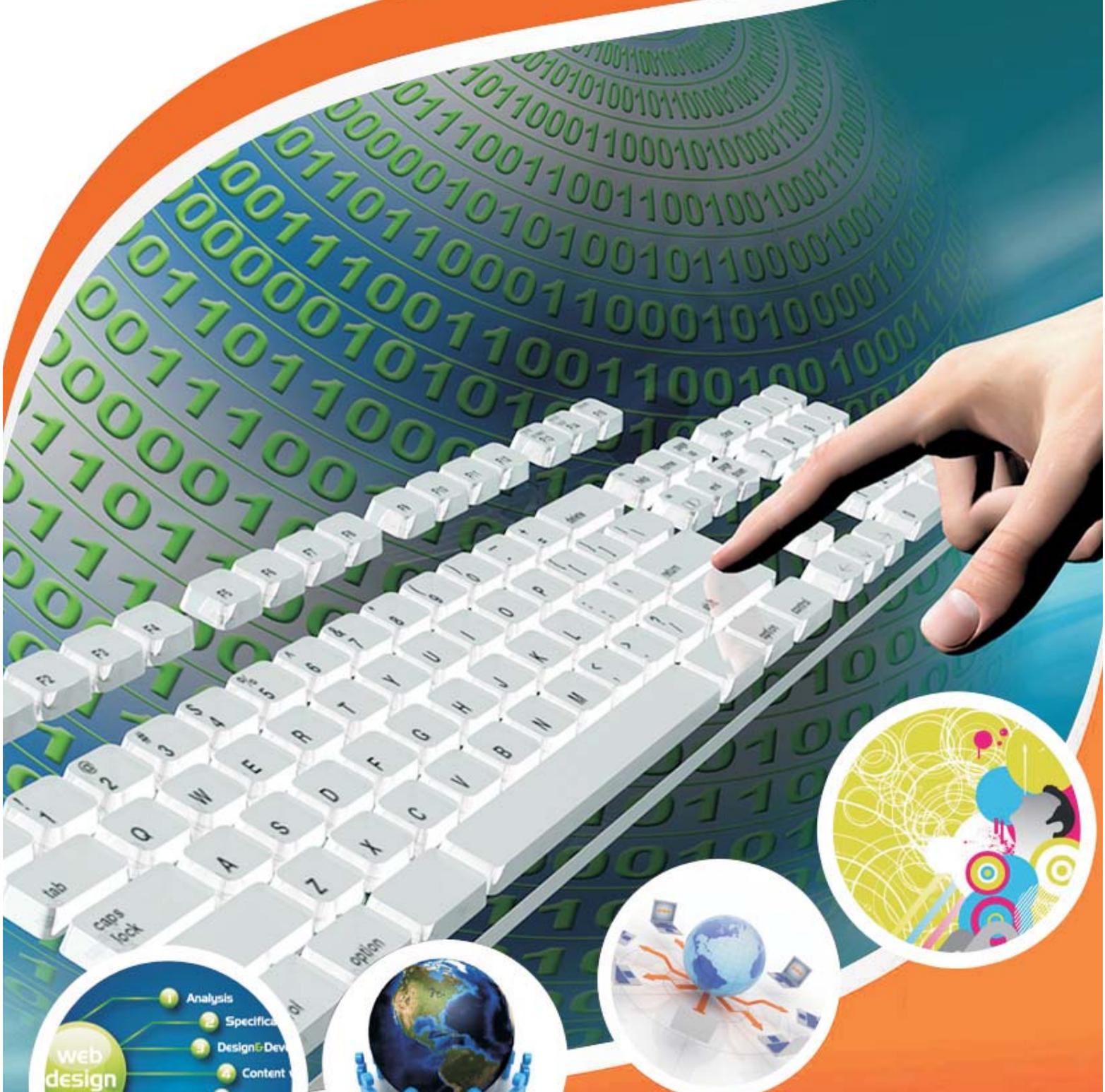




Shree Tulsi
Online.Com Limited



30th
Annual Report
2011 - 12



Shree Tulsi
Online.Com Limited

BOARD OF DIRECTORS

Mr. V. K. Bothra	Whole Time Director
Mr. A. K. Jain	Director
Mr. B. Singh	Director
Mr. K. Rawat	Director
Mr. J. Singha	Director

STATUTORY AUDITORS

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

REGISTERED OFFICE

4, Netaji Subhas Road (1st Floor)
Kolkata – 700 001

COMPANY SECRETARY

Mr. S. S. Chowdhury(w.e.f 24/01/2012)

BANKERS

HDFC Bank

REGISTRAR & TRANSFER AGENT

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

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of **Shree Tulsi Online.Com Limited** will be held on Tuesday, 11th September, 2012 at 3:00 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 Account and the Cash Flow Statement for the year ended 31st March, 2012, together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. K. Rawat who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this 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 an **Ordinary Resolution**.

“RESOLVED that pursuant to provisions of Section 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred as the Act) including Schedule XIII of the Companies Act, 1956, consent and subject to the approval of the Members be and is hereby accorded to the re-appointment of Mr. Vinod Kumar Bothra as Whole Time Director of the Company with effect from 01.08.2012 for the period of three years upon the terms & conditions as recommended by the remuneration committee”.

Salary & perquisites per month:

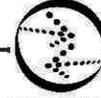
Rs.20000/- Salary

Rs.10000/- other benefits (perquisites)

“RESOLVED further that the Board be and is hereby authorized to execute all such documents writing and agreement and to do all such acts, deeds matters and things as may be required or expedient for giving effect to this resolution”.

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

“RESOLVED that Mr. Jyotiraaditya Singha 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



Shree Tulsi
Online.Com Limited

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 : 31/07/2012
Place : Kolkata**

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

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 04/09/2012 to 11/09/2012 (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 to 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.4

At the meeting of Board of Director of the Company held on 31/07/2012, Mr. Vinod Kumar Bothra will be re-appointed as Whole Time Director for the period of three years and payment terms of remuneration is recommended by remuneration committee but subject to the necessary approval from the members. He has contributed towards the ongoing growth of the Company. The Directors are of the view that re appointment of Mr. Vinod Kumar Bothra will be beneficial to the operation of the Company. It is therefore proposed to re-appoint him as Whole Time Director for the further period of three years thereby approving the terms and conditions of such reappointment.

The terms and conditions of his re appointment are as follows:

Tenure of agreement

The re-appointment of Mr. Vinod Kumar Bothra has been made for the period of three years commencing from 01/08/2012 to 31/07/2015

Nature of duties

Mr. Vinod Kumar Bothra shall perform as Director and exercise such powers from time to time be entrusted to him subject to the superintendence and contract of the Board of Directors of the Company.

