000	15,000
Service Tax	4,635	4,000
Total	74,635/-	49,000
<b>(b) Director's Remuneration:</b>		
B. K. Soni	4,50,000	12,00,000
Total	4,50,000	12,00,000

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

	31.03.2010		31.03.2009	
	Qty	Value	Qty	Value
Opening Stock	263,137	Rs. 5,299,558	432,848	Rs. 9,481,366
Purchase	120,200	Rs. 3,652,313	280,191	Rs. 8,437,071
Sales	156,907	Rs. 5,491,836	449,902	Rs. 11,150,143
Closing Stock	226,430	Rs. 4,902,498	263,137	Rs. 5,299,558

(ii) Quantitative Details in respect of EEE:

	31.03.2010		31.03.2009	
	Qty (TON)	Value	Qty (Ton)	Value
Opening Stock	641.03	Rs. 4,448,521		N.A.
Purchase	1,384.32	Rs. 45,140,117		
Sales	1,873.03	Rs. 53,226,162		
Closing Stock	152.32	Rs. 4,950,146		

d) Segment Information:

Business Segment	Finance Division 2009-10	EEE 2009-10	Total 2009-10
<b>Segment Revenue</b>			
External Sales	7,285,721	53,226,162	60,511,883
<b>Segment Results</b>			
Profit/ (Loss) before Intt., Dep. & Tax	(293,600)	10,403,947	10,110,347
Less: Other un-allocable exp incl int. & Dep.			8,322,148
Profit / ( Loss ) before Extra Ordinary Item			1,788,199
Add: Extra Ordinary Item			-
Profit / ( Loss ) before Tax			1,788,199
Less: Provision For Tax.FBT & Short/(Excess)			(343,000)
			1,445,199
Add:Deferred Tax Assets / ( Liability )			(172,799)
<b>Profit / (Loss) after Tax</b>			<b>1,272,400</b>
<b>Segment Of Assets And Liabilities</b>			
Total Assets	102,442,170	122,322,881	224,765,051
Less: Total Liabilities	(9,070,186)	(4,489,727)	(13,559,913)
<b>Net Capital Employed</b>	<b>93,371,984</b>	<b>117,833,154</b>	<b>211,205,138</b>

# INFOTREK SYSCOM LTD.



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b. **Geographical Segments**  
The following table shows the distribution of the Company's Post-Merger sales by geographical market:

Sales revenue by geographical market:

Geographical Market Segment	(Amount in Rs.)	
	2009-10	2008-09
Domestic Market	58717998	159778965
Overseas Market	NIL	NIL
<b>Total</b>	58717998	159778965

8. Earnings in foreign currency during the year Nil  
Expenditure in foreign currency during the year Nil

9. Value of imports on CIF Basis: Nil

10. In accordance with the accounting standard 20 on "Earnings per Share" issued by the ICAI:  
Net Profit (Loss) after tax available to Equity Shareholders: Rs. 14,45,199/-  
Weighted average no. of Equity Shares outstanding during the year: 49,00,000  
Basic and Diluted EPS : Rs. 0.29 (P.Y. -0.94 and -0.68)

11. **Deferred Income Tax:**  
Deferred tax has been provided in accordance with the Accounting Standard 22- Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India. The deferred tax liabilities as on 31st March, amounting to Rs. 1,72,799/- is the difference between the book depreciation and tax depreciation.

12. Previous year figures have been regrouped and rearranged wherever necessary to confirm to this year's classification. The accounts includes Eco-Recycling Ltd figures of three months from 01-01-10 till 31-03-10 on account merger. Hence figures are not comparable with last year.

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

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

As Per Our Report of Even Date Attached

For Vedula Vijay & Ramanathan  
Chartered Accountants

S.Vedula  
Partner  
M.No.38150  
Firm Regd: 108742w  
Dated: 2.12.2010

B K Soni  
Chairman

Deepak Nanda  
Director

Aruna Soni  
Director

Working for Environment, Ecology to Earn & serve



## ATTENDANCE SLIP

### INFOTREK SYSCOM LIMITED

Registered Office: 205, Centre Point, Next to Hotel Kohinoor, Andheri Kurla Road, Andheri East, Mumbai - 400 059

16th Annual General Meeting, Tuesday, December 28, 2010

I hereby record my presence at the 16th Annual General Meeting of the Company (including adjournment thereof) at 205, Centre Point, Next to Hotel Kohinoor, Andheri Kurla Road, Andheri East, Mumbai - 400 059 on Tuesday, December 28, 2010 at \_\_\_\_\_ a. m. / p.m.

Folio No. \_\_\_\_\_ DP ID\* \_\_\_\_\_ Client ID \_\_\_\_\_

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

Full name of the Shareholder/Proxy (in block letters) \_\_\_\_\_

Signature \_\_\_\_\_

**Note :** Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand over at the entrance of the hall.

## PROXY FORM

### INFOTREK SYSCOM LIMITED

Registered Office: 205, Centre Point, Next to Hotel Kohinoor, Andheri Kurla Road, Andheri East, Mumbai - 400 059

16th Annual General Meeting, Tuesday, December 28, 2010

Folio No. \_\_\_\_\_ DP ID : \_\_\_\_\_ Client ID : \_\_\_\_\_

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

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

\_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the 16th Annual General Meeting of the Company (including adjournment thereof) to be held at 205, Centre Point, Next to Hotel Kohinoor, Andheri Kurla Road, Andheri East, Mumbai - 400 059 on Tuesday, December 28, 2010 at \_\_\_\_\_ a. m. / p.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010

- Note : 1. The proxy need not be a member  
2. The Proxy Form duly completed should be deposited at the Registered Office of the Company at Mumbai not later than 48 hours before the time of the meeting.

\* applicable for investor holding shares in electronic form.