

INDIA E-COMMERCE LIMITED

(FORMERLY JAYKETAN TEXTILES LIMITED)



32ND ANNUAL REPORT
1999-2000

**INDIA E-COMMERCE LIMITED.,
(FORMERLY JAYKETAN TEXTILES LTD)**

BOARD OF DIRECTORS

**KETAN N. KATAKIA
CHAIRMAN/MANAGING DIRECTOR**

**JAYESH N. KATAKIA
JOINT MANAGING DIRECTOR**

**VIJAY N. MEHTA
DIRECTOR**

BANKERS

CANARA BANK.

VIJAYA BANK.

THE SANGLI BANK LTD.

THE BOMBAY MERCANTILE CO-OP BANK LTD.

THE KAPOL CO-OP BANK LTD.

AUDITORS

**P.R. SADIGALE & CO.
CHARTERED ACCOUNTANTS**

REGISTERED OFFICE

**4, BAHADUR MANZIL,
2ND FLOOR,
16/30, STORE LANE,
S.A. BRELVI ROAD,
FORT, MUMBAI - 400 023.**

CORPORATE OFFICE

**10, MANGROL MANSION,
204/224, BORA BAZAR STREET,
FORT, MUMBAI - 400 001.**

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Members of INDIA E-COMMERCE LIMITED (FORMERLY KNOWN AS JAYKETAN TEXTILES LIMITED) will be held at the 4TH FLOOR, ROHIT CHAMBERS, JANMABHOOMI MARG, MUMBAI 400 023 on SATURDAY, 30th September, 2000 at 9.30 A.M. to transact the following business.

1. To receive, consider and adopt the Director's Report and Audited Profit & Loss Account of the Company for the Accounting Year ended 31st March, 2000 and the Balance Sheet of the Company as on that date.
2. To appoint a Director in place of Shri Ketan N. Katakia who retires by rotation and is eligible for re-appointment.
3. To appoint M/S P. R. SADGALE & COMPANY, Chartered Accountants, as Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as an AS AN ORDINARY RESOLUTION

"RESOLVED THAT Shri Vijay Nandlal Mehta who has been appointed as an additional Director by the Board of Directors w.e.f. 31st January, 2000, and who would accordingly retire at this Annual General Meeting be and is hereby expressly appointed as the Director by the Shareholders in this General Meeting."

NOTES :

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- b) The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item No. 4 is annexed hereto.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 26th September, 2000, to Saturday, 30th September, 2000, (both days inclusive).
- d) Shareholders are requested to send immediately the intimation of change of address for registration with the Company.
- e) Shareholders are requested to bring their copies of Annual Report at the time of attending Annual General Meeting.

FOR AND ON BEHALF OF THE BOARD
KETAN N. KATAKIA

CHAIRMAN.

Mumbai, Dated : 5th August, 2000

Registered Office : 4, Bahadur Manzil, 16/30, Store Lane,
S.A. Brelvi Road, Fort, Mumbai 400 023.

ANNEXURE TO THE NOTICE:-

Explanatory Statement as required under Section 173(2) of the Companies Act, 1956.

In conformity with the provisions of section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to Item Number 4 contained in the accompanying Notice dated 5th August, 2000, and should be taken as forming part of the Notice.

Item No. 4 :

The Directors at their Board Meeting held on 31st January, 2000, appointed Shri Vijay Nandlal Mehta as an Additional Director of the Company. As per Section 260 of the Companies Act, 1956, and Article 129 of the Articles of Association of the Company, Shri Vijay nandlal Mehta would hold office as Director upto this Annual General Meeting. Shri Vijay Nandlal Mehta is a Chartered Accountants and closely associated with E-Commerce activity. Notice from Member, as required under Section 257 of the Companies Act, 1956, have been received proposing the appointment of Shri Vijay Nandlal Mehta as Director.

The Board is of the opinion that the reappointment of Shri Vijay Nandlal Mehta as Director would be in the interest of the Company.

