



Shree Tulsi
Online.Com Limited



31ST ANNUAL REPORT 2012 - 2013

BOARD OF DIRECTORS

Mr. V. K. Bothra	Whole Time Director
Mr. A. K. Jain	Director
Mr. K. Rawat	Director
Mr. J. Singha	Director
Mr. H. S. Talreja	Director

STATUTORY AUDITORS

M/s. Mohindra Arora & Co.
Chartered Accountants
Mumbai

REGISTERED OFFICE

4, Netaji Subhas Road (1st Floor)
Kolkata – 700 001
Phone / Fax : 033 – 22624717
Email: investors@shreetulsonline.com
Website : www.shreetulsonline.com

COMPANY SECRETARY

Mr. S. S. Chowdhury

BANKERS

HDFC Bank

REGISTRAR & TRANSFER AGENT

Adroit Corporate Service Pvt. Ltd.
19, Jaferbhoy Industrial Estate,
1 st Floor, Makwana Road,
Marol Naka, Andheri (E),
Mumbai – 400 059
Phone: 022 – 28590942
Fax: 022 – 28503748

SHREE TULSI ONLINE.COM LIMITED

NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of **Shree Tulsi Online.Com Limited** will be held on Monday, 2nd September, 2013 at 03:00 P.M. at O2 VIP Hotel, VIP Road, Kaikhali, Kolkata – 700 052 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement for the year ended 31st March, 2013, together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Abhishek Kumar Jain who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s. Mohindra Arora & Co (Firm Registration No. 00655IN) as the Statutory Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit to pass with or without modification the following resolution as and Ordinary Resolution.

“RESOLVED that Mr. Haresh Sunderdas Talreja who was appointed as an Additional Director (Non–Executive Independent) of the Company pursuant to Section 260 of the Companies Act, 1956, and hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company subject to retirement by rotation under the Articles of Association of the Company”.

**By Order of the Board
For Shree Tulsi Online.Com Limited**

**Date: 29/07/2013
Place: Kolkata**

**V. K. Bothra
(Whole Time Director)**

SHREE TULSI ONLINE.COM LIMITED

NOTES :

1. Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the company.
2. Members who are holding Company's shares in a Dematerialized form are required to bring details of their depository account No. for identification.
3. Register of Members and Share Transfer Books shall remain closed from 27/08/2013 to 02/09/2013 (Both days inclusive).
4. Proxies in order to be effective must be received at the Company's registered office at 4, Netaji Subhas Road (1st Floor), Kolkata – 700 001 not less than 48 hours before the time fixed for the meeting.
5. Corporate members are requested to send a duly certified copy of Board Resolution authorizing their representatives attend and vote at the meeting.
6. Explanatory statement pursuant to section 173 (2) of the Companies Act, 1956, in respect of the special Business of the above Notice is annexed hereto. All documents referred to in the Notice and explanatory statements are open for inspection at the registered office of the Company on all working days, except Sunday between 11:00 A.M. to 1:00 P.M. up to the date of the Annual General Meeting.
7. Members are requested to kindly notify immediately change if any, in their address to the company.
8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Secretary / Director of the Company so as to reach at least seven days before the date of the meeting, so that the information required may be made available at the meeting to the best extent possible.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No.5

Mr. Haresh Sunderdas Talreja aged about 55 years, is commerce Graduate and holding wide experience in the field of accounts, finance, administration etc and also a good entrepreneur.

He was appointed as an Additional Director (Non-Executive Independent) of the Company with effect from 29.05.2013 holds office only upto the date of the forthcoming Annual General Meeting of the Company but being eligible offers himself for appointment. In terms of Section 257 of the Companies Act, 1956 the Company has received Notice in writing along with the required deposit from a Member signifying his intention to propose the candidature of Mr. Haresh Sunder Das Talreja for the office of Director.

Except for Mr. Haresh Sunder Das Talreja no other Directors are concerned or interested in the Resolution.

The Board of Directors of the Company recommends the ordinary resolution as set out in the Notice for Members' approval.

Appointment /Re appointment of Directors:

Details as stipulated under Clause 49 (amended) of the Listing Agreement in respect of the Director seeking re-appointment are furnished below:

Mr. Abhishek Kumar Jain, Director of the Company is having lot of experience in the field of Accounts administration etc. The Company is utilizing his experience in all respective field of business operation

At ensuing Annual General Meeting Mr. Abhishek Kumar Jain, Director retires by rotation and being eligible offers himself for re-appointment.

SHREE TULSI ONLINE.COM LIMITED

DIRECTOR'S REPORT TO THE SHAREHOLDERS

Dear Shareholders,

Your Directors are pleased to present the 31st Annual Report together with the Audited Statement of Accounts and the Auditors Report of your company for the year ended 31st March, 2013. The Financial highlights for the year under review are given below:

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	31st March, 2013	31st March, 2012
Total Income	2,183.63	1,823.41
Profit before Depreciation & Tax	103.07	73.17
Depreciation	17.07	23.04
Profit before Tax	86.00	50.13
Less – Tax	2.11	1.51
Profit after Tax	83.89	48.62
Add: Balance of Profits for earlier years	479.77	431.15
Balance carried to Balance Sheet	563.66	479.77

DIVIDEND

Due to requirement of funds for the existing business activities, your directors do not propose to declare any dividend for the financial year 2012-2013.

PERFORMANCE

The Total Income for the financial year under review is Rs.2183.63 lacs against Rs.1,823.41 lacs in previous year registering an increase of about 19.75%. The Net Profit generated by the company during the year under review is Rs.83.89 lacs as compared to Rs. 48.62 lacs during the previous year.

DIRECTORS

Mr. Haresh Sunderdas Talreja was appointed as an Additional Director (Non-Executive Independent) of the Company w.e.f. 29/05/2013. He holds the office up to the date of ensuing Annual General Meeting. The Company has received requisite notice together with necessary deposit, as provided under section 257 of the Companies Act 1956, from a shareholder proposing the appointment of Mr. Haresh Sunder Das Talreja as a Director of the Company at the ensuing Annual General Meeting.

Mr. Abhishek Kumar Jain, director of the Company, retires by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

Mr. Baldev Singh resigned from the Board w.e.f. 29/05/2013, due to his preoccupation in other work. The Board places on record its gratitude for the services rendered by him during the tenure as director of the company.

DIRECTOR'S REPORT

CORPORATE SOCIAL RESPONSIBILITY

The Company has adopted Corporate Social Responsibility Initiatives and focuses on key areas as education, healthcare etc in accordance with the provisions of the relevant Acts and rules made there on.

LISTING OF SHARES

Equity shares of your Company are continued Listed with Calcutta Stock Exchange and are also traded under permitted category at Bombay Stock Exchange. Listing fees has already been paid in pursuance to clause 38 of the listing agreement.

COMPLIANCE WITH THE ACCOUNTING STANDARDS

The Company prepares its accounts and other financial statements in accordance with the relevant accounting principles and also complies with the accounting standards issued by the Institute of Chartered Accountants of India.

AUDITORS & AUDITORS OBSERVATION

M/s. Mohindra Arora & Co., Chartered Accountants, Mumbai the auditors of the company who hold office until the conclusion of the forthcoming Annual General Meeting, being eligible, offer themselves for re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

The observations of the Auditors as referred to in the Auditor's Report are properly explained in the financial statements.

FIXED DEPOSITS

The company has not accepted any public deposit and, since incorporation u/s 58A of the Companies Act, 1956.

CORPORATE GOVERNANCE

A separate section on Corporate Governance is included in the Annual Reports and the Certificate from Company's auditors confirming the compliance with the code of Corporate Governance as enumerated in clause 49 of the listing of agreements with the Stock Exchange is annexed hereto.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under clause 49 of the Listing agreement with Stock Exchange is presented separately forming part of the Annual Report.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has proper and adequate Internal Control systems to provide adequate assurance on the efficiency of operations and security of its assets. The adequacy and effectiveness of the internal control across various activities, as well as compliance with laid down systems and policies are comprehensively and frequently monitored by your company's management at all levels of the organization. All transactions are properly checked, verified, recorded and reported correctly. The audit committee actively reviews internal control systems as well as financial disclosure.

HRD INITIATIVES

Human Resources Development envisages the growth of the individual in tandem with the organization. It also aims at the upliftment of the individual by ensuring an enabling environment to develop capabilities and to optimize performance.

Your Directors want to place on record their appreciation for the contribution made by employees at all levels, who through their steadfastness, solidarity and with their co-operation and support have made it possible for the company to achieve its current status.

The company, on its part, would endeavor to tap individual talents and through various initiatives, ingrain in our human resources, a sense of job satisfaction that would, with time, percolates down the line. It is also the endeavor of the company to create in its employees a sense of belonging, and an environment that promotes openness, creativity and innovation.

All the manpower initiatives including training, meetings and brainstorming sessions are implemented with the aim of maximizing productivity and aligning organizational needs with employees' aspirations.