Remuneration

Salary & Perquisites per month:

- Rs20000/-Salary
- Rs10000/- other benefits (perquisites)

Except for Mr. Vinod Kumar Bothra no other Directors is in any way concerned or interested in the Resolution under Item No. 4

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

Item No.5

Mr. Jyotiraaditya Singha aged about 54 years, is Post Graduate in Commerce and Arts and holding wide experience in the field of accounts, finance and administration etc and also a good entrepreneur.

Mr. Jyotiraaditya Singha was appointed as an Additional Director (Non-Executive Independent) of the Company with effect from 29/05/2012 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. Jyotiraaditya Singha for the office of the Director.

Except for Mr. Jyotiraaditya Singha no other Director is in any way concerned or interested in the Resolution under Item No. 5.

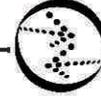
The Board of Directors of the Company recommends the ordinary resolution as set out in the Notice for Members' approval.

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. K. Rawat, aged about 38 years is Non-Executive Independent Director, since 2005. He is having vast experience in the field of accounts, administration and financial Matters etc.

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



Statements pursuant to clause (iv) of proviso to sub - paragraph C of paragraph 1 of section II of Part II of Schedule XIII to the Act

I. General Information:

(1) Nature of industry

The company is engaged in the following business:-

- 1) Dealing of Software Products and Solutions
- 2) Providing Software Consultancy and Services for Software Systems
- 3) Trading of Commodities

(2) Date or expected date of commencement of commercial production

The Company is an existing company

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

The Company is an existing company

(4) Financial performance based on given indicators

(Rs. in Lacs)

Particulars	31 st March, 2012	31 st March, 2011
Total Income	1823.41	1418.79
Profit before Tax	50.13	72.04
Profit after Tax	48.62	49.78

(5) Export performance and net foreign exchange collaborations

The Company has not earned any income in foreign exchange.

(6) Foreign investments or collaborators, if any.

The Company has not any foreign investments or collaboration.

II. Information about the appointee:

(1) Background details

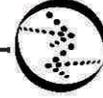
Mr. Vinod Kumar Bothra, aged about 45 years, is the Whole Time Director of the Company since 2006. He is a Commerce Graduate. He is having comprehensive and vast knowledge of IT business operation of the Company.

(2) Past remuneration

Mr. Vinod Kumar Bothra was paid the remuneration @ Rs.20000/- per month towards Salary including other benefits (Perks) in the past.

(3) Recognition or awards

NIL



(4) Job profile and his suitability

Mr. Vinod Kumar Bothra has been inducted in the Board as a Whole time director, since 2006 .He oversees entire operations of the Company. After taking charge, the overall performance of the company grew up rapidly. Taking into considerations his expertise and skill of running successfully the business operations, he is perfectly suited for the re-appointment.

(5) Remuneration proposed

The proposed remuneration is Rs.30000/- towards Salary including other benefits (Perks).

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)

Considering his long years' business experience in the respective field, the proposed remuneration is justified.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

NIL

III. Other information:

(1) Reasons of loss or inadequate profits

The profit of the company for the year ended 31.03.2012 is lower due to increase in cost of operation though the turnover is slightly improved against the previous year.

(2) Steps taken or proposed to be taken for improvement

The company expects to improve its profitability margins by controlling its operational cost and by using more and more latest technology for increasing productivity.

(3) Expected increase in productivity and profits in measurable terms.

It is difficult to quantify the productivity and profitability.

IV. Disclosures:

(1) The shareholders of the company shall be informed of the remuneration package of the managerial person.

(2) The following disclosures shall be mentioned in the Board of director's report under the heading "Corporate Governance", if any, attached to the annual report: -

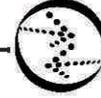
(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;

(ii) Details of fixed component and performance linked incentives along with the performance criteria;

(iii) Service contracts, notice period, severance fees;

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Remuneration package of the managerial person is duly embodied in Item No 4 of the Notice read with Explanatory Statement.



DIRECTOR'S REPORT TO THE SHAREHOLDERS

Dear Shareholder,

Your Directors are pleased to present the 30th Annual Report together with the Audited Statement of Accounts and the Auditors Report of your company for the year ended 31st March, 2012. The Financial highlights for the year under review are given below:

FINANCIAL RESULTS

Particulars	(Rs. in Lacs)	
	31st March, 2012	31st March, 2011
Total Income	1823.41	1418.79
Profit before Depreciation & Tax	73.17	100.12
Depreciation	23.04	28.08
Profit before Tax	50.13	72.04
Less – Tax	1.51	22.26
Profit after Tax	48.62	49.78
Add: Balance of Profits for earlier years	431.15	381.37
Balance carried to Balance Sheet	479.77	431.15

DIVIDEND

Due to requirement of funds for the exiting business activities, your directors do not propose to declare any dividend for the financial year 2011-2012.

PERFORMANCE

Your Directors are pleased to inform you that your company entered the new millennium with great achievement and promise for the future. The proactive and path breaking initiatives of business development played a major role in your company closing year with extra-ordinary achievements.

The Total Income for the financial year under review is Rs.1823.41 lacs against Rs.1418.79 lacs in previous year registering an increase of about 28.52%. The Net Profit generated by the company during the year under review is Rs.48.62 lacs as compared to Rs. 49.78 lacs during the previous year.

DIRECTORS

The tenure of Mr. Vinod Kumar Bothra, Whole time Director will be expired on 31/07/2012. The Board of Directors has been reappointed Mr. Vinod Kumar Bothra as Whole Time Director for further period of three years w.e.f. 01/08/2012 subject to approval of members at the ensuing Annual General Meeting.

Mr. Jyotiraaditya Singha was appointed as an Additional Director (Non-Executive Independent) of the Company w.e.f. 29/05/2012. 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. Jyotiraaditya Singha as a Director of the Company at the ensuing Annual General Meeting.

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

COMPANY SECRETARY

Mr. S.S. Chowdhury, Member of Institute of Company Secretaries of India has been appointed Company Secretary cum Compliance Officer of the Company w.e.f 24/01/2012 ,pursuant to the provisions of section 383A and other applicable provisions of the Companies Act, 1956.

LISTING OF SHARES

Equity shares of the Company are listed with Calcutta Stock Exchange .Equity shares of the company are traded under permitted category at Bombay Stock Exchange w.e.f 23rd July 2012. 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, 2012, 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, 2012 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, being involved in IT activities 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.
- 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 : 31/07/2012
Place : Kolkata**

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

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY REVIEW

The business of Shree Tulsi Online.Com Ltd. is selling of software products and solutions, providing software consultancy and services for software systems. The company is a profit making public limited company successfully managed by team of professional. The company is providing software solutions to clients across various industries including both manufacturing and service industries.