None of the Directors of the Company except Shri Vijay Nandlal Mehta is concerned or interested in the said Resolution.

FOR AND ON BEHALF OF THE BOARD

KETAN N. KATAKIA

CHAIRMAN

Mumbai : 5th August, 2000

Registered
Office : 4, Bahadur Manzil,
16/30, Store Lane,
S. A. Brelvi Road, Fort,
Mumbai - 400 023.

DIRECTORS' REPORT

To,

The Members,
INDIA E-COMMERCE LIMITED.,
(FORMERLY JAYKETAN TEXTILES LTD)

Your Directors have pleasure in presenting the 32nd Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS

	Current Year -----	Previous Year -----
Gross Profits before Interest Depreciation and Taxation	1,00,966	10,86,369
Less : Interest.	-	7,03,130
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Gross Profit after interest	1,00,966	3,83,239
Less : Depreciation for the year	20,205	81,674
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Profit Before Taxes	80,761	3,01,565
Less: Provision for Income Tax	13,400	1,00,000
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Profit After Tax	67,361	2,01,565
Add: Balance brought forward from previous year.	6,27,759	2,66,484
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	6,95,120	4,68,049
Less : Preference Share Dividend including arrears.	18,380	-
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Amount available for appropriation.	6,76,740	4,68,049

APPROPRIATIONS :

Amount Carried to Balance Sheet	6,76,740 =====	4,68,049 =====
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In view of inadequate profits, Directors have not recommended payment of any Dividend on Equity Shares for the year under review. However, the Company has paid Dividend on 8 14% Cumulative Redeemable Preference Shares of Rs.1000/- each till redumption, including arrears of Dividend on it.

REDEMPTION OF 14% CUMULATIVE REDEEMABLE PREFERENCE SHARES OF RS.1000/- EACH.

8 14% Cumulative Redeemable Preference Shares of Rs.1000/- each aggregating Rs.8,000/- were redeemed during the year under review.

DIRECTORATE

Shri Vijay Nandlal Mehta, was appointed as Additional Director w.e.f. 31st January, 2000. Shri Chimanlal J. Katakia was resigned as Director w.e.f. 31st January 2000. The Board has placed on record their sense of appreciation of the valuable services rendered by Shri Chimanlal J. Katakia, during his association with the company. Pursuant to the Section 256 of the Companies Act, 1956, Shri Ketan N. Katakia, Director of the Company, is due to retire at the ensuing Annual General Meeting of the company and is eligible for re-appointment.

OPERATIONS :**TEXTILES. A YEAR IN RETROSPECT**

Textiles Industry, as we all know is going through a severe downswing. Our Company is no different and we faced various problems like cheap imports, delayed payments, lack of growth in revenue, compression of margins. This in addition to negative feeling about textiles from finance sector. Our Board of Directors decided to get out of textile business as future forecasts were not bright. After serious study of other industries, it was decided to exit textiles and enter into information technology/E-Commerce.

The Company started E-Commerce activity in October 1999. To get out of textiles after having decades of good reputation is not easy and quick. The Board estimates that it will take atleast one fiscal year to get out of textiles.

First nine months of the fiscal year, the company was fully in textiles after which the company started activity in information technology.

IT/E-COMMERCE. A YEAR IN RETROSPECT

The name of the company was changed on January 11, 2000 from M/s. Jayketan Textiles Limited to M/s. India E-Commerce Limited. IT/E-Commerce being very fast growing field, it offers huge potential for growth and business opportunities.

The Company has identified four main growth areas of E-Commerce. Our Company will concentrate in these four areas.

- 1) Setting up Vertical B2B Portals targeting specific fields.
- 2) Setting up secure servers for payment/money transfer.
- 3) To distribute Internet specific Hardware & Software.
- 4) Offer M-Commerce Solution and Education.

The Company has already launched its B2B Portal on E-Commerce Resources in India in March 2000. Since only three months were available in this fiscal year, the Board expect the next year to be exceptionally promising year for the company.