

22ND ANNUAL REPORT
2014-2015

CENTERAC TECHNOLOGIES LIMITED

L17231MH1993PLC071975

(Formerly EZ-COMM TRADE TECHNOLOGES LIMITED)

Optimising business processes



COMPANY INFORMATION

BOARD OF DIRECTORS:

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

AUDITORS:

MESSRS. BANSI S MEHTA & CO
CHARTERED ACCOUNTANTS
11/13, BOTAWALA BUILDING, 2ND FLOOR,
HORNIMAN CIRCLE, MUMBAI 400 001.
TEL 2266 1255

BANKERS:

THE ROYAL BANK OF SCOTLAND
CORPORATION BANK
ICICI BANK

REGISTERED OFFICE:

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

TEL: 91-22-2282 5252
FAX: 91-22-2202 3563
Email ID: Info@Centerac.com,
Website www.Centerac.com

SHARE TRANSFER AND DEMAT REGISTRARS:

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



NOTICE

Notice is hereby given that the **22nd Annual General Meeting** of the members of **Centerac Technologies Limited** (Formerly EZ-COMM Trade Technologies Limited) will be held on 26th September, 2015 at 9.30 a.m at the Registered Office of the Company at 4th Floor, Doulatram Mansion, Rambhau Salgaonkar Marg, Colaba, Mumbai – 400 005 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2015 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 Ms. Shilpa Khandelwal, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s Bansi S Mehta & Co., (Firm Registration no. 100991W), Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 (subject to ratification of their appointment by the members at every Annual General Meeting) and to authorise the Board of Directors to fix their remuneration for the financial year ending 31st March, 2015.

By order of the Board of Directors
Sd/-

Sanjiv Khandelwal
Chairman and Managing Director

Place : Mumbai

Date : 27.05.2015

Registered Office:

4th Floor, Doulatram Mansion

Rambhau Salgaonkar Marg

Colaba, Mumbai – 400 005

NOTES:

1. Any member of the company entitled to attend and vote at the meeting of the company is entitled to appoint another person as proxy/ proxies to attend and vote at the meeting (on a poll only) instead of himself/herself, and that a proxy need not be a member of the company.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10 (ten) % of the total share capital of the company. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than 48 (forty eight) hours before the commencement of the meeting. Proxies submitted on behalf of the companies, etc., must be supported by an appropriate resolution/ authority, as applicable.

2. The Register of Members and Share Transfer Books will remain closed through between 25.09.2015 to 26.09.2015 (both days inclusive).



3. Members are requested to sign at the place provided for the attendance slip annexed to the Proxy Form and hand over the slip at the entrance to the place of the meeting.
4. Members who hold shares in dematerialised form are requested to bring their client ID and DP ID numbers for easier identification of attendance at the meeting.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.
6. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH 13 duly filled in to the Company's Registrar and Share Transfer Agents. The prescribed form in this regard may also be obtained from the Company's Registrar and Share Transfer Agents. Members holding shares in electronic form are requested to contact their Depository Participant directly for recording their nomination.
7. The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in Corporate Governance" allowing paperless compliances through electronic mode. Companies are now permitted to send various notices/documents to its Members through electronic mode to their registered email addresses. This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. We propose to send all documents to Members like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report etc. in electronic form, to the email address provided by them and made available to us by the Depositories. The physical copies of the Annual Report will also be available at our Registered Office in Mumbai for inspection during office hours.
8. 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.
9. **Voting through electronic means**

In compliance with the provisions of section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rule 2014, the Company is pleased to provide members facility to exercise their votes at the 22nd AGM by electronic means and the business may be transacted through e-voting as per instructions given below:

(a) Date and time of commencement of voting through electronic means: Wednesday 23rd September, 2015 from 9hrs

(b) Date and time of end of voting through electronic means beyond which voting will not be allowed Friday 25th September, 2015 at 17 hrs

(c) Details of Website: www.evotingindia.com

(d) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question (FAQ) and e-voting manual available at www.evoting.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

(e) Instructions for e-voting are given as annexure to this notice.

(f) Details of Scrutinizer: **Mr Alwyn D'souza**

The e-voting module shall be disabled for voting on Friday 25th September, 2015 at 17 hrs Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date (record date) as on 22nd September 2015

Mr. Alwyn D'souza Company Secretary, Alwyn D'souza & Co Company Secretaries, Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent



manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of e-voting period unblock the votes in presence of at least two (2) witnesses not in the employment of the Company and made a Scrutinizer's report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the AGM of the Company and communicated to the stock exchange.

Instructions for Electronic Voting (e-Voting)

E-voting Facility

Pursuant to Section 108 of the Companies Act, 2013 and applicable rules thereunder and Clause 35B of the Equity Listing Agreement, the Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically. For this purpose, the Company has signed an agreement with the Central Depository Services (India) Limited ("CDSL") for facilitating e-voting.