The company is engaged in all the aspects of

- Advanced Web development
- Business application development
- Internet marketing
- Software development
- Cloud based solutions
- ASP based services
- Messaging solutions
- Maintenance & support & remote support
- Wireless based applications

CLOUD BASED SOLUTIONS

A cloud is a powerful combination of cloud computing, networking, storage, management solutions, and business applications that facilitate a new generation of IT and consumer services. These services are available on demand, and delivered economically, without compromising security or functionality.

Cloud computing is a general term for anything that involves delivering hosted services over the Internet. These services are broadly divided into three categories: Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS) and Software-as-a-Service (SaaS). A cloud can be private or public. A public cloud sells services to anyone on the Internet. A private cloud is a proprietary network or a data center that supplies hosted services to a limited number of people. When a service provider uses public cloud resources to create their private cloud, the result is called a virtual private cloud. Private or public, the goal of cloud computing is to provide easy, scalable access to computing resources and IT services.

Data may be saved on the Cloud computer or on the access device to maintain integrity and ensure resiliency. Cloud Technology will significantly and instantly reduce your cost of operation, eliminate overhead brought about by hardware, software, maintenance, support contracts, electricity consumption and space. It guarantees high availability and ensures maximum security and regulatory compliance.

With cloud based solutions IT overhead becomes a single manageable monthly operating expense without a significant capital investment while preserving existing IT investments. One can even pay for each cloud server or desktop by the hour.

ASP BASED SERVICES

An **application service provider (ASP)** is a business that provides computer-based services to customers over a network. Software offered using an ASP model is also sometimes called **On-demand software** or **software as a service (SaaS)**. The most limited sense of this business is that of providing access to a particular application program (such as customer relationship management) using a standard protocol.

The need for ASPs has evolved from the increasing costs of specialized software that have far exceeded the price range of small to medium sized businesses. As well, the growing complexities of software have led to huge costs in distributing the software to end-users. Through ASPs, the complexities and costs of such software can be cut down. In addition, the issues of upgrading have been eliminated from the end-firm by placing the onus on the ASP to maintain up-to-date services, 24 x 7 technical support, physical and electronic security and in-built support for business continuity and flexible working.

ASP Technology offers the following services under end to end product realization portfolio:-

1. Product Conceptualization
2. Product Engineering and Development
3. Product Quality Assurance and Testing Services
4. Post release Product Maintenance, Enhancement and support

MOBILE USING TRENDS

1. Mobile computing market will be characterized by the following trends Convergence of wireless data and computing will lead to significant innovations in pervasive computing that will give us true anywhere, anytime, any device access to information. Intersection of the Internet, PDAs devices, new breed of smart telephones, unified messaging and personal productivity applications lead to inevitable interaction of these personal productivity applications with enterprise applications, This will give true meaning to mobility in the pervasive computing context.
2. The Internet and web will play increasing role in mobile application design, development and supporting infrastructure.
3. The big action during the next few years will be in horizontal applications, especially internet-based wireless messaging.
4. Vertical industries, such as public safety, transportation, utilities, field-service dispatch, health-care, courier, personal financial services, field data collection will continue to be attractive business opportunities for operational and "line of business" mobile applications.
5. More and more turn-key vertical industry solutions will emerge from third party application houses. These solutions will be based on software application components designed for a specific industry but capable of being customized for a specific customer.
6. Mobile computing solution designers will have greater choice for end-user devices with both full-function Windows devices competing against cheaper and smaller but less functional compatible devices for personal and simple data collection applications.
7. There will be decreasing emphasis on private wireless networks, except by some very large users, who may employ private CDPD networks for their exclusive use. For most of us, shared public networks are the way to go.
8. The last mile wireless problem for fast data access will be solved from ubiquitous infrastructure availability perspective only in the next millennium. A number of potential technologies are promising, it will take a while before this becomes a pervasive solution.
9. Data filtering technology from internet content providers will provide urgent e-mail and business information packets to users anywhere, anytime.

10. The increasing number of mobile application users opens up opportunity for advertising channel for brands and businesses. If one already has an application or planning to develop one, one should check out advertising networks that cover mobile applications.

The company is a pool of skilled professionals. 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 organizes itself as per client needs and as per the complex business environment that requires professional talent with sufficient experience to provide complete software solutions.

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.

INDUSTRY STRUCTURE AND DEVELOPMENT

The global IT spending increased exponentially for years before the onset of global recession in 2008-09. Riding the wave, Indian Information Technology (IT) industry grew at impressive rates of above 30% during that time to the tune of over US\$ 60 billion. The global meltdown dented the scene, with businesses across the globe, cutting on discretionary IT budgets.

However, it created a huge pent-up demand in the software sector. With the economic recovery, the sector witnessed a surge in the demand across markets, both traditional and emerging. As a result, Indian IT industry performed well on back of superior quality and execution efficiency

FY 2012 is a landmark year – while the Indian IT-BPO industry weathered uncertainties in the global business environment, this is also the year when the industry is set to reach a significant milestone – aggregate revenue for FY2012 is expected to cross USD 100 billion. Aggregate IT software and services revenue (excluding hardware) is estimated at USD 88 billion.

India's IT industry can be divided into five main components, viz.

- Software products,
- IT services,
- Engineering and R&D services,
- ITES (IT-enabled services) and
- Hardware.

Industry Analysis

Supply	Abundant supply across segments, mainly lower-end, such as ADM. Lower in higher-end areas like IT/business consulting, integration, transformation, package implementation but competition is very tough.
Demand	Despite rising uncertainties in the global economic environment, the global IT spending is expected to increase. However, demand environment would remain volatile. At the same time, a good growth is expected in fast-growing economies such as India and China.
Barriers to entry	Low, particularly in the ADM segment this is prone to relatively easy commoditisation. High in high-end services like IT/business consulting where-in domain expertise

	creates a barrier. The size of a particular company/scalability and brand-image also creates barriers to entry, as these firms have built up long-term relationships with major clients.
Bargaining power of suppliers	Low, due to intense competition (oversupply), particularly in the lower-end ADM space. Low differentiating power is also another reason. Bargaining power is high, at the higher end of the value chain.
Bargaining power of customers	High, mainly due to intense competition among suppliers/vendors. However, it is lower in higher-end services like consulting and package implementation.
Competition	Competition is global in nature and stretches across boundaries and geographies. It is expected to intensify due to the attempted replication of the Indian offshoring model by MNC IT majors and as well as small startups.