PARTICULARS OF EMPLOYEES

None of the employees of the Company was in receipt of remuneration exceeding the limits prescribed under section 217(2A) of the Companies Act, 1956 read with companies (Particulars of employees) Rules 1975.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to the Directors responsibility statement, it is hereby confirmed that :

- (i) in the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) 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 the company at the end of the financial year 31st March, 2013 and of the profits of the company for the year ended on that date;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO,

The statement of particulars under section 217(1)(e) of the Companies Act, 1956 regarding conservation of energy , technology absorption and Foreign exchange earnings and outgo are given below :

- a) Your Company has not consumed energy of any significant level. Accordingly, no measures were taken for energy conservation and no investment is required to be for reduction of energy consumption.
- b) No comment is made on technology absorption, considering the nature of activities undertaken by your company during the year under review.
- c. i) No Expenditure has been made for research and development during the year under review.
- c. ii) To enhance its capability and customer service, the company continues to make investment in R&D. The R&D activities are carried out in-house in the e-business solutions, knowledge management, Software development, etc.

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- c. iii) The benefits of R&D have led to improved performance due to upgradation of existing knowledge. The R&D has resulted in direct benefits in improved productivity and customer service.
- c. iv) The on-going process of R&D will be directed towards creation of new software tools and utilities, development of advanced techniques and process and will help in the development of the company. The company will continue to leverage new technologies and upgrade existing performance. This will enable the company to introduce and implement new technology to meet changing market.
- d) There were no Foreign Exchange earnings or out go during the year under review.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the contributions made by the employees at all levels, whose continued commitment and dedication helped the company achieve better results. The Directors also wish to thank customers, bankers, Central and State Governments for their continued support. Finally your directors would like to express their sincere & whole-hearted gratitude to all of you for your faith in us and your Co-operation & never failing support.

**By Order of the Board
For Shree Tulsi Online.Com Limited**

**Date : 29/07/2013
Place : Kolkata**

**V. K. Bothra
(Whole Time Director)**

MANAGEMENT DISCUSSION AND ANALYSIS

OUR VISION

To be a leading information technology company best known for providing technology expertise through integrated intelligent solution and customer satisfaction.

OUR MISSION

To provide world class IT solutions and online services to our customers, especially designed to serve their needs and business requirements to grow their business

COMPANY REVIEW

Shree Tulsi Online.Com Ltd (STOL) is a global IT solutions company with more than 30 years experience. We provide full-cycle services in the areas of software development, web-based solutions, web application and portal development and internet marketing.

Combining our solid business domain experience, technical expertise, weighty knowledge of latest industry trends and quality-driven delivery model we offer progressive end-to-end web solutions.

At STOL, we believe that translating client's business requirements into usable and efficient solutions requires a team of experts that have a thorough knowledge of real world situations such as marketing (for Web sites) and departmental interactions throughout the corporate hierarchy (application development).

It's not enough to be proficient with different technologies such as the newest database platform, or server side technologies. The web site or software has to be utilized in such a way that client's customers are able to act, or, its' employees can do their jobs better and faster. Our philosophy is building web and software solutions that actually work to improve our client's business.

Through the several years of experience, STOL has built a solid knowledge base in various business domains:

Business Process Automation

- Customer Relationship Management
- Workflow Management
- Enterprise Resource Planning
- Sales Force Automation
- Enterprise Resource Planning

Content and Document Management

- Web Content Management
- Enterprise Information Systems
- Document Management
- Corporate Intranets and Extranets
- Data Repositories

Communities and Networks

- Online Communities
- Blogs, Wikis and Internet Forums
- Matchmaking portals
- Messaging and Mailing Systems

B2B / B2C Web Portals

- Payment and Billing Systems
- e-Market places and Auctions

- HR and Recruitment Portals
- Real Estate Portals
- e-Shops, Product Catalogs

Media Distribution and Communication

- Audio/Video Streaming
- Webinars and Video Conferencing
- Video on demand (VOD)
- Voice-over-IP (VoIP)

The company has gathered the talented and experienced professionals to work in a team for providing quality web services. Professionals work collectively and with flexibility to twist themselves to dissimilar challenging projects using cutting edge technologies.

The company has invested significantly in people, hiring young creative talent, & technology to provide cutting edge solutions to its customers. It has completed the development work of several web sites. The company has built up significant competencies and capabilities to retain and strengthen its position.

Commodity Trading

This Strategic Business Unit (SBU) is involved in trading of various agricultural and allied products in India. The agricultural commodities are also termed as “soft” commodities because they are more “earthy” than the energy and bullion. Being natural resources, commodities have universal appeal. Our company trade in commodities which are not excessively influenced by overseas prices.

CURRENT SCENARIO**(A) SERVICES & SOLUTIONS**

Our flexible model enables customers to choose the solutions and services they need, and decide how long they need them and how they want to pay for them. Customers can select anything from a single product designed to solve a particular business problem, to integrated, end-to-end solutions.

We were able to leverage our customers' existing IT infrastructures, to create efficient and effective business solutions. Below are the areas where we have rendered the following services:

(I) Advanced Web Development**Application Development**

In custom application development, we had successfully tailored to the client's specific business requirements. We delivered rich internet applications combining our solid cross-domain experience, technological expertise and an established development methodology.

Application Migration and Porting

We provided porting applications to new technology platforms, database and server porting, data migration, standalone-to-web migration of legacy applications.

Application Reengineering and Enhancement

We were able to provide our client with reverse engineering of existing systems to understand their business functionality and technical architecture and able to introduce new/enhanced business logic and improved performance.

Application Audit and Testing

We also conducted independent software audit and testing of client's web application including code reviews, functionality-to-requirements verification, GUI usability and HTML standards compliance testing and performance/security/stability testing.

(ii) Business-oriented Solutions

Our seasoned technical and project management team was able to successfully guide right from the inception of a business idea to the implementation of a cost effective software solution. We provided the following services:

- Enables effective management of online business including customer service, inventory, supply chain management, procurement, etc.
- Generated additional sales by building a lasting profitable relationship with the clientele through a more responsive customer service
- Facilitated direct communication with customers, vendors, suppliers and employees•
Reduced resource requirements and operating costs through business processes automation.

Business Application Development

IT is the backbone of any business efficiency eco-system and we provided complete customized solutions that addressed all aspects of our clients business across the entire chain – from conceptualization, to implementation and actually running the process for them.

Following are the offerings we provided in this area:

Interactive Content and Applications

We realized the need of progressive educational services providers for stable, efficient and flexible eLearning solutions. Therefore, at STOL we invested time and efforts into driving the assets of technology to development of eLearning products that enabled effective knowledge propagation and transforming learning into an exciting and engaging experience.

We used the following technological facilities to ease the understanding of complex products and concepts via interactive content delivery:

- Design of simulations close to real time actions and consequences
- Wrapping existing content into interactive suit and embedding tools for custom interactive content making
- Audio and video materials integration and management facilities
- Creation of PDA versions for interactive media

Workflow Management

Workflow automation systems enable businesses to move to a new level of performance and productivity through automating repetitive, routine tasks. At STOL, we believe that every business is unique and should be treated accordingly. To get the full advantage of a workflow management system companies need a customized solution that fully corresponds to the business and industry specifics.

Our workflow management system adds real business value and ensures higher productivity and accountability allowing companies to:

Supply Chain Management

Coupling specific knowledge in procurement application development with technology expertise, STOL delivered solutions that helped our clients automate the complete purchasing cycle. We built applications that addressed all the requirements of the procurement process, enabling companies to control

inventories more effectively, reduce purchasing expenses and considerably improve manufacturing cycles.

Secure Intranets - Extranets

Our intranet/extranet applications helped our clients to streamline and automate their workflow, collect information on-line, report on data from multiple systems and manage content and documents for multiple departments with centralized data management.

Following are the services our team rendered in this area:

- Database engine design and development
- Interface design and implementation
- Programming
- Content organization
- Web services integration
- Messaging solutions to support business processes and workflow

Content & Document Management

Effective knowledge and information sharing is vital to any organization. Content management solutions are intended to help businesses manage and distribute information faster and more efficiently.

STOL has provided its customers with a robust and easy-to-use solution to communicate over the Web. Understanding clients' processes and taking into consideration their immediate and future needs we provided the "right-scale" solutions in the following fields:

- Web Content Management
- Document Management
- Knowledge Management
- Media and Digital Asset Management
- Business Process Management
- Collaboration

Customer Relationship Management

At STOL, we understand that success is not only the right technology, it's also the right understanding of your business powered with the right technological solutions. Deep understanding of all aspects of the CRM software implementation combined with strong technical expertise enabled us to deliver CRM solutions fully customized to our satisfied client's requirements and business specifics.

We helped our clients to enhance their existing information sharing and sales system enabling them to build highly effective channels for exchanging information with their customers, suppliers and employees worldwide based on the most up-to-date technologies.

