

EIGHTH ANNUAL REPORT 2 0 0 0 - 2 0 0 1

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ez-comm

trade technologies ltd.

The B2B company™

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BOARD OF DIRECTORS:

MR. SANJIV KHANDELWAL

(Chairman & Managing Director)

MR. Y. P. TRIVEDI (resigned w.e.f. 30.06.2001)

MR. MOHAN M JAYAKAR

MRS. SHILPA KHANDELWAL

SECRETARY:

MR. AMIT J. PAREKH

LEGAL ADVISORS:

MESSRS GAGRAT & COMPANY

AUDITORS:

MESSRS. MITTAL & ASSOCIATES

CHARTERED ACCOUNTANTS

130, ESPLANADE MANSION,

M. G. ROAD, MUMBAI – 400 023 (upto the conclusion of the 8th A.G.M.)

MESSRS. A. J. MEHTA & ASSOCIATES

CHARTERED ACCOUNTANTS

SHAHVIRI BUILDING, 1ST FLOOR,

PICKET ROAD, MUMBAI – 400 002 (w.e.f. the conclusion of the 8th A.G.M.)

BANKERS:

CORPORATION BANK

STATE BANK OF INDIA – SILVASSA

HDFC BANK

ABN-AMRO BANK

UNION BANK OF INDIA

THE BANK OF RAJASTHAN LIMITED

REGISTERED OFFICE:

4TH FLOOR, DOULATRAM MANSION

RAMBHAU SALGAONKAR MARG

COLABA, MUMBAI – 400 005.

TEL: 91-22-282 5252

FAX: 91-22-202 3563

E-MAIL: ezcommindia@ezcommindia.com

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

NOTICE

Notice is hereby given that the **Eighth Annual General Meeting** of the members of ez-Comm trade technologies limited will be held on Tuesday, the 25th day of September, 2001 at 10.00 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 2001 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 Mrs. Shilpa Khandelwal, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s A. J. Mehta & Associates as the Auditors of the Company who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration in place of Messrs. Mittal & Associates, the present Auditors of the Company, who do not wish to be re-appointed after the conclusion of this Annual General Meeting.

SPECIAL BUSINESS:

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

"RESOLVED THAT subject to the provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactments thereof for the time being in force), Securities Contracts (Regulation) Act, 1956, and the Rules framed thereunder, Listing Agreements, and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by the Resolution), the consent of the Company be and is hereby accorded to the Board to delist the equity shares of the Company from both or any of the Stock Exchanges at Ahmedabad and Delhi."

By order of the Board of Directors

Sanjiv Khandelwal
Chairman and Managing Director

Mumbai: 31st July 2001.

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 Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of resolution at Item No. 4 of the accompanying notice is annexed herewith.

3. The Register of Members and Share Transfer Books will remain closed through 18th September 2001 to 25th September 2001 (both days inclusive).
4. 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.
5. 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.
6. 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.

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

Presently, the Company's securities are listed at the following three Stock Exchanges in India: -

- i. The Stock Exchange, Mumbai (the Regional Stock Exchange);
- ii. The Stock Exchange, Ahmedabad and
- iii. The Delhi Stock Exchange Association Limited.

With extensive networking of the Stock Exchange, Mumbai (BSE) and the extension of the BSE terminals to other cities as well, investors have access to online dealings in the Company's equity shares across the country. The majority of the trading in the Company's shares in any case takes place only on the BSE, and the depth and liquidity of trading in the Company's securities on the other two Exchanges are virtually non-existent.

As a part of its cost reduction measures, the Company has proposed this resolution, which will enable it to delist its equity share from both or any of the Stock Exchanges at Ahmedabad and Delhi, at an appropriate time in the future. The actual timing of such a move will depend upon future developments.

In line with the Securities and Exchange Board of India (SEBI) regulations and approval, if any required, members' approval is being sought by a Special Resolution for enabling voluntary delisting of its securities from the said other Stock Exchanges.

The Company shall separately give a Special Notice of the proposed enabling resolution for the said delisting in one National Newspaper on all India basis as and when such a decision is finalised by the Board. The proposed delisting will not adversely affect the investors. The Company's securities will continue to be listed on the BSE as the regional Stock Exchange. The delisting will take effect after obtaining all approvals, permissions and sanctions. The exact date on which delisting will take effect will be suitably notified at that time.

Your Directors recommend the Special Resolution for approval of members.

None of the Directors of the Company are, in any way, interested or concerned in the resolution.

By order of the Board of Directors

Sanjiv Khandelwal

Chairman and Managing Director

Mumbai: 31st July 2001

Registered Office:

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

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Eighth Annual Report together with the Audited Statement of Accounts for the year ended the 31st March 2001.

Financial Results: (In Rs.)	2000-2001	1999- 2000
Profit before depreciation	14,96,836	43,86,983
Depreciation	2,06,909	85,659
Profit before tax	12,89,927	43,01,324
Provision for taxation	0	2,00,000
Profit after tax	12,89,927	41,01,324
Add : Surplus brought forward	44,20,792	3,19,468
Balance carried to Balance Sheet	57,10,719	44,20,792

Income, Activities & Operations:

During the year, the Company earned Rs. 58,90,952 as income from e-business and Rs. 3,48,690 as interest and other income. Compared to the previous year, the income has come down from Rs. 1,00,87,304 to Rs. 62,39,642. The Company has spent sizable resources in developing a range of Enterprise Softwares. The products include ezTrack for Supply Chain Management, ezServe for Customer Relationship Management, ezDirect for Knowledge Management, ezPro for team collaboration, and ezFx for Financial Content Management. The Company has also developed a unique solution for rapid deployment of Private Exchanges for companies globally. Despite the global markets and the economy being in a recessionary mood, companies continue to invest in Information Technology. The Company expects better returns, development and progress in the coming time. The Company is also in advanced stages of discussions with a few multinational companies for selling the software products of the Company. The Company has registered with many online traders and expects a lot of business online.

Dividend:

The Directors do not recommend any dividend as it is a growing Company and the Company would like to conserve the reserves.

Land:

The Company has preferred an appeal in the Court of the Honourable Administrator, Dadra & Nagar Haveli at Silvassa, against the order of the Collector, Dadra & Nagar Haveli, rejecting the application of the Company seeking N.A. permission in respect of the land for industrial purpose. The Company expects positive results.

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:

Smt. Shilpa Khandelwal retires by rotation and being eligible, offers herself for re-appointment. Shri Y. P. Trivedi resigned during the year from the directorship of the Company. The Board wishes to place on record its sincere appreciation for the valuable services rendered by Shri Trivedi during his tenure as Director.