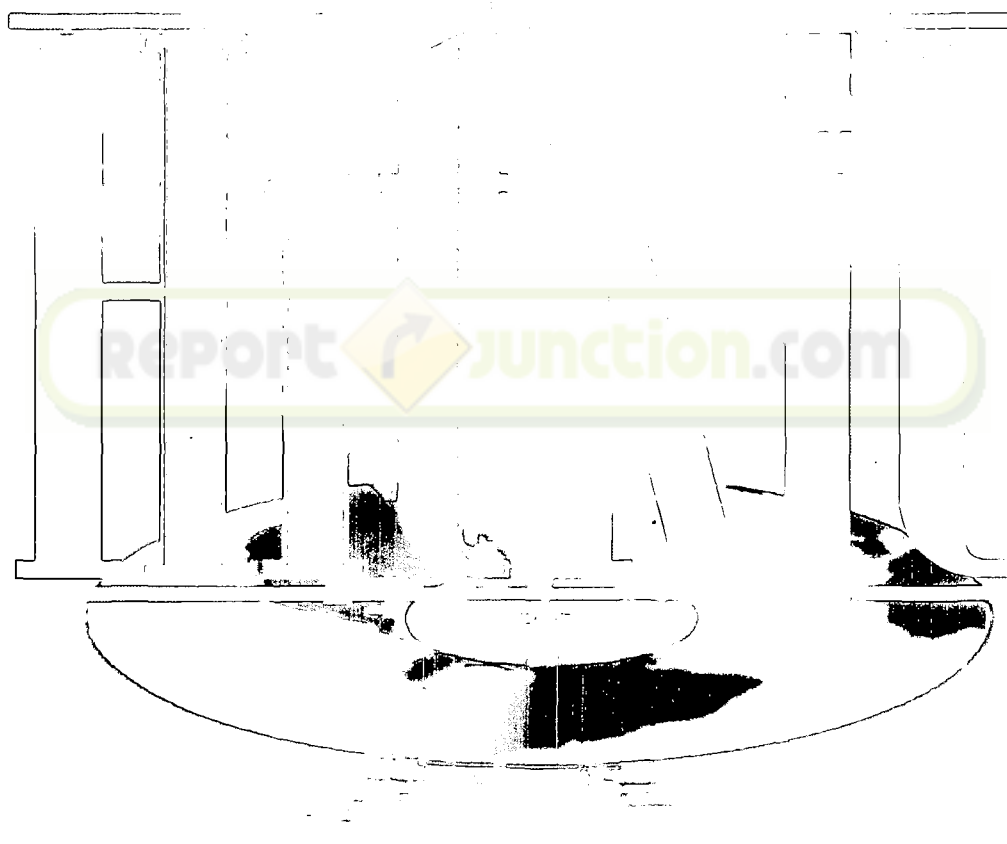


# ANNUAL REPORT 2007 - 2008



## Hit Kit Global Solutions Limited

# CONTENTS

<i>Board of Directors</i>	<i>1</i>
<i>Directors' Report</i>	<i>2</i>
<i>Management's Discussion and Analysis Report</i>	<i>7</i>
<i>Conservation of Energy, etc. u/s 217 (1) (6)</i>	<i>10</i>
<i>Report on Corporate Governance</i>	<i>12</i>
<i>General Shareholder Information</i>	<i>23</i>
<i>Auditors' Report</i>	<i>29</i>
<i>Financial Statements</i>	<i>33</i>
<i>Balance Sheet Abstract and Company's General Business Profile</i>	<i>43</i>

**Board of Directors**

**Anand Agarwal**

Whole time Director

**Anoop Mohiindrra**

Director

**Anupam Nandwana**

Director

**Amit Khandelwal**

Director

**Auditors**

**Kapil Doshi & Associates,  
Chartered Accountants**

**Bankers**

**IDBI Bank**

**Registrar & Share Transfer Agent**

**Adroit Corporate Service Pvt. Limited**

19, Jaferbhoy Industrial Estate,  
Makwana Road, Marol Naka,  
Andheri (E), Mumbai – 400 059

**Registered Office**

401/B, 4th Floor, Kemp Plaza, Mind Space, Link  
Road, Malad (West), Mumbai – 400 064

*Tel No : (022) 6521 2227/4003 2272*

*Email : hitkit.global@gmail.com*

## Directors' Report

Dear Members,

Your directors have pleasure in presenting the Annual Report on the business and operations of the company together with the Audited Accounts for the year ended 31<sup>st</sup> January 2008