(iii) Internet Marketing

Our open source customization team at STOL consisting of experienced graphic designers and web developers helped our clients in designing templates, creating skins and integrating design, installing them, installing their modes, and also made custom modification as per client needs.

Some of the open source products we handled were:

- Os Commerce
- Joomla Customization
- Drupal CMS Customization
- X-Cart
- PHPBB

(iv) Software Development

Our dedicated software development team has a unique combination of technical expertise, functional knowledge base, result oriented management and extensive experience. We focussed on the customer and delivered solutions designed around their requirements.

Our software development worked in the following areas:

- Data Conversion
- Web Development
- Systems Programming
- Wireless and Mobile applications

(v) Graphic Design/Multimedia

STOL offered a wide range of professional graphic design services including logo design, corporate identity development, multimedia and flash presentations. Keeping track of the latest technological innovations we made good use of the most advanced web design tools, thus ensuring the top-notch quality of the end-product and complete satisfaction of our customers.

STOL made use of a large set of technologies for the creation of flash application. We deployed the unlimited technological possibilities of Flash when developing solutions that our customers were completely satisfied with.

(vi) Maintenance and Support

STOL provided a comprehensive set of maintenance and support services depending on our clients business needs:

- On-going Support (bug fixing, problems analysis and resolution, on-call support)
- Adaptive Enhancements (modifications to support business or technical requirements' changes)
- Perfective Upgrades (new functionality/features)
- Technical Improvement (optimization restructuring/rewriting)
- For each project undertaken by STOL we provided a free warrantee period to ensure stable and uninterrupted work of your system.

(B) DOMAIN AND HOSTING

We provided our customers with affordable web hosting plans at the best quality possible. We designed a range of the most cost-effective web hosting packages. Due to the efforts of our dedicated team, we were able to provide an uptime of 99.9%. Along with this we also provided 24/7 customer and technical support handled by our qualified team of hosting experts.

We offered the following services:

- Registration of Domain Names
- Cost-effective Web hosting
- Spam-free Email
- Secure SSL Certificates
- E-commerce solutions
- Web marketing
- Maintenance and support

(C) EDUCATIONAL SERVICES

In the educational services field, we offered innovative and well-designed software products and support services needed to successfully run a top-notch and quality-driven educational institution.

Software Solutions

We offer cutting-edge educational software solutions right from primary upto the senior secondary section. These solutions were designed keeping in the mind the educational requirements and need of every class.

The educational software was developed after extensive research and development wherein the specific educational requirements of students, teachers and the institutions were duly factored in. The research team marked out the areas that needed more specific detailing and with simple and lucid explanations it has been made easy for students and teachers to teach as well as to learn and understand.

The result is a remarkable solution that was developed as per the Indian CBSE curriculum covering mostly all the subjects from pre-primary to Class XII.

Product Solutions

Keeping in view the educational needs and requirements of students, we offered an innovative educational product solution that could be easily adapted to the classroom needs. Our educational products are also available in books, periodicals and in CD/DVD format. The core feature of our products is the use of simple and lucid language, drawings, illustrations and explanations deployed for every single chapter across every class.

Our solutions have been developed by experts in the educational field such as retired teachers, educationists, authors, writers that will surely take teaching beyond the confines of traditional classroom mode.

Some of the key features of our Product solutions are:

- Our solution follows the syllabus of CBSE/NCERT
- Wide range of subjects covered including Hindi
- Interactive learning with images, graphics and animations
- Enhances learning for students
- Supportive and innovative tools for teaching staff
- The curriculum and the test pattern are similar to that of CBSE's.

Launch of Online Solutions

We are also launching a range of educational online learning tools and solutions that gives access to teacher-recommended resources. Learners create an online archive of academic and personal information and targets, choosing which members of staff will have access and who will not. Staff users can track and monitor learner information such as attendance, mark books and tasks regardless of a learner's home establishment.

Our online solutions provide a common platform for all the stakeholders in the education segment that makes communication easy between teachers, staff, parents and the school management.

Category of Products traded

Major trading has been done in the following commodities – Foodgrain, Pulses, Rice, soya, chana, gaur gum, isabgol, copra, gaur, menthol, bamboo, sack & Jute, vegetable and fruits, etc.

INDUSTRY STRUCTURE AND DEVELOPMENT

Information Technology Industry

- The Information technology industry in India has gained a brand identity as a knowledge economy due to its IT and ITES sector. The IT–ITES industry has two major components: IT Services and business process outsourcing (BPO). The growth in the service sector in India has been led by the IT–ITES sector, contributing substantially to increase in GDP, employment, and exports.

- India is one of the fastest-growing IT services markets in the world, with three-quarters of large Indian enterprises planning to increase IT spending in 2013, with an average IT budget of US\$ 12.2 million, according to a survey by Gartner.
- The sector has increased its contribution to India's GDP from 1.2% in FY1998 to 7.5% in FY2012.
- According to NASSCOM, the IT–BPO sector in India aggregated revenues of US\$100 billion in FY2012, where export and domestic revenue stood at US\$ 69.1 billion and US\$ 31.7 billion respectively, growing by over 9%.
- The major cities that account for about nearly 90% of this sectors exports are Bangalore, Hyderabad, Chennai, Delhi, Mumbai and Kolkata. Bangalore is considered to be the Silicon Valley of India because it is the leading IT exporter.
- Export dominate the IT–ITES industry, and constitute about 77% of the total industry revenue. Though the IT–ITES sector is export driven, the domestic market is also significant with a robust revenue growth.
- The industry's share of total Indian exports (merchandise plus services) increased from less than 4% in FY 1998 to about 25% in FY 2012. According to Gartner, the "Top Five Indian IT Services Providers" are

Commodity Industry

The size of the commodities markets in India is also quite significant. Of the country's GDP of Rs.1,320,730 crore (Rs.13, 207.3 billion), commodities related (and dependent) industries constitute about 58 per cent. Currently, the various commodities across the country clock an annual turnover of Rs.140,000 crore (Rs.1, 400 billion).

With the introduction of futures trading, the size of the commodities market grow many folds here on.

Commodity markets are of great importance and hold a great potential in case of economies like India, where more than 65% of the population are dependent on agriculture. Agriculture accounts for almost 19% of the Gross Domestic Product and 9% of the total exports. India's agro-climatic conditions and rich natural resource base sets prelude for doing very good on the agriculture front.

There is a huge domestic market for commodities in India since India consumes a major portion of its agricultural produce locally. Indian commodities market has an excellent growth potential and has created good opportunities for market players Today, India has become the world's largest producer across a range of commodities, like coconut, mango, banana, milk & dairy products, cashew nuts, pulses, ginger, turmeric and black pepper. It is also the second largest producer of rice, wheat, sugar, cotton, fruits and vegetables. India needs to leverage the production capability for economic gains and being self sufficient to meet the domestic consumption. It has major markets in regions of urban conglomeration (cities and towns) and nearly 7,500 + Agricultural Produce Marketing Cooperative (APMC) mandis. To add to this, there is a network of over 27,000+ haats (rural bazaars) that are seasonal marketplaces of various commodities. These marketplaces play host to a variety of commodities everyday. The commodity trade segment employs nearly five million plus traders.

The potential of the sector has been well identified by the Central government and the state governments and they have invested substantial resources to boost production of agricultural commodities. Many of these commodities would be traded on the futures markets as food-processing industry grows at a phenomenal pace.

With the liberalization of the Indian economy in 1991, the commodity prices (especially International commodities such as base metals and energy) have been subject to price volatility in international markets, since India is largely a net importer of such commodities. Commodity derivatives exchanges have been established with a view to minimize risks associated with such price volatility.

Business and Marketing Strategy

The company has an established market in key segments of India and is servicing various market segments. Trained staffs of marketing personal ensure order procurement, delivery and realization. The company is planning to establish two liaison offices at Singapore & Europe to enter into export market.

The web development industry is constantly evolving. In the light of this constant evolution, our purpose is to provide software, services and solutions designed to give our clients competitive advantage and cutting edge technology. We wish to build and implement the highest degree of ethics and treat each transaction with fairness and honesty.

As we are seeing growth and expansion, there exists a need to develop the current setup in terms of infrastructure, employee strength and operational setup of the company.

Here are some of our future offerings:

- Our desire is to promote long-term business relationships and employee retention.
- We wish to become partners in our client's success and in the process ensure our success.
- We wish to become the preferred service provider in the market place.
- Train employees as per the current market needs and trends.
- Structure the operational activities of the company
- Develop the company to cater to bigger opportunities and tap the market in a large scale.

Responsive web design

Responsive web design is the latest cutting edge technology making its mark at the moment.

Responsive web design is a front-end development approach aimed at crafting device agnostic sites. What this means is that it provides easy reading and navigation with a minimum of resizing, panning, and scrolling, across a wide range of devices. Basically it eliminates the need for separate sites for different devices, an approach generally accepted in years before.

It's about automatically delivering the content your audience wants, on the device they have, regardless of screen size. It's about moving with the times and accommodating the industry as it evolves and moves forward.