Key Highlights during FY2012 (Source: NASSCOM)

- Milestone year for Indian IT-BPO industry-aggregate revenues cross the USD 100 billion mark, exports at USD 69 billion
- Within the global sourcing industry, India was able to increase its market share from 51 per cent in 2009, to 58 per cent in 2011, highlighting India's continued competitiveness and the effectiveness of India-based providers delivering transformational benefits
- Export revenues (including Hardware) estimated to reach USD 69.1 billion in FY2012 growing by over 16 per cent; Domestic revenues (including Hardware) at about USD 31.7 billion, growing by over 9 per cent
- Software and services revenues (excluding Hardware), comprising nearly 87 per cent of the total industry revenues, expected to post USD 87.6 billion in FY2012; estimated growth of about 14.9 per cent over FY2011
- Within Software and services exports, IT services accounts for 58 per cent, BPO is nearly 23 per cent and ER&D and Software Products account for 19 per cent
- The industry continues to be a net employment generator - expected to add 230,000 jobs in FY2012, thus providing direct employment to about 2.8 million, and indirectly employing 8.9 million people
- As a proportion of national GDP, the sector revenues have grown from 1.2 per cent in FY1998 to an estimated 7.5 per cent in FY2012
- The industry's share of total Indian exports (merchandise plus services) increased from less than 4 per cent in FY1998 to about 25 per cent in FY2012

Key Trends

- **Project based revenues to continue** - Export revenues primarily on project based services continue to drive growth. Multi-year annuity based outsourcing agreements are expected to increase going forward. However, the majority share of the project based revenues is going to continue on the back of custom application development and application management.
- **Threat by MNCs** - Cost leadership has been the competitive edge of the Indian software sector over the last few years. However, this seems to be threatened now by MNCs who are replicating the Indian outsourcing model and setting up bases in the country. Going forward, the advantage of low employee costs could peter out and the sector could get commoditised.

- **Moving up the value chain** - Increasing competition, pressure on billing rates and increasing commoditisation of lower-end application development and maintenance (ADM) services are among the key reasons forcing the Indian software industry to make a fast move up the software value chain. IT companies have to move up the value chain to provide higher value-added services as consulting, product development, R&D and end-to-end turnkey solutions. Therefore, companies have started shifting their focus towards high end as well as value added services to keep their competitive advantage intact. Now they are also looking at emerging business themes like analytics, mobility, cloud computing.
- **Growth in software services** - The software services segment of the industry continues to grow by leaps and bounds. With the government emphasizing on better technology enabled delivery mechanisms for multitude of government projects such as e-passport, Unique Identification Scheme, eLearning, virtual classrooms, telemedicine, remote consultation, and mobile clinics, the domestic market looks equally more promising.

OPPORTUNITY AND THREAT

Opportunities

- **Internet & E-Commerce is growing rapidly** - The country's e-commerce market - that includes travel sites as well as online retailers - is estimated to be worth Rs 50,000 crore currently and expected to grow to almost Rs 120,000 crore by 2015. The main factors fueling this growth are better internet connectivity (3G & 4G are touted as the game-changers) and the increasing number of people slowly getting comfortable with the idea of purchasing on the web. According to a report by financial services firm, Avendus Capital, about 11 % of the total online population in India, which would be 8 to 10 million people, uses the internet for e-commerce. Their number is expected to grow to 39 million by 2015. On this premise, investments in the sector have been ramping up over the past one year. From US\$ 110 million in 2010, funding has zoomed to upwards of US\$ 800 million. We believe this will further fuel the demand for web applications, web services and web development
- **Apps for mobiles, smartphones and tablets** - India is progressing by leaps and bounds in the mobile app business according to BBC. The scale of the mobile business is still small but it is surely growing big. The BBC speculates that industry might be worth some US\$4 billion in a few years. Mobile apps in India are still in their infancy and have still not achieved the seriousness and creativity of apps made internationally, but we are improving by the day. 2.5 million smartphones were shipped to India in 2009 and 6 million smartphones were shipped in 2010. Estimates put a possible 12 million smartphone shipments in 2011. That's a 100% growth over the year 2010. With more than 20 million smartphones available in India, it is a huge opportunity to develop creative and useful applications to service this segment.

Threats

- Global macroeconomic scenario remains uncertain – Limited volume growth, combined with increasing pressure from clients to reduce prices (to win a larger share of business), means that margin pressure is likely to continue.
- Employee salaries in IT sector are also increasing tremendously. Cost leadership will soon come to an end.

- Companies across the world have frozen or are currently finalising their budgets, and given the global gloom, allocations for IT are unlikely to bring cheer
- Increasing commoditisation and competition in lower-end application development and maintenance (ADM) services means that it is imperative that companies move up the software value chain

However due to our strong fundamentals and as a derivative of the value we add to our global customers, the Indian industry will continue to grow in spite of global slowdown. We also feel that this is a time of learning and optimisation for the industry. Your Company's products and services enjoy wide acceptance in various user industries. Yet in the current industry scenario, every company is required to update one's system of operation. The dynamic and energetic infusion in company's management team is capable of utilizing every opportunity for the company's benefit.

OUTLOOK

The global IT services market is expected to grow by 3.5% in 2011, and 4.5% in 2012 as companies are focusing not only on controlling costs but also increasing efficiency and productivity using more and more information technology to improve their competitive advantage.

Developed markets constitute the largest share of IT spend. However, emerging markets are also contributing to the growth of the sector as a large consumer base is increasingly becoming tech-savvy. At the same time, many companies have started adopting IT solution to improve their global competitiveness. These emerging opportunities both in the global and domestic markets are expected to propel revenues from Indian IT sector to US\$ 130 bn by FY15.

The integration of IT-BPO contracts is expected to become more common, as clients look out for end-to-end service providers. Billing rates will remain stable with negative bias in short term. These would not lead to the spectacular growth rates that most companies have been used to seeing in the past. Companies are expected to preserve their margins through effective cost containment, higher employee utilization, offshoring and shifting their focus towards high end as well as value added services. Lessons learnt during the crisis can benefit in the long run.

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

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.

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, 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.

RESEARCH AND DEVELOPMENT

The company is in the process of setting up a state-of-art research system to be manned by widely experienced professionals to develop new and value-added services to cater various industrial, academic and research needs of the country.

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATION

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:

Your company believes in the need for upholding the highest standards of Corporate Governance in its operation and ensuring adherence to high ethical and moral standards. The philosophy of your on corporate governance envisages inter alia attainment of the highest levels of accountability and equity in all its action and enhancement of shareholders' value keeping in view the needs and interest of other stakeholders. 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. As per clause 49 of listing Agreement, where there is Non-Executive Chairman, more than one third of the total number of directors should be Non-Executive Independent Directors. All non-executive independent directors are persons of eminence and bring a wide range of expertise and experience to the Board. The necessary disclosures regarding committee positions have been furnished by the Directors.

During the financial year 2011-2012, the meetings of Board of Directors were held on 11/04/2011, 29/07/2011, 16/08/2011, 29/10/2011 and 24/01/2012.

