



Cressanda
SOLUTIONS

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Cressanda Solutions Inc.

SEVENTEENTH ANNUAL REPORT
2001-2002

**SEVENTEENTH
ANNUAL GENERAL MEETING**

of

Cressanda Solutions Limited

(Formerly Known as Cressanda Commercial & Financing Limited)✓

On Friday, 27th September 2002
at 4.00 p.m.

at

3rd Floor, Union Bank of India Building,
Dalal Street, Fort,
Mumbai - 400 023.



Request to Shareholders

1. Shareholders are requested to bring their copy of the Annual Report along with them at the Annual General Meeting, as copies of the report will not be distributed at the meeting.
2. Kindly send all your transfer deeds together with share certificates for transfer of shares to our Registrar and Share Transfer Agent at the following address:

Sharepro Services

Satam Estate, 3rd Floor,
Above Bank of Baroda,
Cardinal Gracious Road,
Chakala, Andheri (E),
Mumbai – 400 099.

3. Kindly notify change of your address and write to our Registrar and Share Transfer Agents in respect of any matter connected with your shares.



CRESSANDA SOLUTIONS LIMITED

BOARD OF DIRECTORS

Ms. Rashmi Agarwal

*Chairperson and
Managing Director*

Mr. Manoj Murarka

Mr. Mahesh Anantharaman

Mr. Rahul Agarwal

Mr. Kalpesh Shah

Mr. Vinay Karve

COMPANY SECRETARY

Mr. Ravikant Baheti

AUDITORS

M/s Shah & Co.
Chartered Accountants,
Mumbai

BANKERS

Citibank, N.A., Mumbai

REGISTERED OFFICE

26/27, Khatau Building,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 023

CORPORATE OFFICE

G-1, Delhi Blue Apartment,
2, Factory Road,
Safdarjung Ring Road,
New Delhi – 110 029



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NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of Cressanda Solutions Limited will be held at 3rd Floor, Union Bank of India Building, Dalal Street, Fort, Mumbai 400 023 on Friday 27th September, 2002 at 4.00 p.m. to transact the following business:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2002 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors.
2. To appoint a Director in place of Mr. Mahesh Anantharaman, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Kalpesh Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that M/s Sundeep Mohindru & Associates, Chartered Accountants, be and are hereby appointed as the Auditors of the Company to fill the vacancy caused by the resignation of M/s Shah & Co., Chartered Accountants, and to hold office from the conclusion of this Annual General Meeting until the conclusion the next Annual General Meeting of the Company and the Board of Directors of the Company be and is hereby authorized to fix their remuneration for the said period."

By order of the Board of Directors
for **Cressanda Solutions Limited**

Ravikant Baheti
Company Secretary

Date: August 8, 2002

Registered Office:

26/27, Khatau Building,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 023.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. The proxies to be effective should be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 20, 2002 to Friday, September 27, 2002 (both days inclusive) in connection with Annual General Meeting.
3. Members are requested to intimate to the Company, changes, if any, in their Registered Address along with PIN Code Numbers.
4. The Company, consequent upon the introduction of the Depository system (DS), entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.



ANNEXURE TO THE NOTICE

Explanatory Statement under Section 173 of the Companies Act, 1956

Item 4

The present auditors of the Company, M/s Shah & Co., Chartered Accountants, have expressed their unwillingness to be re-appointed as Auditors of the Company on their retirement at this Annual General Meeting.

M/s Sundeep Mohindru & Associates, Chartered Accountants, by their letter dated August 8, 2002 have signified their consent to act as Auditors of the Company, if appointed, and to hold office as such from the conclusion of this meeting until the conclusion of the next Annual General Meeting. The letter dated August 8, 2002 received from M/s Sundeep Mohindru & Associates would be available for inspection by the Members at the Registered Office of the Company during business hours on any working day, excluding Saturdays, up to and including the date of this meeting.

None of the Directors is concerned or interested in the resolution at Item No.4.

By order of the Board of Directors
for **Cressanda Solutions Limited**

Ravikant Baheti
Company Secretary

Date: August 8, 2002
Registered Office:
26/27, Khatau Building,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 023.

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DIRECTORS' REPORT

To
The Members,

Your directors are pleased to present the Annual Report of the Company with the audited statement of accounts for the Financial Year ended March 31, 2002.

Financial Highlights

	Rs. in lacs	
	2001-2002	2000-2001
Gross Income from Operations	306.38	0.75
Operating Loss	48.92	49.46
Depreciation	40.81	Nil
Loss before Tax	89.73	49.46
Provision for Tax	0.65	Nil
Loss after Tax	90.38	49.46
Profit/(Loss) brought forward	(100.73)	1.68
Balance carried forward to Balance Sheet	191.11	47.78

Performance

During the year, the Gross Income from Operations of the Company was Rs.306.38 lacs and Operating Losses were Rs.48.92 lacs. These figures reflect the consolidated financial results after merger of its two subsidiary companies namely Adroit Computer Technique Private Limited and Doctorsahib.com Pvt. Ltd. During the year, your Company started its operations in Europe also, the result of which would be seen in the forthcoming years. The Company is in the process of setting up its subsidiary at United Kingdom.