Benefits of Responsive web design

- It is one site for all platforms and devices.
- This is great for maintenance as one update affects all of your platforms.
- It also has positive SEO implications for usability, non-duplicate content (you don't have the same content on your main site and on your mobile site)
- Offers cross-platform link building (a link to your standard site is a link to your mobile site).

At the moment it will most likely be more expensive than conventional web formats.

OPPORTUNITY AND THREAT

Opportunities

- **100% FDI** – FDI up to 100 per cent under the automatic route is allowed in Data processing, software development and computer consultancy services; Software supply services; Business and management consultancy services, Market Research Services, Technical testing & Analysis services.
- **Change in SEZ Norms-** The Government of India's move to do away with the mandatory requirement of 10 hectares of minimum land area for setting up an IT and ITeS special economic zones (SEZ) is expected to provide a major boost to the real estate and IT sector.
- **Skilled Work force** – India has vast IT literate and English speaking skilled work force.

Threats

- High attrition Rate
- Salaries in IT sector are also increasing tremendously.
- Countries like China and Philippines with qualified workforce making efforts to overcome the English language barrier
- IT development concentrated in a few cities only
- IT budget of companies across the world is getting more cost competitive and thus creating cut-throat competition

OUTLOOK

The Management is building this company for the long term – a profitable public company that is highly relevant to its clients, supportive of its people and respect in the marketplace. The company plans to accomplish this by helping its clients solve their business technology challenges through quality system engineering and timely solution delivery. To achieve this vision, the company plans to make significant investments in its manpower in the areas of relocation, orientation and training. The company believes that this approach is key to the personal and professional development of its manpower and manpower are the mechanism through which the company meet the needs of its client.

In Information Technology segment, the company's future focus would be become a leader in Info-solutions and prefer to become more active in the market of MIS Software, Call Centre software solutions, CRM Software Development & Solutions, WAP enabled product solutions and Turnkey ERP Solutions.

Attrition and Rupee's volatility against the US dollar and other major currencies is expected to remain a major concern for Indian IT companies.

Barring a few unforeseen, the company is confident to maintain its growth rate and it is definite to accelerate with higher and higher quality services to its customers. In order to attain high growth, the future strategy will be the following:

- Embracing emerging technologies,
- Increased customer-centricity,
- Deepening focus on new markets,
- Adopting new business models
- Venturing into application development for smartphones, mobiles and tablets

RISK AND CONCERNS

The company is in competitive sector and its performance depends on the country's economic growth and government policies towards the industry. With globalization of economy, the company perceives the risk of competitions from major international players. However, the company is quite prepared for such healthy competition.

With rising costs of employees' salaries in the IT sector and highly competitive environment, the margins of the company may be under pressure.

Unregulated entry of small time operators having no or little technology base may spoil the goodwill of the Indian IT industry in the international market. The attention of the Central Government has already been drawn to such possible threats and the Government has already taken necessary regulatory steps to maintain overseas and international acceptance of Indian supremacy in IT sector.

The software industry has come of age. The signs are everywhere: maturing business models, gains through operational performance rather than technology innovations, and [growth through mergers](#) or acquisitions rather than organic development. Through it all, revenue recognition continues to be a major issue in this industry.

INTERNAL CONTROL

The company has a proper, strong independent and adequate system of internal controls to ensure that all the assets are safeguarded/ protected against loss from unauthorized use and that transactions are authorized recorded and reported correctly.

The efficiency and effectiveness of the company's internal control system is guaranteed by the fact that the company has in place a system that provides of checks and balance and improvements in controls are regularly made. The internal control systems are also designed to ensure that the financial and other records are reliable, and available instantly for preparing financial statements.

The company has appointed external firm of chartered accountants which conducts an audit plan and report significant observations to the audit committee from time to time. The views of statutory auditors are also considered to ascertain the adequacy of the internal control system.

HUMAN RESOURCE DEVELOPMENT

Human Resources Development envisages the growth of the individual in tandem with the organization. It also aims at the upliftment of the individual by ensuring an enabling environment to develop capabilities and to optimize performance.

The Company adopts the best of human resources practices so as to enhance the skill, efficiency and development of employees of the company. The company believes and follows sound ethical and moral values and constantly ensures to make the working enjoyable for the employees and at the same time the productivity per employees is also enhanced. All the manpower initiatives including training, meetings and brainstorming sessions are implemented with the aim of maximizing productivity and aligning organizational needs with employees' aspirations.

The atmosphere at the Company persuades employees to have free and frank communication with senior. The Company is always in search of opportunities and the best of methods for improvement in employee participation at all levels whereby views and suggestions of the company are heard and acted upon.

CAUTIONARY STATEMENT

Statements made in the management discussion and analysis describing the Companies' objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that influence the Company's operations, include global and domestic supply and demand conditions.

Statements in this report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statement" within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual result could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability, changes in government regulation, tax regimes economic developments within India and other factors such as litigations and industrial relations. The company assumes no responsibility to publicly amend modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

CORPORATE GOVERNANCE

Company's Philosophy on code of Governance:

The Board of Directors of your company strongly supports the principles of Corporate Governance. Emphasis is laid on transparency, accountability and integrity in all operations and dealings with all the stakeholders. Your Company has been following the best practice in Corporate Governance much before the same was made mandatory by SEBI. Your company confirms the compliance of corporate governance as contained in clause 49 of the listing agreement, details of which are given below:

Board of Directors:

The Board of Directors consists of five directors, out of which four are non executive directors and Mr. Vinod Kumar Bothra, Whole-Time Director is the only Executive Director. The Board of Directors consists of eminent with professional with considerable professional expertise and experience in the business. None of the Directors on the company's board is a member of more than ten committees and chairman of more than five committees across all the companies in which he is director. All the Directors have made necessary disclosure regarding committee positions held by them in other Companies. None of the directors is having any relation with other directors of the Board.

During the financial year 2012-2013, the meetings of Board of Directors were held on 29/05/2012, 31/07/2012, 13/08/2012, 08/11/2012 and 09/02/2013.

The composition of Board of Directors, their attendance at board meetings, last Annual General Meeting, directorship held by them in other Companies and also membership of the committee of the board of such companies are as follows:

Name of Director	Category	No. of Board Meeting Attended	Attendance at Last AGM	No. of Other Directorship	No. of Other committee membership
Mr. Vinod Kumar Bothra	Whole Time Director	5	Yes	Nil	Nil
Mr. Abhishek Kumar Jain	Non-Executive Director	5	Yes	7	6
*Mr. Baldev Singh	Non-Executive Independent Director	4	Yes	3	4
Mr. Kuldeep Rawat	Non-Executive Independent Director	5	Yes	Nil	Nil
Mr. Jyotiraaditya Singha	Non-Executive Independent Director	2	No	1	3
** Mr. Haresh Sunderdas Talreja	Non-Executive Independent Director	No	No		

* Mr. Baldev Singh resigned from the Board w.e.f. 29/05/2013

** Mr. Haresh Sunderdas Talreja appointed as an additional Director w.e.f.29/05/2013

None of the Directors is related to any other Director

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non- compliance, if any.

Code of conduct:

The Board has laid down a code of conduct for its members and senior management personnel of the Company. The code of conduct is available on the website of the company www.shreetulsionline.com. All the Board members and senior management personnel have affirmed compliance with the code conduct. The Whole time Director has affirmed to the Board that this code of conduct has been compiled by the Board members and senior management personnel.

Audit Committee:

The Company has qualified Audit Committee comprising of three Non-Executive Directors. Out of them two members are Independent Directors. The Audit committee is chaired by Mr. Kuldeep Rawat. Majority of the members of the Audit committee, including the Chairman of the committee have accounting and financial management expertise. During financial year 2012 –2013, the Audit Committee met four times viz., 26/05/2012, 13/08/2012, 06/11/2012 and 07/02/2013.

The scope of activities of the Audit Committee is set out the provision of Clause No. 49 of the Listing Agreement with the Stock Exchange read with the section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are broadly as follows:

- To Review of the quarterly, half yearly and annual financial results of the Company before submission to the Board
- To Review with the management and statutory auditors, the annual financial statements before submission to the Board
- To Review the company's financial and risk management policies
- To consider such other matters as may be required by the Board
- To review the functioning of the Whistle Blower mechanism, in case, the same exists
- To carry out any other function as is mentioned in the terms of reference of the audit committee as amended from time to time by the listing agreement and Companies Act 1956.

The constitution of the Audit Committee and attendance at the meetings are as under:

Name of the Member	Category	No. of Meeting Attended
Mr. Kuldeep Rawat	Non – Executive (Independent)	4
Mr. Baldev Singh	Non – Executive (Independent)	4
Mr. J.A. Singha	Non – Executive (Independent)	2
Mr.A.K. Jain	Non – Executive (Independent)	1
Mr.H.S. Talreja	Non – Executive (Independent)	N.A.