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	WholeTime Director	5	Yes	Nil	Nil
Mr. Abhishek Kumar Jain	Non-Executive Director	4	Yes	7	6
Mr. Baldev Singh	Non-Executive Independent Director	4	Yes	3	4
Mr. Kuldeep Rawat	Non-Executive Independent Director	4	Yes	Nil	Nil
@Mr. Jyotiraaditya Singha	Non-Executive Independent Director	N.A.	N.A.	1	3

@Mr. Jyotiraaditya Singha appointed as an additional Director w.e.f.29/05/2012

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 of 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 committee appointed Mr. Kuldeep Rawat as Chairman of the Audit Committee, who has knowledge of finance and accounting. All the members of the Audit Committee (Non-Executive Directors) are financially literate and possess necessary expertise in finance/ accounting and related experience. During financial year 2011 – 2012, the Audit Committee met four times viz., 09/04/2011, 25/07/2011, 26/10/2011 and 21/01/2012.

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 292 A 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
- **Recommendation for appointment of Statutory Auditors**
- 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. Abhishek Kumar Jain	Non – Executive	4
Mr. Baldev Singh	Non – Executive (Independent)	3

Share Holders / Investors Grievances Committee:

The Company has constituted the shareholders / investor grievance committee comprising of Mr. Baldev Singh, Mr. Abhishek Kumar Jain and Mr. Kuldeep Rawat. The committee has appointed Mr. Kuldeep Rawat as the Chairman of shareholders / investor grievance committee. 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 31/03/2012. 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.

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)	4
Mr. Abhishek Kumar Jain	Non – Executive	4
Mr. Baldev Singh	Non – Executive (Independent)	3

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

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.2011–2012, 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.2,40,000/-	Nil	3 Year

General Body Meeting:

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

Year	Address	Date	Day	Time
2010 – 2011 AGM	4,Netaji Subhas Road 1 st Floor, Kolkata- 700 001	26/09/2011	Monday	3:00 P.M.
2009 – 2010 AGM	Shivam Conference Hall, B-267, Bangur Avenue, Kolkata- 700 055	25/09/2010	Saturday	2:00 P.M.
2008 – 2009 AGM	Shivam Conference Hall, B-267, Bangur Avenue, Kolkata- 700 055	29/09/2009	Tuesday	10:00 A.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

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. No half yearly report is sent to the shareholders directly. Such financial are covered by limited review reports by the statutory auditors. The quarterly results as well as the proceedings of the AGM / EGM are submitted to CSE immediately after conclusion of the respective meeting.

Financial results are posted on Company's website: www.shreetulsionline.com

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

General Shareholders Information:

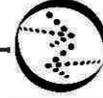
1. Company Secretary cum Compliance Officer ... Mr. Sashi Sekhor Chowdhury
4, Netaji Subhas Road 1st Floor
Kolkata – 700 001

- 2 Annual General Meeting.
 - a) Date & Time ... 11th September 2012 at 3.00 P.M
 - b) Venue ... O2 VIP Hotel, VIP Road, Kaikhali,
Kolkata – 700 052
 - c) Financial Calendar ... 1st April to 31st March
 - d) Quarterly Results ...

First Quarter	-	July 2012
Second Quarter	-	October 2012
Third Quarter	-	January 2013
Fourth Quarter	-	April / May 2013
 - e) Date of Book Closure ... 04/09/2012 to 11/09/2012
 - f) Listing on Stock ... The Calcutta Stock Exchange Assn. Ltd.,
Exchanges
 - g) Stock Code ... 10025061
 - h) Demat ISIN in NSDL & CDSL for equity shares ... INE130D01037
 - i) Registrar and Share Transfer Agent (For Physical & Dmat Segment) ... Adroit Corporate Services Pvt. Ltd.
19, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Andheri (E),
Mumbai – 400 059
Tel. : 022 – 28590942 .Fax : 022 – 28503748

- j) Market Price data high, low, volume, during each month in last financial year is given below

Months	High (Rs.)	Low (Rs.)	Volume
April 2011	-	-	-
May 2011	-	-	-
June 2011	-	-	-
July 2011	241.00	241.00	4000



August 2011	241.00	241.00	31700
September 2011	241.00	241.00	850
October 2011	-	-	-
November 2011	-	-	-
December 2011	-	-	-
January 2012	-	-	-
February 2012	241.00	241.00	350
March 2012	-	-	-

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.

The SEBI vide its circular Nos MRD/DOP//Cir- 05/2009 dated 20th May, 2009 and SEBI /MRD / DOP /SE RTA /cir -03/2010 dated 7th January, 2010 has made it mandatory to furnish a copy of income Tax PAN Card to the Company / the Registrar and share Transfer Agent for Transfer / Transmission / deletion / transposition of securities held in physical Form.

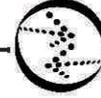
SEBI vide its circular No CIR/CFD/DIL/10/2010 dated 16th December 2010 has amended clause 5A of the listing agreement by laying down a uniform procedure for dealing with unclaimed share in physical mode and getting the same dematerlized after completing the said procedure. The Company Registrar & share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

Green initiative in the corporate governance Registration of emails:

The ministry of corporate affairs vide its circular dated 21st April 2011 has taken a Green initiative in the Corporate Governance by allowing paperless compliance by the Company and stating that service of documents can be made by a company through electronic mode. In order to implement the same, the members are requested to register their email address by a written communication with the depository participant/ the registrar and share transfer agent of the company i.e. Adroit Corporate Services Pvt. Ltd. as the case may be, for communication through electronics mode to receive documents such as, notice for annual general meeting, annual report comprising of the balance sheet, profit and loss account, cash flow statement, directors' report, auditors reports or to receive any other documents prescribed under law. However, if member does not wish to register his email address, the Company will continue to send documents in physical form by other modes of services as provided in section 53 of the companies Act 1956.

Dematerialisation of Shares:

70.41% (approx) of total equity share capital is held in dematerialization form with NSDL & CDSL as at 31st March 2012. 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 31/03/2012

Category	No. of Shareholders	No. of Shares	% of Equity Capital
Promoters Group	21	1,05,58,168	45.19
Other Bodies Corporate	121	68,70,742	29.41
Individual / Others	1,493	59,33,650	25.40
Total	1,635	2,33,52,560	100.00

Distribution of Shareholdings as on 31/03/2012

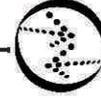
No. of Equity Share held	No. of % of Shareholders	Shareholders	No. of Shares	% of Shares
Upto 500	562	34.37	2,08,359	0.89
501 – 1000	565	34.56	4,43,015	1.90
1001 – 2000	183	11.19	2,57,645	1.10
2001 – 3000	80	4.89	1,93,385	0.83
3001 – 4000	40	2.45	1,43,099	0.61
4001 – 5000	20	1.22	91,225	0.39
5001 – 10000	93	5.69	6,66,690	2.85
10001 – above	92	5.63	2,13,59,142	91.42
Total	1,635	100	2,33,52,560	100.00

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 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 31/03/2012.

