

ECONO TRADE (INDIA) LIMITED

51, BHUPEN BOSE AVENUE
KOLKATA - 700 004
PHONE: 033-25552830
Email : etil2011@gmail.com

DIRECTORS REPORT TO THE SHARE HOLDERS

TO
THE MEMBERS OF
M/S ECONO TRADE (INDIA) LIMITED
THE DIRECTORS HAVE PLEASURE IN PRESENTING THE ANNUAL REPORT TOGETHER WITH AUDITED
ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 2011.

1. FINANCIAL RESULTS:

The financial results of the company for the year ended 31st March, 2011 are summarized below:-

	As On 31.03.2011
	Rs. P.
PROFIT BEFORE TAXATION & DEPRECIATION	
LESS: DEPRECIATION	455,244.45
	957.00
PROFIT BEFORE TAXATION	-----
LESS: PROVISION FOR INCOME TAX	454,287.45
LESS: SHORT PROVISION FOR INCOME TAX	145,000.00
	10.00
PROFIT/LOSS AFTER TAXATION	-----
LESS: STATUTORY RESERVE	309,277.45
PROVISION FOR STANDARD ASSET	61,857.49
	120,000.00
ADD: PROFIT / LOSS BROUGHT FORWARD	-----
	127,419.96
	3,857,153.38
BALANCE CARRIED FORWARD TO BALANCE SHEET	-----
	3,984,573.34
	=====

2. Dividend

Your Directors have not recommended dividend in respect of Equity Shares.

3. Auditors

M/s. ASHOK KUMAR NATWARLAL & CO., Chartered Accountants, retires and is eligible for re-appointment.

ECONO TRADE (INDIA) LIMITED

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PHONE: 033-25552830
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4. Directors' Responsibility Statement

As stipulated, your Directors affirm their commitment to the Directors' Responsibility Statement as below :

The directors state that in preparation of the Annual Accounts, your Company has followed the applicable accounting standards with proper explanations relating to material departures. 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 your Company at the end of the financial year ended 31st March, 2011 and of the profit or loss for the year. 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 your Company and for preventing and detecting frauds and other irregularities. The annual accounts of your Company have been prepared on a going concern basis.

5. Secretarial Compliance Certificate

Compliance Certificate pursuant to the provisions of section 383A of the Companies Act, 1956 is attached with this report.

6. Conservation of Energy

In accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988, regarding conservation of energy, this is to state that the Company not being a manufacturing Company, has not consumed energy any significant level and accordingly no measures are required to be taken for energy conservation.

7. Foreign Exchange

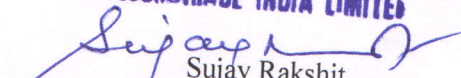
In accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988, regarding Foreign Exchange, it is to state that there has been no transaction relating to Foreign exchange during the year.

8. Particulars

Provision of Section 272(2A) of the Companies Act, 1956 is not applicable as no employees were in receipt of remuneration to the extent laid down therein.

Kolkata

BY ORDER OF THE BOARD
of ECONOTRADE INDIA LIMITED


Sujay Rakshit
Authorized Signatory/Director

REPORT ON CORPORATE GOVERNANCE

Introduction :

Corporate Governance is about commitment to values and ethical business conduct. It is also about how an organization is managed viz; its corporate and business structure, its culture, policies and manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position of the company, its performance and ownership forms part of effective corporate governance. Corporate Governance ensures long term relations with the investors and customers of the company.

Clause 49 of the Listing Agreement executed with the Stock Exchange(s), inter alia, lays out several corporate governance related practices and requirements, which listed companies are required to adopt and follow. This report sets out to define the governance practices followed by the company in compliance with the said requirements of the Listing agreement.

PHILOSOPHY ON Corporate governance :

Good governance practices stem from the culture and mindset of the organization. It is therefore, not merely about enacting regulations and procedures but also about establishing an environment of trust and confidence among various stakeholders.