- Mr. A. K. Jain ceased from the members of the Audit committee w.e.f.13.08.2012,
- Mr. Jyotiraaditya Singha Non-Executive Director was appointed as member of the committee w.e.f.13.08.2012,
- Mr. Baldev Singh resigned from the Board w.e.f. 29.05.2013 consequently ceased to be a member of the committee from the said date ,
- Mr. Haresh Sunderdas Talreja, Non-Executive Director was appointed as member of the committee w.e.f.29.05.2013.

Share Holders / Investors Grievances Committee:

The Board consists of three Non-Executive Independent Directors. Mr. Kuldeep Rawat is the Chairman of Share holder / Investors Grievances Committee and Mr. Sashi Sekhor Chowdhury is Company Secretary cum Compliance Officer of the Company. The committee supervises the mechanism for redressal of investor grievances and ensures cordial relations. The committee monitors and approves transfers, transmission, split and consolidation of share certificates. It also replies to investor's complaints, queries and requests relating to transfers of shares, non-receipt of Annual Reports, etc. The committee has sorted out all complaints / queries received from shareholders / investors during the year ended 31/03/2013. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days. Grievance received from members and other miscellaneous correspondence is processed by the Registrar.

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Below-mentioned table gives the composition and attendance record of the Shareholders' Grievance Committee.

Name of the Member	Category	No. of Meeting Attended
Mr. Kuldeep Rawat	Non – Executive (Independent)	2
Mr. J. A. Singha	Non – Executive (Independent)	1
Mr. Baldev Singh	Non – Executive (Independent)	1
Mr. A.K. Jain	Non – Executive (Independent)	1
Mr. H.S. Talreja	Non – Executive (Independent)	N.A.

Share transfers and other related records duly signed by a practicing Company Secretary have been furnished to Stock Exchanges.

- Mr. A. K. Jain ceased from the member of the committee w.e.f. 13.08.2012,
- Mr. Jyotiraaditya Singha ,Non-Executive Independent Director was appointed as member of the committee w.e.f. 13.08.2012,
- Mr. Baldev Singh resigned from the Board w.e.f. 29.05.2013 consequently ceased to be a member of the committee from the said date,
- Mr. Haresh Sunderdas Talreja Non-Executive Independent Director was appointed as member of the committee w.e.f. 29.05.2013.

Remuneration Committee:

The Board has set up a remuneration committee for the Company which decides the remuneration of Directors and senior management officers of the Company. All the members of remuneration committee are Non-Executive Directors. During the F.Y.2012–2013, the remuneration Committee met two times and all the members of the Committee were present in each meeting.

Remuneration of Director:

The sitting fees for attending each meeting of Board Meeting for Non-Executive / Independent Directors is decided by the remuneration committee. During the year, company has not paid remuneration to its Non-Executive Directors / Independent Directors. There is no pecuniary relationship or transaction of the Company with its Non-Executive Directors / Independent Directors other than payment of sitting fees @ Rs.500/- per meeting to them for attending Board & Committee meeting.

The details of remuneration of Mr. Vinod Kumar Bothra are as under:

Name of Director	Salary cum Allowances	Stock Options and Other Benefits	Service Contract Tenure
Mr. Vinod Kumar Bothra	Rs.2,48,000/-	Nil	3 Year

General Body Meeting:

The last three Annual General Meetings were held as per details given below:

Year	Address	Date	Day	Time
2011 – 2012	O2,VIP Hotel, VIP Road, Kaikhali Kolkata – 700 052	11/09/2012	Tuesday	3:00 P.M.
2010 – 2011	4,Netaji Subhas Road 1st Floor Kolkata – 700 001	26/09/2011	Monday	3:00 P.M.
2009 – 2010	Shivam Conference Hall, B-267, Bangur Avenue, Kolkata – 700 055	25/09/2010	Saturday	2:00 P.M.

No special Resolution was put through postal ballot last year nor is it proposed to put any special resolution to vote through postal ballot.

Disclosure:

There is no non-compliance with the regulations; no penalties or strictures have been imposed on the company by the stock exchanges, SEBI or any other authority on any matter relating to the capital markets during the last three years.

There are no significant transaction with the related parties namely, promoters / Directors or the management their Associates or relatives etc. that may have a conflicting with the interest of the company.

The Company has not issued any GDRs /ADRs /Warrants/ Equity share or any Convertible instruments or any other instruments during the year.

The Company follows accounting standards issued by the Institute of Chartered Accountants of India and in the preparation of Financial Statements, the Company has not adopted a treatment different from that prescribed in an Accounting standard.

The Company does not have any subsidiary

The Company has complied with all mandatory requirements of revised clause 49 of the listing agreement. The non-mandatory requirements, to the extent followed by the company have been duly stated in this report

The Company will make disclosure of the particulars of Business Responsibility Report in its website.

Secretarial Audit:

A qualified Practicing Company Secretary carried out secretarial audit to reconcile the total admitted equity share capital with national securities depository limited and the central depository services Limited and the total issued and listed equity share capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized share held with NSDL and CDSL.

Code for prevention of insider trading practices:

In compliance with SEBI regulation on prevention of insider trading, the company has instituted comprehensive code of conduct for its management and staff. The code lays down guidelines which advise them on procedures to be followed and disclosures to be made while dealing with shares of the company and cautioning them of the consequences of violations.

Means of Communication:

The quarterly / half yearly and audited financial results of the company are published in leading English / Bengali (regional) newspapers. The results are not sent individually to the each shareholder. Such financial results are covered by limited review reports by the statutory auditors. The Financial results as well as the proceedings of the AGM / EGM are submitted to BSE / CSE immediately after conclusion of the respective meeting in accordance with requirement of the Listing Agreement. The Financial results are also displayed on Company's website: www.shreetulsionline.com

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The management discussion and analysis is a part of the Annual Report and annexed separately.

General Shareholders Information:

1. Compliance Officer Mr. Sashi Shaker Chowdhury
4, Netaji Subhas Road, 1st Floor,
Kolkata – 700001

2. Annual General Meeting
 - a) Date & Time Monday, 2nd September 2013 at 3.00 P.M.
 - b) Venue O2 VIP Hotel, VIP Road,
Kaikhali, Kolkata – 700 052
 - c) Financial Colander 1st April to 31st March
 - d) Quarterly Results First Quarter – August 2013
Second Quarter – November 2013
Third Quarter – February 2014
Fourth Quarter – April /May 2014
 - e) Date of Book Closure 27/08/2013 to 02/09/2013
 - f) Listing on Stock Exchanges The Calcutta Stock Exchange Assn. Ltd.
BSE Ltd.
 - g) Stock Code 10025061 (CSE)
590128 (BSE)
 - h) Demat ISIN in NSDL & CDSL for equity shares INE130D01037
 - j) Market Price data high, low, volume, during each month in last financial year is given below of BSE Ltd.

Months	BSE Ltd.			CSE Ltd.		
	High (Rs.)	Low (Rs.)	Volume	High (Rs.)	Low (Rs.)	Volume
April 2012	-	-	-	241.00	241.00	3000
May 2012	-	-	-	241.00	241.00	9750
June 2012	-	-	-	241.00	241.00	1500
July 2012	251.00	240.00	514	-	-	-
August 2012	285.30	185.10	1,723,345	-	-	-
September 2012	251.00	215.10	421,764	-	-	-
October 2012	241.00	190.00	20,068	241.00	241.00	900
November 2012	230.00	192.05	208,864	-	-	-
December 2012	210.00	168.15	10,909	-	-	-
January 2013	178.95	79.50	95,491	-	-	-
February 2013	75.55	42.05	129	-	-	-
March 2013	41.25	32.65	2925	-	-	-

Share Transfer System:

The shares of the Company, being in the compulsory demat list, are transferable through the depository system. Shares in physical & dematerialized form are processed through M/s. Adroit Corporate Services Private Limited, Mumbai; shares lodged for transfer at the Registrar's address are normally processed and approved by share transfer cum shareholders grievance Committee on fortnight basis. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days. Grievance received from members & other miscellaneous correspondence on change of address etc. is processed by the Registrar within 30 days.

SEBI vide its circular No CIR/CFD/DIL/10/2010 dated 16th December 2010 has amended clause 5A of the listing agreement by laying down a uniform procedure for dealing with unclaimed share in physical mode and getting the same dematerialized after completing the said procedure. The Company Registrar & share Transfer agent is in the process of complying with said amendment.

Dematerialisation of Shares:

84.77% (approx) of total equity share capital is held in dematerialization form with NSDL & CDSL as at 31st March 2013. Members can hold shares in electronic form and trade the same in depository system. However they may hold in same in physical form also.