V. K. Bothra
(Whole Time Director)

Date : 29/05/2012
Place : Kolkata



Shree Tulsi
Online.Com Limited

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, 2012, 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 clause 49 of 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

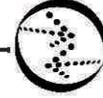
Place : Mumbai
Date : 29th May, 2012

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

AUDITORS' REPORT

To The Members **M/s Shree Tulsi Online.Com Limited**

1. We have audited the attached Balance Sheet of **M/s. Shree Tulsi Online.Com Limited, Kolkata** as at **31st March, 2012**, the Statement of Profit & Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such test checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure, a statement on the matters specified in Paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i) 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;
 - ii) 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;
 - iii) 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;
 - iv) In our opinion, Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report generally comply with the Accounting Standard referred to in section 211 (3C) of the Companies Act, 1956 ,to the extent applicable;
 - v) On the basis of written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;



- vi) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, read together with Significant Accounting Policies and Notes to the Accounts attached there to, give the information required by the Companies Act, 1956 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 31st March, 2012;
- (b) In the case of the Statement of Profit & Loss, of the Profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash flows of the Company for the year ended on that date.

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

Place : Mumbai
Date : 29th May,2012

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

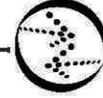
Annexure to Auditors' Report

(Referred to in Paragraph 3 of our report of even date)

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.
 - 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, 2012 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, 2012 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.

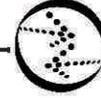


17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short term basis have been used for long–term investment.
18. The company has not made any preferential allotment of shares to parties 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 : 29th May,2012**

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



BALANCE SHEET AS AT 31ST MARCH, 2012

	Particulars	Note No.	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	233,625,600.00	233,625,600.00
	(b) Reserves and Surplus	2	67,604,239.00	62,741,956.00
			301,229,839.00	296,367,556.00
2	Non-Current Liabilities			
	(a) Deferred Tax Liabilities	3	(215,673.00)	118,408.00
			(215,673.00)	118,408.00
3	Current liabilities			
	(a) Trade Payables	4	228,829.00	246,841.00
	(b) Short-Term Provisions	5	485,000.00	2,233,931.00
			713,829.00	2,480,772.00
	TOTAL		301,727,995.00	298,966,736.00
B	ASSETS			
1	Non-Current assets			
	(a) Fixed Assets			
	(i) Tangible Assets	6	35,582,362.00	35,155,704.00
	(b) Non-Current Investments	7	23,130,291.00	21,880,291.00
	(c) Long-Term Loans and Advances	8	106,303,670.00	95,626,220.00
			165,016,323.00	152,662,215.00
2	Current assets			
	(a) Inventories	9	56,432,980.00	55,471,055.00
	(b) Trade Receivables	10	79,761,482.00	85,344,267.00
	(c) Cash and Cash Equivalents	11	517,210.00	368,850.00
	(d) Other Current Assets	12	-	5,120,349.00
			136,711,672.00	146,304,521.00
	TOTAL		301,727,995.00	298,966,736.00
	Significant Accounting Polices & Notes to the Accounts	20	-	-

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

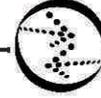
A.K.Katial
(Partner)
M.No :: 09096

Place : Mumbai
Date : 29/05/2012

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

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

(S.S.Chowdhury)
(Company Secretary)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2012

	Particulars	Note No.	For the year ended Amt in Rs.	For the year ended Amt in Rs.
I	Revenue from Operations (gross)	13	180,232,284.00	151,810,600.00
II	Other income	14	1,147,184.00	1,197,315.00
III	Total revenue (I+II)		181,379,468.00	153,007,915.00
IV	Expenses			
	Purchases of Stock-in-trade	15	170,428,929.00	128,132,867.00
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	16	(961,925.00)	11,128,805.00
	Employee Benefits Expenses	17	1,626,383.00	1,389,816.00
	Depreciation and Amortisation Expenses	18	2,303,596.00	2,808,125.00
	Other Expenses	19	2,969,283.00	2,343,909.00
	Total Expenses		176,366,266.00	145,803,522.00
V	Profit before tax (III-IV)		5,013,202.00	7,204,393.00
VI	Tax expenses:			
	(1) Current Tax		485,000.00	2,233,931.00
	(2) Deferred tax		(334,081.00)	(7,774.00)
			150,919.00	2,226,157.00
VII	Profit for the Period(V-VI)		4,862,283.00	4,978,236.00
VIII	Earnings per Equity Share (FV of Rs.10/- each):			
	(a) Basic		0.21	0.21
	(b) Diluted		0.21	0.21

Significant Accounting Policies & Notes to the Accounts 20

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

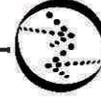
A.K.Katial
(Partner)
M.No :: 09096

Place : Mumbai
Date : 29/05/2012

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

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

(S.S.Chowdhury)
(Company Secretary)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	31 March, 2012 Amt in Rs.	31 March, 2011 Amt in Rs.
(A) Cash Flow From Operating Activities		
Net Profit before Tax	5,013,202.00	7,204,393.00
Adjustments for :-		
Misc Income	258,050.00	475,694.00
Interest Income	889,134.00	721,621.00
Depreciation/amortization	2,303,596.00	2,808,125.00
Operating Profit Before Working Capital Changes	6,169,614.00	8,815,203.00
Adjustments for :-		
Inventories	(961,925.00)	11,128,805.00
Trade Receivables	5,582,785.00	3,499,340.00
Loans & Advances	(10,677,450.00)	(20,053,323.00)
Other Current Assets	5,120,349.00	0.00
Trade Payables	(18,012.00)	(58,529.00)
Cash Generated From Operations	5,215,361.00	3,331,496.00
Payment of Tax	(2,233,931.00)	(2,947,855.00)
Net Cash Inflow/Outflow From Operations	2,981,430.00	383,641.00
(B) Cash Flow From Investing Activities		
Sale of Investments	(1,250,000.00)	3,694,450.00
Purchases of Fixed Assets	(2,730,254.00)	(5,434,931.00)
Misc Income	258,050.00	475,694.00
Interest Income	889,134.00	721,621.00
Net Cash (used in) Investing Activities (B)	(2,833,070.00)	(543,166.00)
(C) Cash Flow From Financing Activities	NIL	NIL
(D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	148,360.00	(159,525.00)
(E) Cash & Cash Equivalents as at 31.03.2011	368,850.00	528,375.00
(F) Cash & Cash Equivalents as at 31.03.2012	517,210.00	368,850.00
Components of Cash & Cash Equivalents(As per Note :: 11)		
Balance with Banks		
-In Current Accounts	88,595.00	21,683.00
Cash on Hand	428,615.00	347,167.00
Total Cash & Cash Equivalents	517,210.00	368,850.00
Reconciliation of Cash & Cash Equivalents		
As per Balance Sheet (Note :: 11)	517,210.00	368,850.00
As per Cash Flow Statement	517,210.00	368,850.00

Note :

The above Statement has been prepared under the Indirect Method as given in Accounting Standard on Cash Flow Statement (AS - 3) issued by the ICAI.