The Corporate Governance philosophy of the Company is driven by the following fundamental principles :

- ◆ Conduct the affairs of the Company in an ethical manner
- ◆ Ensure transparency in all dealings
- ◆ Ensure highest level of responsibility and accountability
- ◆ Ensure compliance with all laws and regulations
- ◆ Ensure timely dissemination of all price sensitive information & matters of interest to stakeholders

Through the Corporate Governance mechanism in the company, the Board alongwith its committees endeavours to strike the right balance with various stakeholders.

BOARD OF DIRECTORS :

As at 31st March, 2011 The Board of Directors are comprised of Three Directors, of whom one is additional directors viz, Mr.OmPrakash Lohia, and Mr. Sujay Rakshit, Mr. Pradeep Kumar agarwal are Non Executive Director.

BOARD MEETINGS :

During the Financial year 2010-2011,ten meetings of the Board of Directors were held on 26th April, 2010 27th April, 2010, 28th June, 2010, 20th July, 2010,23rd July, 2010, 28rd August 2010, 29th October, 2010 and 27th January, 2011 with the time gap between any two consecutive meeting not being more than three months.



Attendance, directorship and committee membership :

Sl. No.	Name of Director	Category	No. of Board Meeting Attended during The year 2010-2011	Attendance At the last AGM held 15-09-2010
1.	Mr. Omprakash Lohia	Additional Director	8	Yes
2.	Mr. Sujay Rakshit	Director	8	Yes
3.	Mr. Pradeep Kumar Agarwal	Director	8	Yes

AUDIT COMMITTEE :

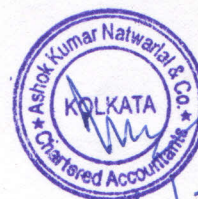
(I) Terms of Reference

The terms of reference of the Audit Committee inter alia include following :

- a. Overseeing the Company's Financial reporting process and disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible.
- b. Recommending to the Board the appointment, re-appointment and replacement of the statutory auditor and the fixation of audit fee.
- c. Approval of payments to the statutory auditors for any other services rendered by them.
- d. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to :
 - i) Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of sub section (2AA) of section 217 of the Companies Act, 1956.
 - ii) Changes, if any, in accounting policies and practices and reasons for the same.
 - iii) Major accounting entries involving estimates based on the exercise of judgement by management.
 - iv) Significant adjustments made in the financial statements arising out of audit findings.
- v) Compliance with listing and other legal requirements relating to financial statements.
- vi) Disclosure of any related party transactions
- vii) Qualification in the draft audit report.



- e. Reviewing, with the management, the quarterly financial statements before submission to the boards for approval.
- f. Reviewing, with the management, the performance of statutory and internal Auditors, and adequacy of the internal control systems.
- g. Reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.
- h. Discussion with internal auditors any significant findings and follow up there on.
- i. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- j. Discussion with the Statutory auditors about the nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- k. To Look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non payment of declared dividend) and creditors.
- l. Reviewing the Company's Financial and risk management policies.
- m. To work under the control and supervision of the Board of Directors.



20/6/2011

Ref. No.

Date:

AUDITOR'S REPORT
TO
THE MEMBERS OF M/S.ECONO TRADE (INDIA) LIMITED

We have audited the attached Balance Sheet of **M/s. ECONO TRADE (INDIA) LIMITED**, as at 31st March, 2011 and also the Profit and Loss Account and the cash flow statement of the company for the year ended on that date, both annexed hereto. 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.