Distribution of Shareholdings:

Categories of Shareholders as on 31/03/2013

Category	No. of Shareholders	No. of Shares	% of Equit Capital
Promoters Group	15	10,558,168	45.19
Other Bodies Corporate	128	6,657,592	28.50
Individual / Others	1551	6,146,800	26.31
Total	1694	23,362.560	100.00

Distribution of Shareholdings as on 31/03/2013

No. of Equity Share held	No. of Shareholders	% of Shareholders	No. of Shares	% of Share
Upto 100	105	6.20	2,222	0.01
101 – 500	543	32.04	207,300	0.89
501 – 1000	562	33.17	440,048	1.88
1001 – 2000	179	10.57	250,468	1.07
2001 – 3000	74	4.37	178,649	0.76
3001 – 4000	37	2.18	132,149	0.57
4001 – 5000	22	1.30	101,170	0.43
5001 – 10000	87	5.14	618,827	2.65
10001 – 20000	25	1.48	368,115	1.58
20001 – 50000	25	1.48	717,549	3.07
50001 & Above	35	2.07	20,346,063	87.09
Total	1,694	100.00	23,362.560	100.00

SHREE TULSI ONLINE.COM LIMITED

DECLARATION

This is to confirm that the company has adopted a code of conduct for the members of the Board and the senior Management personnel in accordance with the provision of listing agreement. I hereby confirm that the Board and the senior management personnel of the Company have complied with the code of conduct in respect of the financial year ended 31/03/2013.

Date : 29/05/2013

V. K. Bothra
(Whole Time Director)

Auditor's Certificate

To
The Members of
Shree Tulsi Online.Com Limited

We have examined the compliance of conditions of Corporate Governance by **Shree Tulsi Online.Com Limited** for the year ended on 31st March, 2013, as stipulated in Clause No.49 of the Listing Agreement of the said company with stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management of the company. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representation made by the Directors and Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Share Holders / Investors Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mohindra Arora & Co
(Chartered Accountants)
FRN :: 006551N

Place : Mumbai
Date : 29/05/2013

(A.K.Katial)
Partner
M. No. 09096

SHREE TULSI ONLINE.COM LIMITED

To The Members of Shree Tulsi Online.Com Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s. Shree Tulsi Online.Com Limited** ("The Company"), which comprises the Balance Sheet as at 31st March 2013 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation of these financial Statements that give a true and fair view of the financial position, financial performance and Cash Flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial Statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2013;
- (b) In the case of the Statement of Profit & Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date;

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said order.

SHREE TULSI ONLINE.COM LIMITED

2. As required by Section 227 (3) of the Act ,we report 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 those books.
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with by the Accounting Standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e. on the basis of written representations received from the Directors as on March 31st, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For Mohindra Arora & Co
(Chartered Accountants)
FRN :: 006551N**

**Place : Mumbai
Date : 29/05/2013**

**(A.K.Katial)
Partner
M. No. 09096**

Annexure to Auditors' Report

(The annexure referred to in Paragraph 1 under the heading Report on other Legal and Regulatory Requirements our Report of even date to the members of the Company)

1. In respect of its fixed assets:
 - a) The Company has maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) We are informed that all the fixed assets have been physically verified by the management during the year, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) The company has not disposed off any substantial part of its fixed assets during the year as would affect the going concern status of the Company.
2. In respect of its Inventories :
 - a) We are informed that the Inventory have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
 - c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification by the management.
3. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of sub-clauses (b), (c), (d), (e), (f) and (g) of the clause (iii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there exist an adequate internal control system commensurate with the size of the company and nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system of the company.
5. According to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the register referred to in Section 301 of the Companies Act, 1956. Accordingly, the provisions of sub clause (b) of the Clause (v) of paragraph 4 of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
6. The Company has not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable. We are informed by the management that, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
7. In our opinion, the company has an Internal Audit System commensurate with the size of the Company and nature of its business.
8. We are informed that, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the products / services rendered by the Company.
9. According to the information and explanations given to us, in respect of its statutory dues:
 - a. The company has been generally regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues, as applicable to it, with the appropriate authorities.

SHREE TULSI ONLINE.COM LIMITED

- b. There were no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues were in arrears as at 31st March, 2013 for a period of more than six months from the date of become payable.
- c. There are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues which have not been deposited on account of any dispute.
10. The company does not have any accumulated losses as at 31st March, 2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediate preceding financial year.
11. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institutions, bank or debenture holders.
12. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society.
14. According to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments.
15. The company has not given any guarantees for loans taken by other from banks or financial institutions.
16. The Company has not availed any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short term basis have been used for long-term investment.
18. The company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
19. The company has not issued any debentures during the year under review.
20. The company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Mohindra Arora & Co
(Chartered Accountants)
FRN :: 006551N

Place : Mumbai
Date : 29/05/2013

(A.K.Katial)
Partner
M. No. 09096

SHREE TULSI ONLINE.COM LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

	Particulars	Note No.	31 March, 2013 Amt in Rs.	31 March, 2012 Amt in Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	233,625,600	233,625,600
	(b) Reserves and Surplus	2	75,992,933	67,604,239
			309,618,533	301,229,839
2	Non-Current Liabilities			
	(a) Deferred Tax Liabilities	3	(345,100)	(215,673)
			-345,100	-215,673
3	Current liabilities			
	(a) Trade Payables	4	263,894	228,829
	(b) Short-Term Provisions	5	756,186	485,000
			1,020,080	713,829
	TOTAL		310,293,513	301,727,995
B	ASSETS			
1	Non-Current assets			
	(a) Fixed Assets			
	(i) Tangible assets	6	33,875,289	35,582,362
	(b) Non-Current Investments	7	23,148,574	23,130,291
	(c) Long-Term Loans and Advances	8	119,981,133	106,303,670
			177,004,996	165,016,323
2	Current assets			
	(a) Inventories	9	53,829,736	56,432,980
	(b) Trade Receivables	10	79,026,620	79,761,482
	(c) Cash and Cash Equivalents	11	432,161	517,210
			133,288,517	136,711,672
	TOTAL		310,293,513	301,727,995
	Significant Accounting Polices & Notrs to the Accounts	19	-	-

As per our attached report on even date
For Mohindra Arora & Co
Chartered Accountants

A.K.Katial
(Partner)

M.No : 09096

Place : Mumbai
Date : 29/5/2013

For and on behalf of the Board of Directors
For Shree Tulsi Online.Com Limited

(V.K.Bothra)
(Whole Time Director)

(A.K.Jain)
(Director)

(S.S.Chowdhury)
(Company Secretary)

SHREE TULSI ONLINE.COM LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2013

Particulars	Note No.	31 March, 2013 Amt in Rs.	31 March, 2012 Amt in Rs.
I Revenue from Operations (gross)	12	218,569,149	180,232,284
II Other income	13	2,397,412	1,147,184
III Total revenue (I+II)		220,966,561	181,379,468
IV. Expenses:-			
Purchases of Stock-in-trade	14	202,369,774	170,428,929
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	15	2,603,244	-961,925
Employee Benefits Expenses	16	2,325,038	1,626,383
Depreciation and Amortisation Expenses	17	1,707,073	2,303,596
Other Expenses	18	3,362,165	2,969,283
Total Expenses		212,367,294	176,366,266
V Profit before tax (III-IV)		8,599,267	5,013,202
VI Tax expense:			
(1) Current Tax		340,000	485,000
(2) Deferred tax		(129,427)	(334,081)
		210,573	150,919
VII Profit for the Period(V-VI)		8,388,694	4,862,283
VIII Earnings per Equity Share of Rs.10/- each):			
(a) Basic		0.36	0.21
(b) Diluted		0.36	0.21
Significant Accounting Policies & Notes to the Accounts	19		

As per our attached report on even date
For Mohindra Arora & Co
Chartered Accountants

A.K.Katial
(Partner)

M.No : 09096

Place : Mumbai
Date : 29/5/2013

For and on behalf of the Board of Directors
For Shree Tulsi Online.Com Limited

(V.K.Bothra)
(Whole Time Director)

(A.K.Jain)
(Director)

(S.S.Chowdhury)
(Company Secretary)

SHREE TULSI ONLINE.COM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	31 March, 2013 Amt in Rs.	31 March, 2012 Amt in Rs.
(A) Cash Flow From Operating Activities		
Net Profit before Tax	8,599,267	5,013,202
Adjustments for :-		
Misc Income	176,012	258,050
Interest Income	2,221,400	889,134
Depreciation/amortization	1,707,073	2,303,596
Operating Profit Before Working Capital Changes	7,908,928	6,169,614
Adjustments for :-		
Inventories	2,603,244	(961,925)
Trade Receivables	734,862	5,582,785
Loans & Advances	(13,677,463)	(10,677,450)
Other Current Assets	0	5,120,349
Trade Payables	35,065	(18,012)
Cash Generated From Operations	(2,395,364)	5,215,361
Payment of Tax	(68,814)	(2,233,931)
Net Cash Inflow/Outflow From Operations	(2,464,178)	2,981,430
(B) Cash Flow From Investing Activities		
Sale of Investments	(18,283)	(1,250,000)
Purchases of Fixed Assets	0	(2,730,254)
Misc Income	176,012	258,050
Interest Income	2,221,400	889,134
Net Cash (used in) Investing Activities (B)	2,379,129	(2,833,070)
(C) Cash Flow From Financing Activities	NIL	NIL
Net Increase /(Decrease) in Cash & Cash Equivalents (A+B+C)	(85,049)	148,360
Cash & Cash Equivalents as at the beginning of the year	517,210	368,850
Cash & Cash Equivalents as at the end of the year	432,161	517,210