### Financial Highlights

(Rs. In Lacs)

Particulars	31/01/2008	31/01/2007
Total Revenues	815.43	559.13
Operating Profit (PBITD)	300.15	(173.51)
Less: Interest & Finance Charges	16.15	15.46
Less: Depreciation	40.88	39.83
Profit before tax	243.12	(228.80)
Less: Provision for tax	12.07	2.31
Less: Extra Ordinary Item	NIL	123.87
Profit after tax	231.05	(354.98)
Profit / Loss available for appropriation	318.00	86.95

### Dividend

In order to conserve resources for future growth, your Directors do not recommend any dividend for the year under consideration.

### Review of Performance

Kindly refer to Management Discussion & Analysis which forms part of this report.

### Retail Projects

During the Year, the company has entered into the organized "Retail Market" in India which includes Contract farming and selling of speciality Ayurvedic herbal produce and of providing retail business solution to corporate clients from retail sector.

## Change of Name

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During the year under review the company's name was changed from Sun Beam Infotech Ltd. to 'Hit Kit Global Solutions Ltd.' with effect from 28th March 2007, pursuant to the Fresh Certificate of Incorporation issued by Ministry of Corporate Affairs (Registrar of Companies, Maharashtra).

## Deposits

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Your company has not invited or renewed deposits from the public/shareholders in accordance with Section 58 A of the Companies Act, 1956.

## Directors

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As per the Articles of Association of the company, Mr. Anand Agarwal and Mr. Amit Khandelwal retires by rotation at this Annual General Meeting and being eligible offers themselves for reappointment.

The Board recommends the appropriate resolutions for the reappointment of the aforesaid Directors at the ensuing Annual General Meeting.

Mr. Anoop Mohiindrra was appointed on the Board as the Additional Director w.e.f 28.11.2007. Mr. Anoop holds office only upto the date of this Annual General Meeting. Company has received a Notice, in writing, under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose Mr. Anoop Mohiindrra for the office of Director of the Company.

During the year under review, Mr. Harsh Agarwal had resigned from the office of director of the company, due to pre- occupancy. Board of Directors take this opportunity to acknowledge the valuable services rendered by Mr. Harsh Agarwal during his tenure.

Brief Profile of the aforesaid Directors, as required by Clause 49 of the Listing Agreement(s) entered into with Stock Exchanges, are given in the notice of the Annual General Meeting.

## Auditors

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M/s. Kapil Doshi & Associates, Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of ensuing Annual General Meeting as statutory auditors for the financial year 2008-09.

## Auditors Report

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The observations made by the Auditors in their Report are Self Explanatory and need no further elaboration.

## Directors' Responsibility Statement

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Pursuant to Section 217 (2AA) of the Companies Act 1956, it is hereby confirmed:

- i) that in the preparation of the Annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- ii) that the selected accounting policies were applied consistently and the Directors 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 as at 31st January, 2008 and of the profit of the company for the year ended on that day;
- iii) that proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and/or preventing and detecting fraud and other irregularities; and
- iv) that the Annual accounts have been prepared on a going concern basis.

## Particulars of Employees

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There was no employee employed throughout the financial year who was in receipt of remuneration in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956, read with companies (Particulars of Employee) Rules, 1975.

## Employee Relations

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The Board of Directors of the company places on record its sincere appreciation for the valuable and dedicated services rendered by all the employees of the company and acknowledges the contribution of all the employees to the Company's excellent performance. In order to enhance skills and encourage innovative thinking of the employees, your company organizes various Training & Development programmes. During the year under review our employee relations continued to be cordial.

## Corporate Governance

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Your Company has attached tremendous importance to the corporate governance. With growing importance of corporate governance all across the globe and with investors taking keen interest, Corporate Governance has now become the centre of all the activities. In order to ensure transparency and fairness across all the operations, your company has documented its corporate governance practises with the best in the world.

## Management's Discussion and Analysis

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A detailed review of the operations, performance and future outlook of the company and its businesses is given in the Management's Discussion and Analysis is attached as Annexure I.

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

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Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with the companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given as Annexure II to this report.

