

INDIA E-COMMERCE LIMITED

47TH ANNUAL REPORT

2014-2015

Board of Directors	Ms. Jinal Loadya Mr. Siddharth Panjri Mr. Arvind Jain	Independent Director Non Executive Director Non Promoter Independent Director
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Bankers	HDFC Bank Limited	Mumbai
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Auditors	M/s K.R. Tiwari & Co. Chartered Accountants	Mumbai
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Registered Office	123, 1 st Floor, Trinity CHS Limited, Plot No. 261, Dr. Cawasji Hormasji Street, Dhobi Talao, Mumbai-400002
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Registrar & Share Transfer Agent	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400078
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Annual General Meeting	Date	17th August,2015
	Time	10.00 A.M.
	Venue	123, 1 st Floor, Trinity CHS Limited, Plot No. 261, Dr. Cawasji Hormasji Street, Dhobi Talao, Mumbai-400002

INDIA E-COMMERCE LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT 47TH ANNUAL GENERAL MEETING OF THE MEMBERS OF INDIA E-COMMERCE LIMITED WILL BE HELD AT REGISTERED OFFICE OF THE COMPANY AT 123, 1ST FLOOR, TRINITY CHS LIMITED, PLOT NO. 261, DR. CAWASJI HORMASJI STREET, DHOBI TALAO, MUMBAI-400002 ON MONDAY, THE 17TH DAY OF AUGUST, 2015 AT 10:00 A.M. TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

- 1 To receive, consider & adopt the audited financial statements for the financial year ended 31st March, 2015 together with the reports of the Board of Directors and Auditors' thereon.
- 2 To consider and if thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. K. R. Tiwari & Co., Chartered Accountants (Firm Registration Number 111003W) be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

- 3 To consider and if thought fit, to pass with or without modification (s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and such other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Jinal Lodaya (DIN: 03574672), who was appointed as an Additional Director of the Company with effect from 30th March, 2015 pursuant to Section 161 of the Act, and who holds office as such up to the date of this Annual General Meeting has submitted declarations that she is eligible for appointment and that she meets the criteria of independence as provided in Section 149(6) of the Act and Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges and that she has given a notice in writing under Section 160 of the Act to the Company, proposing herself as a candidate for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five (5) years commencing from 26th September, 2015 and ending on the date of the Annual General Meeting to be held in the year 2020.”

- 4 **REDUCTION OF SHARE CAPITAL OF THE COMPANY:**

To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 100 to 104 of Companies Act, 1956 and other applicable provisions of Companies Act, 2013 (including statutory modification(s) or reenactment thereof, for the time being in force) (“the Act”) and Article 4 of the Articles of

Association of the Company and subject to sanction of scheme of reduction of capital between the Company and its shareholders by the Hon'ble High Court of Judicature at Mumbai or any other appropriate authority as required under the Act, the paid-up capital of the Company be reduced from Rs.3,01,05,000 (Rupees Three Crore One Lakh Five Thousand Only) divided into 30,10,500 (Thirty Lakh Ten Thousand Five Hundred) Equity Shares of Rs.10/- (Rupees Ten Only) each fully paid up to Rs. 45,15,750/- (Rupees Forty Five Lakh Fifteen Thousand Seven Hundred Fifty Only) divided into 4,51,575 (Four Lakh Fifty One Thousand Five Hundred Seventy Five) Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up, which has been lost and is unrepresented by the available assets and to effect such reduction by setting off against its Accumulated Losses in the profit and loss account of the Company.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution including but not limited to :

- (i) Settling, finalizing, executing and filing of all necessary documents including the applications, petition, affidavits, pleadings and such other documents as may be required to be filed with the Hon'ble High Court of Judicature at Mumbai, and/or any other authority and such further deeds, documents and writings as may be necessary in this regard;
- (ii) Making applications to the relevant authorities or other persons for their approval to the said reduction, as may be required;
- (iii) Making such disclosures to the government or regulatory authorities as may be required; and
- (iv) Affixing the Common Seal of the Company in accordance with the provisions of Articles of Association of the Company on any document in connection with the above resolution, as may be required; and
- (v) Settling all questions, difficulties or doubts that may arise in connection with the reduction of capital as they may, in their absolute discretion, deem fit.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as may be necessary, proper or expedient, for or in connection with or for giving effect to this resolution and to resolve all difficulties and to delegate the authority conferred by this resolution to such person or persons as the board deems fit.“

5 To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** on account of reconstruction / restructuring of capital, no shareholder shall hold any fractional shares in the Company and accordingly fractional shares, if any, caused by the reconstruction / restructuring of capital and shall be rounded off to the nearest whole number.

RESOLVED FURTHER THAT in case any equity shareholders holding in the Company is such that the equity shareholders become entitled to a fraction of an equity share, the Board of Directors of the Company shall be empowered to consolidate all such fractional balances into full shares and the resultant share(s) shall be issued and allotted to a Director or any Officer of the Company to be held in trust on behalf of all such members who held such fractional balances. Such Director or Officer of the Company, who is authorized to hold such consolidated shares, shall be bound by the express understanding to cause the sale of such shares at such time(s), at such price(s) and to such person or person, and distribute the net proceeds of such

fractional shares amongst the shareholders members (as on the Record Date) in proportion to their entitlement over such fractional shares after payment of all expenses of the sale and other related expenses incurred in connection with the sale.”