**As per our attached report on even date
For Mohindra Arora & Co
Chartered Accountants**

**A.K.Katial
(Partner)**

M.No : 09096

**Place : Mumbai
Date : 29/5/2013**

**For and on behalf of the Board of Directors
For Shree Tulsi Online.Com Limited**

**(V.K.Bothra)
(Whole Time Director)**

**(A.K.Jain)
(Director)**

**(S.S.Chowdhury)
(Company Secretary)**

SHREE TULSI ONLINE.COM LIMITED

NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2013 Amt in Rs.	As at 31 March, 2012 Amt in Rs.
NOTE :- 1		
SHARE CAPITAL		
AUTHORISED		
23,500,000 Equity Shares of Rs. 10/- each	235,000,000	235,000,000
ISSUED, SUBSCRIBED & FULLY PAID UP		
23,362,560 (P.Y: 23,362,560) Equity Shares of Rs.10/- each fully paid-up.	233,625,600	233,625,600
TOTAL	233,625,600	233,625,600
Notes to Share Capital		
(i) Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period:		
Equity shares outstanding at the Beginning of the year		
- Number of shares	23,362,560	23,362,560
- Amount	233,625,600	233,625,600
Equity shares outstanding at the End of the year		
- Number of shares	23,362,560	23,362,560
- Amount	233,625,600	233,625,600
(ii) Terms / rights attached to Equity shares		
The Company has only one class of equity shares having a par value of Rs.10/- per share. Each equity shareholder is entitled to one vote per share. The Company has not declared any dividends for the year under review.		
In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by the share holders.		
(iii) Name of the Shareholders holding more than 5% shares in the Company :-		
Religare Finvest Ltd		
In Nos.	1,941,005	-
% Holdings	8.31%	0.00%
Sunil Exports Pvt Ltd		
In Nos.	1,938,750	1,938,750
% Holdings	8.30%	8.30%
Zipsy Tie-Up Services Pvt Ltd		
In Nos.	1,405,918	-
% Holdings	6.02%	0.00%
Manjula Jain		
In Nos.	1,198,905	-
% Holdings	5.13%	0.00%

SHREE TULSI ONLINE.COM LIMITED

NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2013 Amt in Rs.	As at 31 March, 2012 Amt in Rs.
NOTE :- 2		
RESERVES AND SURPLUS		
Capital Reserve		
As per last Balance sheet	12,319,786	12,319,786
Closing Balance	12,319,786	12,319,786
Securities Premium Reserve		
As per last Balance sheet	6,278,400	6,278,400
Closing Balance	6,278,400	6,278,400
General Reserve		
As per last Balance sheet	1,028,439	1,028,439
Closing Balance	1,028,439	1,028,439
Surplus in Statement of Profit and Loss		
Balance as per last Balance Sheet	47,977,614	43,115,331
Add : Profit for the year	8,388,694	4,862,283
Closing Balance	56,366,308	47,977,614
TOTAL	75,992,933	67,604,239
NOTE :- 3		
DEFERRED TAX LIABILITIES		
Difference between book and tax Depreciation	(345,100)	(215,673)
TOTAL	-345,100	-215,673
NOTE :- 4		
TRADE PAYABLES		
Sundry Creditors	263,894	228,829
TOTAL	263,894	228,829
NOTE :- 5		
SHORT TERM PROVISIONS		
Provision for Taxation	756,186	485,000
TOTAL	756,186	485,000

Notes forming part of Financial Statements for the year ended 31st March, 2013

NOTE :- 6

FIXED ASSETS

Amt in Rs.

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As At 1st April 2012	Additions/ (Deductions) Adjustments	As At 1st April 2012	For the Year	As At 31st March 2013	As At 31st March 2012
TANGIBLE ASSETS						
Plant & Equipments	37,624,497	-	9,183,065	553,471	27,887,961	28,441,432
Furniture & Fixtures	8,050,195	-	4,224,448	692,460	3,133,287	3,825,747
Office Equipments	5,387,612	-	2,072,429	461,142	2,854,041	3,315,183
TOTAL	51,062,304	-	15,479,942	1,707,073	33,875,289	35,582,362
Previous Year	48,332,050	2,730,254	13,176,346	2,303,596	15,479,942	35,582,362

SHREE TULSI ONLINE.COM LIMITED

NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2013 Amt in Rs.	As at 31 March, 2012 Amt in Rs.
NOTE :- 7		
NON-CURRENT INVESTMENTS(Long Term)		
(Valued at cost unless stated otherwise)		
Trade Investment in Equity instruments of other Companies(Quoted)		
987,225 (P.Y:985,925) Equity shares of Mavens Biotech Ltd of Rs. 1/- each, fully paid-up	5,921,588	5,915,550
3,514,683 (P.Y:3,501,400) Equity shares of Adinath Biolabs Ltd of Rs. 1/- each, fully paid-up	14,684,162	14,671,917
24,800 (P.Y:24,800) Equity shares of T.Spiritual World Ltd of Rs. 10/- each, fully paid-up	1,283,824	1,283,824
Non -Trade Investment in Equity instruments of other Companies(Quoted)		
900 (P.Y : 900) Equity shares of Soyuz Impex Ltd of Rs. 10/- each, fully paid-up	9,000	9,000
Unquoted Investment in Equity instruments of other Companies		
25,000 (P.Y:25,000) Equity shares of Newtech Corporate Services (P) Ltd of Rs.10/- each, fully paid-up	1,250,000	1,250,000
TOTAL	23,148,574	23,130,291
Aggregate amount of Quoted Investment		
- Cost	21,898,574	21,880,291
- Market Value (To the extent available)	1,813,798	6,384,249
Aggregate amount of Unquoted Investment	1,250,000	1,250,000
NOTE :- 8		
LONG TERM LOANS AND ADVANCES		
Unsecured, Considered good		
Other Loans	18,507,515	17,856,115
Other Advances	101,473,618	88,447,555
TOTAL	119,981,133	106,303,670

SHREE TULSI ONLINE.COM LIMITED

NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2013 Amt in Rs.	As at 31 March, 2012 Amt in Rs.
NOTE :- 9		
INVENTORIES (As taken, Valued & Certified by the Management)		
Work-in Process (At Cost) (Software Projects Under Development)	18,265,320	18,045,320
Finished Goods /Stock -In Trade (At lower of Cost or Net realizable value)	35,564,416	38,387,660
TOTAL	53,829,736	56,432,980
NOTE :- 10		
TRADE RECEIVABLES Unsecured, Considered good		
Other Receivables	79,026,620	79,761,482
TOTAL	79,026,620	79,761,482
NOTE :- 11		
CASH AND CASH EQUIVALENTS (As Certified by the Management)		
Balance with Banks -In Current Accounts	138,559	88,595
Cash on Hand	293,602	428,615
TOTAL	432,161	517,210
NOTE :- 12		
REVENUE FROM OPERATION(GROSS)		
(a) Sale of Traded Products	201,824,132	177,402,384
(b) Sale of Services	16,745,017	2,829,900
TOTAL	218,569,149	180,232,284
NOTE :- 13		
OTHER INCOME		
Interest Income	2,221,400	889,134
Miscellaneous Income	176,012	258,050
TOTAL	2,397,412	1,147,184

SHREE TULSI ONLINE.COM LIMITED

NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2013 Amt in Rs.	As at 31 March, 2012 Amt in Rs.
NOTE :- 14		
PURCHASES OF STOCK-IN TRADE/FINISHED GOODS		
Purchase of Stockin Trade/Finished Goods	202,369,774	170,428,929
TOTAL	202,369,774	170,428,929
NOTE :- 15		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK -IN PROGRESS AND STOCK -IN TRADE		
Inventories at the end of the year		
Work-in Process	18,265,320	18,045,320
Finished Goods /Stock -In Trade	35,564,416	38,387,660
	53,829,736	56,432,980
Inventories at the beginning of the year		
Work-in Process	18,045,320	19,786,135
Finished Goods /Stock -In Trade	38,387,660	35,684,920
	56,432,980	55,471,055
NET	(2,603,244)	961,925
NOTE :- 16		
EMPLOYEE BENEFITS EXPENSES		
Salaries and Wages	2,220,645	1,548,700
Staff Welfare Expenses	104,393	77,683
TOTAL	2,325,038	1,626,383
NOTE :- 17		
DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation and amortisation for the year on tangible assets	1,707,073	2,303,596
TOTAL	1,707,073	2,303,596