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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, (the Order) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to in paragraph (3) above, we report that:

- 1) 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;
- 2) 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 the books;
- 3) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of accounts;
- 4) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- 5) On the basis of the written representation received from the Board of Directors and taken on record by the Board of Directors, none of the directors of the Company was disqualified as on 31st March, 2011 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- 6) In our opinion and to the best of our information and according to the explanations given to me, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India:



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ASHOK KUMAR NATWARLAL & CO.
CHARTERED ACCOUNTANTS

161/1, Mahatma Gandhi Road
3rd Floor, Room No. 70B
Kolkata-700007
Phone:9433383291

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- a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011; and
- b) in the case of the Profit and Loss Account, of the profit of the company for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

161/1, Mahatma Gandhi Road,
3rd Floor, Room No. 70B,
Kolkata-700 007

Date:-30TH JUNE, 2011



For, Ashok Kumar Natwarlal & Co.
Chartered Accountants

A.K. Agarwal

Ashok Kumar Agarwal
Proprietor
Membership No. 56189
Firm Regn No.322307E

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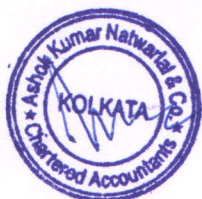
Date:

ANNEXURE TO THE AUDITORS REPORT

Statements referred to in paragraph 3 of our report of even date to the members of **M/s. ECONO TRADE (INDIA) LIMITED** on the accounts for the year ended 31st March, 2011.

In terms of the information and explanations given to us and the books and records examined by us in normal course of audit and to the best of our knowledge and belief we state that:

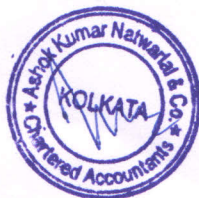
1.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
 - b) According to the information and explanations given to us, the management at reasonable intervals has physically verified the Fixed Assets of the Company and no discrepancies were noticed.
 - c) None of the Fixed Assets have been revalued during the year.
2.
 - a) The management has conducted physical verification at suitable intervals in respect of stock of shares & securities.
 - b) In our opinion the procedure of physical verification of stock followed by the management is reasonable and adequate in relation to size of Company and nature of the business.
 - c) The Company is maintaining proper records of the stock of shares & securities and no discrepancies are noticed on physical verification.
3. In respect of unsecured Loans granted to companies covered in the register maintained u/s 301 of the Companies Act, 1956 and according to information and explanation given to us :
 - (a) During the year the company has not given any unsecured loans to companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act , 1956 and as such clause 4 (iii) (a) to 4(iii) (d) is not applicable.
 - (e) The company has taken unsecured loans from Directors listed in the register maintained u/s. 301 of the Companies Act, 1956.
 - (f) The terms and conditions are *prima facie not prejudicial* to the interest of the company.
 - (g) The receipt of the principal amount is as per the terms of the loan agreement .
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with its size and the nature of business with regard to purchase and sale of shares & securities or services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control.
5.
 - a) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
 - b) In our opinion and according to the information and explanations given to us, there are no transactions of purchase of shares & securities, goods, materials and services made in pursuance of contracts or arrangements with any party entered in the register maintained under Section 301 of the Companies Act, 1956 for value aggregating to Rs.5,00,000/- or more during the year under review.



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6. The Company has not accepted deposits from the public, compliance of the provision of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules 1975, with regard to the deposits accepted from public does not apply.
7. In our opinion and according to the information and explanations, given to us there is an adequate internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of costs records under section 209(1)(d) of the Companies Act, 1956, for any products of the Company.
9.
 - a) As explained to us, the Provident Fund Scheme and Employees State Insurance Scheme are not applicable to the Company.
 - b) According to the information and explanations given to us no undisputed amount payable in respect of Income-Tax, Sales-Tax, Wealth-Tax, Service Tax, Custom Duty and Excise Duty were outstanding as at 31st March, 2011 for a period of more than six months from the date they become payable.
10. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank with whom transactions have been made during the year.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund, nidhi/mutual benefit fund and therefore the requirements' pertaining to such classes of companies is not applicable. Therefore the provisions of clause 4(xiii) of the order are not applicable to the Company.
14. According to the information and explanations given to us, the Company has maintained proper records of transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name, except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, the Company has not taken any long-term loans during the year.
17. According to the information and explanations given to us, the and on 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.



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