RESOLVED FURTHER THAT every equity shareholders of the Company who continue to hold their Equity Shares in physical form as on the Record Date shall be issued fresh share certificates consequent upon the Reorganization of the Capital. Their original share certificates shall be deemed to be cancelled and non- useable and not tradable on any stock Exchange or otherwise from and after the Record Date. The new Share Certificates of the Company issued pursuant to this Scheme shall be delivered to such equity shareholders who hold their Equity Shares in physical form by Registered Post, irrespective of whether such equity shareholders surrender their old share certificates or not. The Stock Exchanges shall also be intimated, on the Record Date of the non- tradability of the original share certificates so that they can intimate the Company members by public notice displayed on the Notice Board and through electronic means.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to give effect the changes and take appropriate steps to intimate the CDSL/NSDL, BSE Limited and other statutory authorities and call back the existing share certificates from the share holders or issue new share certificates with a new set of distinctive numbers and certificate numbers in the aforesaid proportions under intimation to CDSL/NSDL, BSE Limited and other statutory authorities, and subject to the rules as laid down in the Articles of Association of the Company.”

By Order of the Board
For India E-Commerce Limited

Place: Mumbai
Date: 20.07.2015

Sd/-
Arvind Jain
Director

NOTES:

- 1** A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- 2** Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 3** The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business at Item No. 3 of the accompanying Notice is annexed hereto.
- 4** 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 their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form should submit their PAN to the Registrar/ Company.
- 5** Members are requested to send their queries, if any, in writing at least 10 days in advance of the day of the meeting.
- 6** The details under Clause 49 of the Listing Agreement with Stock Exchanges in respect of Directors proposed to be appointed / reappointed at the Annual General Meeting, is annexed hereto.
- 7** For convenience of Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and hand over the Attendance Slip at the place of Meeting. The Proxy of a Member should mark on the Attendance Slip as a Proxy.
- 8** Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- 9** The Register of Members and the Shares Transfer Books of the Company will be closed from Monday, the 10th day of August, 2015 to Monday, the 17th day of August, 2015 (both days inclusive).
- 10** The members are requested to:
 - (a)** Intimate to the Company changes, if any, in their Registered Address, Bank Account Number / details etc. at an early date;
 - (b)** Quote ledger folio numbers / DP ID and Client ID in all their correspondences;
 - (c)** Bring their copies of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;
 - (d)** Members desirous of obtaining any information concerning the accounts and operations

of the Company are requested to address their questions to the Company at the registered office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.

- (e) Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Link Intime India Private Limited, Registrar and Share Transfer Agents of the Company, at their address given above.
- (f) Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
- (g) Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id india1e1commerce@gmail.com for quick and prompt redressal of their grievances.
- (h) Members, who are wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (form 2B) to M/s Link Intime India Private Limited, the Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
- (i) The Equity shares of the Company are listed on BSE Limited. and Listing Fees for the financial year 2015-2016 have been paid to BSE Limited.

- 11** In accordance with provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means (“e-voting”) to its members. The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”) to provide e-voting facilities and for security and enabling the members to cast their vote in a secure manner. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link www.evotingindia.com during the following voting period:

The voting period begins on 13th August, 2015 (9.00 am) and ends on 15th August,2015 (5.00 pm) During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 11th August, 2015, may cast their vote electronically . The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- 12** The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company along with physical copy of the notice. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.
- 13** The Company has appointed Mr. Dinesh Kumar Deora, Practicing Company Secretary, as ‘scrutinizer’ (the “Scrutinizer”), for conducting the e-voting process for the Extraordinary General Meeting in a fair and transparent manner.

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the instructions below to cast their vote through e-voting:

- A The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- B Click on “Shareholders” tab.
- C Now, select the “India E-Commerce Limited” from the drop down menu and click on “SUBMIT”.
- D 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.
- E Next enter the Image Verification as displayed and Click on Login.
- F 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.
- G If you are a first time user follow the steps given below:

Enter	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>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 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>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.</p>
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> <p>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 member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- h After entering these details appropriately, click on “SUBMIT” tab.

- i Members holding shares in physical form will then directly reach 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.
- j For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k Click on the EVSN for the relevant <India E-Commerce Limited> on which you choose to vote.
- l 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.
- m Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- n 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.
- o Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- q If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- r Note for Institutional Shareholders & Custodians:

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.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- s 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.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161 of the Companies Act, 1956 and the Articles of Association of the Company, Ms. Jinal Lodaya as an Additional Director of the Company with effect from March 30, 2015.

In terms of the provisions of Section 161(1) of the Act, Ms. Jinal Lodaya would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. Jinal Lodaya for the office of Director of the Company.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Ms. Jinal Lodaya that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Ms. Jinal Lodaya possesses appropriate skills, experience and knowledge, inter alia, in the field of finance.

In the opinion of the Board, Ms. Jinal Lodaya fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. Ms. Jinal Lodaya is independent of the management. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Ms. Jinal Lodaya is appointed as an Independent Director.

Save and except Ms. Jinal Lodaya, to the extent of her shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

Item No. 4 & 5

The Company has a huge amount of losses incurred in the past and also incurring losses for past couple of years due to business Loss and inadequate working capital facilities etc. The accumulated losses of the Company as on 31.03.2014 which amounted to Rs. 3,24,97,581/- has almost wiped off the entire net worth of the Company. The Company is therefore unable to raise any finance either from the capital markets or financial institutions whether in the form of equity or debt, to undertake business activities on a larger scale. The proposed Scheme of reduction would enable the company to show the actual financial position in its balance sheet to depict the representing Assets value which in turn will enable it to approach for financial assistances in order to develop its business and thereby increase its net worth to enhance the stakeholders' value. Therefore, the Board of Directors of the Company proposes to reduce the share capital of the Company by Rs. 2,55,89,250/- which is 85% of the paid-up share capital of the Company.