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

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

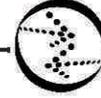
A.K.Katial
(Partner)
M.No. 09096

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

(A.K.Jain)
(Director)

Place : Mumbai
Date : 29/05/2012

(S.S.Chowdhury)
(Company Secretary)



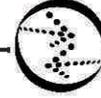
NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
NOTE :-1		
SHARE CAPITAL AUTHORISED		
2,35,00,000 Equity Shares of Rs. 10/- each	235,000,000.00	235,000,000.00
ISSUED, SUBSCRIBED & FULLY PAID-UP	233,625,600.00	233,625,600.00
2,33,62,560 Equity Shares of Rs.10/- each fully paid-up. (as at 31st March, 2011, 2,33,62,560 equity shares of Rs. 10/- each, fully paid-up		
TOTAL	233,625,600.00	233,625,600.00
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	23,362,560.00	23,362,560.00
-Amount	233,625,600.00	233,625,600.00
Equity shares outstanding at the End of the year		
-Number of shares	23,362,560.00	23,362,560.00
-Amount	233,625,600.00	233,625,600.00
(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 have not declared any dividends for the year under review.		
(iii) No Equity Shares of the Company are held by its Holding Co or its Ultimate Holding Co or by subsidiaries or associates of the holding co or the ultimate Holding Co, since the Company does not have any Holding Co or Subsidiary Co as at 31st March, 2012 and as at 31st March, 2011.		



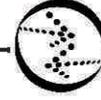
NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
(iv) List of Share holders having 5% or more Shares Name of Share Holders		
Sunil Exports (P) Ltd		
In Nos	1938750.00	1938750.00
In %	8.30%	8.30%
<p>v) No Equity Shares are reserved for issue under the employee stock option (ESOP) plan of the Company and for contracts /commitments for the sale of shares /disinvestment as at 31st March, 2012 and as at 31st March, 2011.</p> <p>(vi) During the period of five years immediately preceding the reporting date :</p> <p>(a) No Shares were allotted pursuant to any contract(s)/arrangements without payment being received in cash;</p> <p>(b) No Shares were allotted by way of bonus shares;</p> <p>(c) No Shares were bought back;</p> <p>(vii)The Company does not issued any securities which will be convertible into Equity Shares in future.</p> <p>(viii) No Calls unpaid by any share holders at 31st March,2012 and as at 31st March,2011.</p> <p>(ix)Since Inception ,no Shares were Forfeited by the Company or there were any re-issue of any Forfeited shares</p>		



NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
NOTE :-2		
RESERVES AND SURPLUS		
Capital Reserve		
As per last Balance sheet	12,319,786.00	12,319,786.00
Closing Balance	12,319,786.00	12,319,786.00
Securities Premium Reserve		
As per last Balance sheet	6,278,400.00	6,278,400.00
Closing Balance	6,278,400.00	6,278,400.00
General Reserve		
As per last Balance sheet	1,028,439.00	1,028,439.00
Closing Balance	1,028,439.00	1,028,439.00
Surplus in Statement of Profit and Loss		
Balance as per last Balance Sheet	43,115,331.00	38,137,095.00
Add :: Profit for the year	4,862,283.00	4,978,236.00
Closing Balance	47,977,614.00	43,115,331.00
TOTAL	67,604,239.00	62,741,956.00
NOTE :-3		
DEFERRED TAX LIABILITIES		
Depreciation as per Books and Tax Laws	-215,673.00	118,408.00
TOTAL	(215,673.00)	118,408.00
NOTE :-4		
TRADE PAYABLES		
Sundry Creditors	228,829.00	246,841.00
TOTAL	228,829.00	246,841.00
NOTE :-5		
SHORT TERM PROVISIONS		
Provision for Taxation	485,000.00	2,233,931.00
TOTAL	485,000.00	2,233,931.00

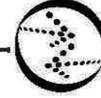


NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

NOTE 6

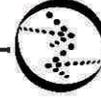
FIXED ASSETS

TANGIBLE ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As At 1st April, 2011	Additions/ Adjustments	Deductions/ Adjustments	As At 31st March, 2012	For the Year	Deductions/ Adjustments	As At 31st March, 2012	As At 31st March, 2011
OWNED ASSETS								
Plant & Equipments	36,955,983.00	668,514.00	-	37,624,497.00	922,451.00	-	28,441,432.00	28,695,369.00
Furniture & Fixtures	7,196,725.00	853,470.00	-	8,050,195.00	845,494.00	-	3,825,747.00	3,817,771.00
Office Equipments	4,179,342.00	1,208,270.00	-	5,387,612.00	535,651.00	-	3,315,183.00	2,642,564.00
TOTAL RS.	48,332,050.00	2,730,254.00	-	51,062,304.00	2,303,596.00	-	35,582,362.00	35,155,704.00
As at and for the year ended 31st March, 2011								
Assets in Active use	42,897,119.00	5,434,931.00	-	48,332,050.00	2,808,125.00	-	35,155,704.00	-



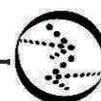
NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
NOTE :-7		
NON-CURRENT INVESTMENTS		
Investment in Equity instruments of other Companies		
Trade investments (valued at cost unless stated otherwise) Quoted		
985,925 (As at 31st March, 2011,985925) Equity shares of Mavens Biotech Ltd of Rs. 1/- each, fully paid-up	5,915,550.00	5,915,550.00
3,501,400 (As at 31st March, 2011,3501400) Equity shares of Adinath Biolabs Ltd of Rs. 1/- each, fully paid-up	14,671,917.00	14,671,917.00
24,800 (As at 31st March, 2011, 24800) Equity shares of T.Spiritual World Ltd of Rs. 10/- each, fully paid-up	1,283,824.00	1,283,824.00
Non-trade investments (valued at cost unless stated otherwise) Quoted		
900 (As at 31st March, 2011, 900) Equity shares of Soyuz Impex Ltd of Rs. 10/- each, fully paid-up	9,000.00	9,000.00
Unquoted		
25,000 (As at 31st March, 2011, NIL) Equity shares of Newtech Corporate Services (P) Ltd of Rs.10/- each, fully paid-up	1,250,000.00	-
TOTAL	23,130,291.00	21,880,291.00
Aggregate amount of Quoted Investment		
- Cost	21,880,291.00	21,880,291.00
- Market Value (To the extent available)	6,384,249.00	13,731,352.00
Aggregate amount of Unquoted Investment	1,250,000.00	-
NOTE :-8		
LONG TERM LOANS AND ADVANCES		
Unsecured, Considered good		
Other Loans	17,856,115.00	6,013,510.00
Other Advances	88,447,555.00	89,612,710.00
TOTAL	106,303,670.00	95,626,220.00