The year was an eventful year for the Company, as along with the consolidation of its operations, major break through was made in new markets especially in United Kingdom. Your directors are quite hopeful that next year, your Company would reap the benefits out of the initiatives taken during the year.

Amalgamation and Merger

Effective 1st April, 2001, two wholly owned subsidiaries of Cressanda Solutions Ltd. viz. Adroit Computer Technique Private Limited and Doctorsahib.com Private Limited, merged with your Company.

Change of Name

The name of the Company has been changed to "Cressanda Solutions Limited" from "Cressanda Commercial & Financing Limited w.e.f. August 7, 2002 vide fresh Certificate of Incorporation issued by the Registrar of Companies, Maharashtra, Mumbai, dated August 7, 2002.

Corporate Governance

The Company is adhering with the Corporate Governance requirements as per Listing agreement.

Directors' Responsibility

The Directors confirm that:

- 1 in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 2 they 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 and of the profit or loss of the Company for the year;
- 3 they 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; and
- 4 the directors have prepared the annual accounts on a going concern basis.

Dividend

The directors have not recommended any dividend for the year.

Fixed Deposit

During the year under review the Company has not accepted any fixed deposits from the Public and as such no amount of principle or interest was outstanding on the date of the Balance sheet.

Subsidiary Companies

Your Company has two wholly owned subsidiaries viz. Ecom Concepts (India) Pvt. Ltd. and Adroit Computer Technique Inc. The accounts of these subsidiary companies together with the Auditor's Report for the year ended on March 31, 2002 are attached with this report, as required under the section 212(1) of the Companies Act, 1956.

Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo

Your Company does not own any manufacturing facilities and consequently the disclosure of information on conservation of energy, technology absorption etc., required to be disclosed in terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Director's) Rules, 1988 not being applicable, is not given.

A. RESEARCH AND DEVELOPMENT

Research and Development activities by way of software development for commercial applications on turnkey basis – right from systems study, design, development to implementation and training are being undertaken on an ongoing basis. Also involving in applications for the Internet, developing portal sites, web sites, e-commerce and supply chain solution.

B. FOREIGN EXCHANGE EARNINGS AND OUTGO

	Rs.
(a) Income from software development services and products	2,77,17,584
(b) Expenditure in foreign currency Particulars of Employees	16,44,033



Particulars of Employees

The Company has no employees during the year in respect of which the statement pursuant to sub-section (2A) of Section 217 of the Companies Act, 1956 as amended by the Companies Amendment Act, 1988 read with the Companies (Particulars of Employees) Rules, 1975, is required to be annexed.

Directors

During the year under review, Mr. Philip John Scott Gray, Mr. Sandeep Talwar, Mr. Rohit Agarwal and Mr. Rakshit Jain resigned from the directorship of the Company. Your directors place on record their sincere appreciation for the contributions made by these directors during their tenure.

The Board of Directors elected Mrs. Rashmi Agarwal, Managing Director, as Chairperson of the Company, due to vacancy caused by resignation of Mr. Philip John Scott Gray.

Mrs. Rashmi Agarwal, Mr. Rahul Agarwal and Mr. Manoj Murarka are the permanent Directors of the Company and are not subject to retire by rotation.

Mr. Mahesh Anantharaman and Mr. Kalpesh Shah, retires by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Auditors

The Company's Auditors M/s Shah & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting. As M/s Shah & Co., has shown their unwillingness to be reappointed as the auditors of the Company, your directors propose to appoint M/s Sundeep Mohindru & Associates, Chartered Accountants, as Auditors of the Company, to hold office till the conclusion of the next Annual General Meeting.

The Company has obtained a written certificate from the proposed Auditors, to the effect that their appointment, if made, in the ensuing Annual General meeting, will be in accordance with the statutory limits of the audit of the companies as per sub-section (1B) of Section 224 of the Companies Act, 1956.

Acknowledgement

Your directors express their gratitude to all external agencies for the assistance, co-operation and guidance received. Your directors also place on record their deep sense of appreciation of the commitment and dedication of the employees at all level in the company's progress.

For and on behalf of the board of directors,

Rashmi Agarwal
Chairperson and Managing Director

Rahul Agarwal
Director

Place : Mumbai
Date : August 8, 2002

Cressanda Solutions Limited
26/27, Khatau Building,
Alkesh Dinesh modi Marg,
Fort, Mumbai – 400 023.



AUDITORS' REPORT TO THE MEMBERS OF CRESSANDA SOLUTIONS LIMITED (FORMERLY KNOWN AS CRESSANDA COMMERCIAL & FINANCING LIMITED)

1. We have audited the attached Balance Sheet of CRESSANDA SOLUTIONS LIMITED as at March 31, 2002, and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto, incorporating therein accounts of Adroit Computer Technique division and Doctorsahib.com division audited by the Branch Auditors. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we set out in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we state that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of these books. The Branch Auditor's Reports of Adroit Computer Technique division and Doctorsahib.com division have been forwarded to us and have been appropriately dealt with.
 - (c) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of account and with the audited accounts of Adroit Computer Technique division and Doctorsahib.com division of the Company.
 - (d) In our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of Companies Act, 1956.
 - (e) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2002 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and as per the information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2002.
 - (ii) In the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.

For Shah & Co.
Chartered Accountants,

Place : Mumbai
Date : August 8, 2002

H N Shah
Partner