## Corporate Governance and General Shareholder Information

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As required by the Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges, a detailed report on Corporate Governance is attached as Annexure III. The company is in full compliance with the requirements and disclosures that have to be made in this regard. The Auditors certificate on compliance with corporate governance requirements by the company is attached to the report on corporate governance. General Shareholder Information is attached as Annexure IV.

## Acknowledgements

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Your directors take this opportunity to sincerely thank the clients, vendors, investors and bankers for their continued support to the company's growth. The Board appreciates every associate of Hit Kit Global Solutions Limited for their continued trust and confidence in the management of the company. Your directors would also like to thank the Government of India, particularly the Ministry of Law & Justice, The Regional Director, DCA, Registrar of Companies, Maharashtra and the State Government and other Government agencies for their continued support.

Hit Kit Global Solutions Ltd.  
(formerly known as Sun Beam Infotech Ltd.)

Your Directors also places on record their sincere appreciation of its customers and bankers for their continued Patronage to your Company's growth.

**By order of the Board  
For Hit Kit Global Solutions Limited**

**Place : Mumbai  
Date : 16/06/2008**

**Anand Agarwal  
Whole time Director**





## Annexure 'I' to the Directors' Report

**Management's Discussion and Analysis**

The management of Hit Kit Global Solutions Limited presents the analysis of the performance of the company for the year 2007-08 and its outlook for the future. This outlook is based on an assessment of the current business environment. It may vary due to future economy and other developments both in India and Abroad.

While there has been a mild slowdown in the last quarter, India still continues to follow a high growth path. With advance estimates, from the Central Statistical Organization (CSO) suggesting an annual real GDP growth of 8.7% in 2007-08, the Indian economy has sustained the 8.7% Compound Annual Growth Rate (CAGR) witnessed in the four preceding years.

The highlights of the company's performance in 2007-08 are

- Increase in sales from operations from Rs.559.13 Lacs in 2006-07 to Rs.815.43 Lacs in 2007-08.
- Growth in Profit after tax from Rs.(354.98) Lacs in 2006-07 to Rs.231.05 Lacs 2007-08.

Although economy has been growing rapidly over the last few years including the retail sector, there were several complex challenges facing this sector. Despite of the challenges your company has remained resilient against adversities and has leveraged opportunities to deliver superior results.

**Retail Business**

During the year, company has entered into the organized retail Market in India which includes Contract farming and selling of speciality Ayurvedic herbal produce. Having established in emerging ayurvedic herbal produce, in India, the Company has drawn out elaborate plans to expand its operations.

The focus will be to strengthen distribution and to establish brand equity for the specialized ayurvedic herbal produce sold by the company. Ayurvedic and herbal products sold by your company, has enabled the Company to gain acceptance in the Retail Business of Ayurvedic herbal produce .

The commercial potential of Ayurveda can also be gauged from the fact that the global market for herbal health care is estimated at \$62 billion. In India, the estimated size of herbal health and personal care market is in the range of Rs 2,500 crore to Rs 3,000 crore and it is growing at a growth rate of 15 to 20 per cent per annum.

The global consumer and medical fraternity is fast realising the limitations of the present mainstream health care system. Medical practitioners and consumers who earlier looked at the herbal system as an "alternative", are now beginning to integrate it into mainstream health care system as complementary.

"Yes, the future for the Ayurvedic and herbal industry in serving the health care needs of consumers across the world looks bright and promising".

### **Software Business**

Changing Economic and business conditions, rapid technological innovations are driving corporate all across the globe to render high quality products and services at lower prices. Corporate all over the world are now focusing on their core competencies. The Indian IT Industry still remains a premier destination for cost – competitive global procurement source, especially for software and technical skills. Despite of relatively tough market environment, the software industry has witnessed growth due to its intrinsic strength.

With the growth in the Indian economy and the corresponding rise in per capita income, the growth rate for the Software industry is expected to remain high. In continuation with last year's trend, your company foresees a higher than market growth rate in the current year.

Rising demand for the Software development in the overseas market will provide more impetus and opportunities for the growth of the Software industry.

As regarding threats, the company foresees volatility in dollar-rupee price movement as one of the critical factors for the sustainability of the industry. To mitigate this risk, company enters into regular forward contracts and take views from market experts above the movement of dollar-rupee price. Though this year there were no exports during the year, this can affect the health of overall software sector. The other threats being availability of skilled workforce at competitive cost and increase in interest rates can act as hurdle to the growth of industry. To mitigate this risk company tries to retain its current employees by upgrading their skills through regular training programmes.