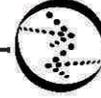
NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
NOTE :-9		
INVENTORIES		
(As taken, Valued & Certified by the Management)		
Work-in Process(At Cost)	18,045,320.00	19,786,135.00
Finished Goods /Stock -In Trade(At lower of Cost or Net realizable value)	38,387,660.00	35,684,920.00
TOTAL	56,432,980.00	55,471,055.00
NOTE :-10		
TRADE RECEIVABLES		
Unsecured, Considered good		
Other Receivables	79,761,482.00	85,344,267.00
TOTAL	79,761,482.00	85,344,267.00
NOTE :-11		
CASH AND CASH EQUIVALENTS		
(As Certified by the Management)		
Cash and Cash Equivalents		
Balance with Banks		
-In Current Accounts	88,595.00	21,683.00
Cash on Hand	428,615.00	347,167.00
TOTAL	517,210.00	368,850.00
NOTE :-12		
OTHER CURRENT ASSETS		
Income Tax Payments & TDS Receivables of Earlier years	-	5120349.00
TOTAL	-	5,120,349.00



NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
NOTE :-13		
REVENUE FROM OPERATION(GROSS)		
(a) Sale of Products		
-Finished goods	10,193,570.00	70,536,250.00
-Traded goods	167,208,814.00	74,351,305.00
(b) Sale of Services	2,829,900.00	6,923,045.00
TOTAL	180,232,284.00	151,810,600.00
Details of Sale of Products		
Finished goods		
IT Activities		
Domestic Software Sales	10,193,570.00	70,536,250.00
Traded goods		
Commodities & Products	167,208,814.00	74,351,305.00
Details of Sale of Services		
IT Activities		
Software Consultancy	973,550.00	2,449,625.00
Software System Services	1,856,350.00	4,473,420.00
TOTAL	180,232,284.00	151,810,600.00
NOTE :-14		
OTHER INCOME		
Interest Income		
Interest on Long term Loans & Advances	889,134.00	721,621.00
Other Non-Operating income		
Miscellaneous Income	258,050.00	475,694.00
TOTAL	1,147,184.00	1,197,315.00
NOTE :-15		
PURCHASES OF STOCK-IN TRADE/FINISHED GOODS		
Purchase of Stock-in Trade/Finished Goods	170,428,929.00	128,132,867.00
TOTAL	170,428,929.00	128,132,867.00



NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
NOTE :-16		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK -IN PROGRESS AND STOCK - IN TRADE		
Inventories at the end of the year		
Work-in Process	18,045,320.00	19,786,135.00
Finished Goods /Stock -In Trade	38,387,660.00	35,684,920.00
	56,432,980.00	55,471,055.00
Inventories at the beginning of the year		
Work-in Process	19,786,135.00	25,529,650.00
Finished Goods /Stock -In Trade	35,684,920.00	41,070,210.00
	55,471,055.00	66,599,860.00
Stock Decreased	-961,925.00	11,128,805.00
NOTE :-17		
EMPLOYEE BENEFITS EXPENSES		
Salaries and Wages	1,548,700.00	1,328,669.00
Staff Welfare Expenses	77,683.00	61,147.00
TOTAL	1,626,383.00	1,389,816.00
NOTE :-18		
DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation and amortisation for the year on tangible assets	2,303,596.00	2,808,125.00
TOTAL	2,303,596.00	2,808,125.00

NOTES FORMING PART OF BALANCE SHEET

Particulars	As at 31 March, 2012 Amt in Rs.	As at 31 March, 2011 Amt in Rs.
NOTE :-19		
OTHER EXPENSES		
Advertisement Expenses	46,740.00	38,404.00
Auditors Remuneration	72,880.00	71,695.00
Bank Charges	973.00	1,028.00
Books & Periodicals	22,759.00	16,989.00
Consultancy Fees	168,000.00	144,000.00
Conveyance & Travelling	244,587.00	218,096.00
Directors Remuneration	240,000.00	240,000.00
Directors Sitting Fees	4,000.00	8,500.00
Donation	250,000.00	65,000.00
Filing Fees	2,000.00	1,000.00
General Expenses	203,097.00	187,395.00
Legal Expenses	82,000.00	29,100.00
Listing Fees	57,908.00	57,908.00
Postage & Courier	180,520.00	137,859.00
Printing & Stationary	118,520.00	82,756.00
Professional Fees	189,600.00	132,000.00
R&T and Dmat Charges	188,063.00	159,792.00
Rent	178,500.00	153,672.00
Retainership Fees	142,000.00	96,000.00
Selling & Distribution Expenses	332,610.00	297,936.00
Software Development & Maintenance	177,750.00	150,684.00
Telephone Expenses	66,776.00	54,095.00
TOTAL	2,969,283.00	2,343,909.00
Auditors Remuneration (inclusive of Service Tax)		
As Auditors - Statutory Audit Fees	56,180.00	55,150.00
For Taxation matters	5,618.00	5,515.00
For Other services	11,082.00	11,030.00
TOTAL	72,880.00	71,695.00

Note: - 20

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

Annexed to and forming part of the Balance Sheet as at 31st March, 2012 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 is valued at Cost, which comprises Materials, Labour and Development Overheads.

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.

- b) Deferred tax resulting from “timing difference” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.
- c) 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 no 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 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.3, 34,081 (P.Y Rs.7, 747/-) 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	2011-12	2010-11
Net Profit for the year attributable to the equity shareholders (Rs.)	48,62,283	49,78,236
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.)	0.21	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. The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification /disclosure.

Signatory to Notes 1 TO 20

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

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

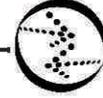
**Place : Mumbai
Date : 29/05/2012**

**FOR AND ON BEHALF OF THE BOARD
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

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 30th Annual General Meeting held at O2 VIP Hotel, VIP Road, Kaikhali, Kolkata - 700 052 on Tuesday, 11th September, 2012 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 30th Annual General Meeting of the Company to be held on Tuesday, 11th September 2012, at 3.00 P.M. and at any adjournment thereof. Signed this day of 2012.

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.

BOOK-POST

To,

Shree Tulsi Online.Com Limited

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