The instructions for members for voting electronically are as under:-

If you are holding shares in demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.

(A) In case of members receiving e-mail

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.



Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.
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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section



or write an email to helpdesk.evoting@cdslindia.com.

- D. E-voting ends on **Friday 25th September, 2015 at 17 hrs.** The e-voting module will be disabled by CDSL for voting thereafter.
- E. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Management Discussion & Analysis Report

Industry Structure & Development

The Indian IT industry growth was normal during the year

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

Opportunities & Threats

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

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

Risk and Concerns

Technology Obsolescence

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

Intellectual Property

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

Insurance

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

Internal Controls

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

The internal control systems are supplemented by an extensive programme of internal audits, reviews



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

Discussions on Financial Performance with respect to operational Performance:

During the year, the Company earned Rs.2,31,79,669/- as sales income and Rs.12,53,973/- as other income and made a loss of Rs.5187696/- as against the profit of Rs. 467492/- in the previous year.

Material Development in Human Resources / Industrial Relations:

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

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

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections estimates, and exceptions may be "forward looking statements" within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT**I. PHILOSOPHY ON CORPORATE GOVERNANCE**

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

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



II. BOARD OF DIRECTORS**A. Composition of the Board:**

As on 31st March 2015, the Board of Directors of Centerac Technologies Limited comprises the Chairman, Mr. Sanjiv Khandelwal, who is an executive director and a promoter. Besides, there are three non-executive directors viz. Mr. Mohan Jayakar, Mr. Kushrow Shiavax Patel who are Independent Directors and Mrs. Shilpa Khandelwal. The Non Executive Directors are eminent professionals with wide range of knowledge and experience in business, industry. The composition of the Board and other relevant details relating to Directors are given below:

Name of the Director	Category of Director	No. of Board Meetings held	No. of Board Meetings attended	No. of other Directorships	Committee Memberships	Committee Chairmanships	Last Annual General Meeting attended
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. Sanjiv Khandelwal <i>Chairman & Managing Director</i>	Executive and Promoter Director	4	4	5	0	0	Yes
Mrs. Shilpa Khandelwal Director	Non-Executive and Promoter Director	4	4	5	2	1	Yes
Mr. Kushrow Shiavax Patel	Non-Executive and Independent Director	4	4	1	1	2	Yes
Mr. Mohan Jayakar	Non-Executive and Independent Director	4	4	9	3	0	Yes

4 (Four) meetings of the Board of Directors were held during the financial year 2014-15.

III. AUDIT COMMITTEE

- Terms of reference:** The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Clause 49 of the Listing Agreement.
- Composition:** The Audit Committee was constituted by the Board of Directors in the year 2001 and reconstituted on 30/05/2014 comprises as follows :

Name of member	Member/ Chairman	Number of Meetings Held and Attended
Mr. Khushraw Shiavax Patel	Chairman	4/4
Mr. Mohan Motiram Jayakar	Member	4/4
Mrs. Shilpa Khandelwal	Member	4/4

IV. Nomination & Remuneration Committee:

- a. **Nomination & Remuneration Committee** was constituted by the Board of Directors on 30/05/2014 comprises as follows :

Name of member	Member/ Chairman	Number of Meetings held & Attended
Mr. Khushraw Shiavax Patel	Chairman	1/1
Mr. Mohan Motiram Jayakar	Member	1/1
Mrs. Shilpa Khandelwal	Member	1/1

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

Remuneration of Non-Executive Directors: The Company pays sitting fees to Non-Executive Directors @Rs. 1,000/- per meeting but considering the Companies financial Directors decided to waive their rights for sitting fees.

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

V. Stakeholders Relationship Committee

A Committee for Share Transfers was constituted by the Board in 1995-96 and was later renamed and reconstituted as Share Transfer and Investor Grievance Committee. The same was reconstituted and renamed as Stakeholders Relationship Committee on May 30/2014 as follows:

Name of member	Member/ Chairman	Number of Meetings Held and Attended
Mrs. Shilpa Khandelwal	Chairperson	4/4
Mr. Mohan Motiram Jayakar	Member	4/4
Mr. Khushraw Shiavax Patel	Member	4/4

The Chairperson of the Committee, Mrs. Shilpa Khandelwal is a Non-Executive Director.

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

The Committee meets at frequent intervals to consider Shareholders' complaints. All valid share transfers received during the year 2014-15 have been approved and attended to by the Committee. It may also be noted here that the Company now has a common Registrar and Transfer Agent for its physical and demat segments.

Number of Shareholder complaints received during the year:

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

VI. General Body Meetings

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