SHREE TULSI ONLINE.COM LIMITED

NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2013 Amt in Rs.	As at 31 March, 2012 Amt in Rs.
NOTE :- 18		
OTHER EXPENSES		
Advertisement Expenses	79,530	46,740
Auditors Remuneration	73,034	72,880
Bank Charges	1,351	973
Books & Periodicals	25,855	22,759
Consultancy Fees	204,000	168,000
Conveyance & Travelling	255,977	244,587
Directors Remuneration	248,000	240,000
Directors Sitting Fees	15,500	4,000
Donation	-	250,000
Filing Fees	1,500	2,000
General Expenses	260,390	203,097
Legal Expenses	-	82,000
Listing Fees	58,989	57,908
Postage & Courier	166,832	180,520
Printing & Stationary	149,904	118,520
Professional Fees	80,000	189,600
R&T and Dmat Charges	148,333	188,063
Rent	228,000	178,500
Retainership Fees	144,000	142,000
Selling & Distribution Expenses	674,439	332,610
Software Development & Maintenance	482,726	177,750
Telephone Expenses	63,805	66,776
TOTAL	3,362,165	2,969,283
Auditors Remuneration (inclusive of Service Tax)		
As Auditors - Statutory Audit Fees	56,180	56,180
For Taxation matters	5,618	5,618
For Other services	11,236	11,082
TOTAL	73,034	72,880

Note: - 19

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

Annexed to and forming part of the Balance Sheet as at 31st March, 2013 and of the Statement of Profit & Loss for the year ended on that date.

1. Accounting System:

- a) Financial statements are prepared in accordance with the generally accepted accounting principles including mandatory applicable accounting standards in India and relevant presentational requirement of the Companies Act, 1956 under historical cost convention, on accrual basis and ongoing concern concept, unless otherwise stated.
- b) All Expenses, Revenue from Operations and Other Income are accounted for on Accrual basis.

2. Use of Estimates :

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Inventories :

- a) Finished Goods /Stock-In Trade are valued at lower of cost or net realizable value. Cost comprises all costs of purchases and other cost incurred in bringing the inventory to its present location and condition. Cost is determined on First in First out basis.
- b) Work in Progress (Software Projects Under Development) is valued at Cost, which comprises Materials, Labour and appropriate Development Overheads up to the stage/s of completion and Cost is determined on First in First out basis.

4. Tangible Fixed Assets and Depreciation on Tangible Fixed Assets :

- a) Fixed Assets are stated at cost less accumulated depreciation and impairment in value, if any.
- b) Costs comprised acquisition price or construction cost and other attributable costs, if any for bringing the assets to its intended use.
- c) Depreciation on Fixed Assets is provided block-wise on written down value method (WDV) on prorata basis as per rates prescribed in Schedule XIV to the Companies Act, 1956, with respect to the month of addition.

5. Investments :

- a) Long Term Investments are valued at Cost .Provision for diminution in the value of Long Term Investments is made only if such a decline is, in the opinion of management, other than temporary.
- b) Current Investments are carried at lower of cost and fair value.

6. Provision for Current and Deferred Tax :

Tax expense comprises Current tax and Deferred tax.

- a) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961, after considering allowances and exemptions.

- b) Minimum alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance sheet, if there is convincing evidence that the company will pay normal tax in future and the resultant asset can be measured reliably.
- c) Deferred tax resulting from "timing difference" between taxable and accounting income for the reporting year that originate in one year and are capable of reversal in one or more subsequent years, is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.
- d) Deferred tax assets are recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

7. Retirement Benefits:

During the year under review, none of the employees have completed Continuous service period of 5 years and there is not any un-availed leave of any employees working with the company. Accordingly, no provision is required to be made in respect of Gratuity, Leave encashment and Other Retirement benefits.

8. Impairment of assets :

- a) An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets.
- b) An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.
- c) In the opinion of the management, there is no impairment of assets as on Balance Sheet date.

9. Provisions, Contingent Liabilities and Contingent Assets:

- a) Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.
- b) In the opinion of the management, there are no contingent liabilities as on Balance Sheet date and nor any events occurred after the Balance Sheet date that affects the financial position of the Company.

10. During the financial year 2011-12, there are not any transactions with any suppliers /parties who are covered under 'The Micro Small and Medium Enterprises Development Act, 2006'.

11. Related Party Disclosures

There is no other company, which is under the same management in which the directors of the company are entrusted as directors and / or shareholders. There is no transaction with any firm and / or proprietor firm in which the directors of the company are interested as a partners or proprietor.

12. Key Management Personnel:

The Key management personnel are the directors, whose names are mentioned in the corporate governance report.

13. The Company is selling Software in domestic markets. Out of many software projects under development at the commencement of the financial year, the company has completed some projects and sold / delivered the same, the cost and revenue of which has been taken to the

SHREE TULSI ONLINE.COM LIMITED

Statement of profit and loss. Since the revenue generation begins after the completion of the software projects / products, the company is of the view that development expenditure on the unfinished / uncompleted software should be treated as part of inventory as 'Software Projects under Development' and included in Work in progress.

14. There are not any particulars which are required to be furnished pursuant to Clause VIII of part II of the Schedule VI of the Companies Act, 1956.
15. In compliance with the Accounting Standard AS-22 relating to "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company had provided for Deferred tax liability arising out of timing difference. During the year under report, there has been reversal of the said deferred tax liability to the extent of Rs. 129,427/- (P.Y Rs.334,081/-), on account of difference between Book and Tax Depreciation. Accordingly, the said item has been credited to Statement of Profit & Loss of the year under report.
16. The Company has two reportable business segments i.e. Trading of Commodities and IT Activities. The Company operates mainly in Indian market and there are no reportable geographical segments.
17. **Earning Per Share:**

Earnings per share are calculated by dividing the profit attributable to the equity shareholders by the number of equity shares outstanding during the year, as under:

Particulars	2012-2013	2011-2012
Net Profit for the year attributable to the equity shareholders (Rs.)	8,388,694	4,862,283
Number of equity shares outstanding (in Nos.)	2,33,62,560	2,33,62,560
Basic and diluted earnings per share (Face value of Rs.10 each)(Rs.)	0.36	0.21

18. In the Opinion of the Board, all the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount stated in the Balance Sheet and all the known liabilities have been provided for.
19. Certain Debit and Credit Balances are being subject to confirmation.
20. The figures appearing in the Financial Statements have been rounded off to nearest rupee.
21. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification /disclosure.

Signatory to Notes 1 TO 19

**As per our attached report on even date
For Mohindra Arora & Co
(Chartered Accountants)**

**(A.K.Katial)
Partner
M. No. 09096**

**Place : Mumbai
Date : 29/05/2013**

**FOR AND ON BEHALF OF THE BOARD
For Shree Tulsi Online.Com Limited**

**(V.K.Bothra) (A.K.Jain)
(Whole time Director) (Director)**

**(S. S. Chowdhury)
(Company Secretary)**

SHREE TULSI ONLINE.COM LIMITED

Shree Tulsi Online.Com Limited

Regd. Office: 4, Netaji Subhash Road, 1st Floor, Kolkata - 700 001

ATTENDANCE SLIP

I hereby record my presence at the 31st Annual General Meeting held at O2 VIP Hotel, VIP Road, Kaikhali, Kolkata - 700 052 on Monday, 2nd September, 2013 at 3.00 P.M.

1. L. F. No.
 2. Depository: NSDL/CDSL
 3. DP ID.
 4. Client ID * * For shares held in electronic form
 5. FULL NAME OF SHAREHOLDER (IN BLOCK LETTERS)
 6. NO. OF EQUITY SHARES HELD:
 7. SIGNATURE OF THE SHAREHOLDER OR PROXY ATTENDING:
- (PLEASE GIVE FULL NAME OF THE 1ST JOINT HOLDER) MR./MRS./MISS

(TO BE USED ONLY WHEN FIRST NAMED SHAREHOLDER IS NOT ATTENDING)

NOTE: PLEASE FILL IN THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.

Shree Tulsi Online.Com Limited

Regd. Office: 4, Netaji Subhash Road, 1st Floor, Kolkata - 700 001

FORM OF PROXY

I/We of in the District of being the member/members of the above named Company hereby appoint of in the District of or failing him of or failing him of in the district of as my / our proxy to vote for me/us on my/our behalf at the 31st Annual General Meeting of the Company to be held on Monday, 2nd September 2013, at 3.00 P.M. and at any adjournment thereof. Signed this day of 2013.

Signature



LF No. * Depository: NSDL / CDSL *DP ID

*Client ID.....

*For Shares held in Electronic Form No. of Shares held

Note: (1) A member is entitled to attend and vote is entitled a proxy to attend and vote instead himself. (2) A proxy need not be a member. (3) The complete form should be deposited at the Registered Office of the Company at 4, Netaji Subhash Road, 1st Floor, Kolkata - 700 001 not less than 48 hours before the time of holding the meeting.

Shree Tulsi Online.Com Limited

Registered Office: 4, N. S. Road, 1st Floor,
Kolkata - 700 001