

15th
Annual Report 2009-10

STARCOM
INFORMATION TECHNOLOGY LIMITED

(Formerly known as Jatia Finance Limited)

STARCOM INFORMATION TECHNOLOGY LIMITED

(Formerly known as Jatia Finance Limited)

15th Annual Report 2009-10

Board of Directors:

Mr. Mahesh Saraf	- Chairman & Managing Director
Mr. Yogesh Singhania	- Independent Director
Mr. Pramod Kumar Sanganeria	- Independent Director

Registered Office:

315, Corporate Avenue, Sonawala Road,
Goregaon (East), Mumbai - 400063

Auditors:

M/s. Singrodia Goyal & Co.,
Chartered Accountants

Bankers:

Kotak Mahindra Bank Ltd.
Bank of India Ltd.
HDFC Bank Ltd.

Registrar & Share Transfer Agent:

Purva Sharegistry (India) Private Limited
9, Shiv Shakti Industrial Estate, J.R. Boricha Marg,
Opp. Kasturba Hospital, Lower Parel (East),
Mumbai - 400011

CONTENTS

1. Notice of Annual General Meeting	2
2. Director's Report	4
3. Management Discussion & Analysis Report	6
4. Report on Corporate Governance	8
5. Auditor's Report	17
6. Balance Sheet	20
7. Profit & Loss Account	21
8. Cash Flow Statement	22
9. Schedules & Notes forming Part of Accounts	23

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the members of STARCOM INFORMATION TECHNOLOGY LIMITED (formerly known as JATIA FINANCE LIMITED) will be held on Saturday, 25th September 2010 at 10.00 a.m. at 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and the Profit and Loss Account for the year ended as on that date and the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pramod Kumar Sanganeria, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting and to fix their remuneration.

NOTES:

1. **A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 17th September 2010 to Saturday, 25th September 2010 (both days inclusive).
3. Members are requested to notify the changes, if any, in their address to the Company's Share Transfer Agent, Purva Shareregistry (India) Private Limited immediately, in respect of their physical shares if any, quoting their folio numbers and to their Depository Participants (DPs) in respect of their electronic share accounts.
4. Members/ proxies are requested to bring their copies of Annual Report at the Annual General Meeting.
5. Corporate Members are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
6. Members are requested to send all share transfer lodgments (Physical mode)/ correspondence to the Registrar and Share Transfer Agent at the following address unto the date of book closure:
Purva Shareregistry (India) Private Limited
9, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Opp. Kasturba Hospital,
Lower Parel (East), Mumbai - 400 011
7. The Members are requested to dematerialize their shareholdings to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or the Company's Registrars and Transfer Agents.
8. As per the provisions of the Companies Act, 1956 facility for making nominations is available for shareholders in respect of the physical shares held by them. Nomination forms can be obtained from the Company's Registered Office.
9. Members/Proxies should bring the Attendance Slip sent herewith duly filled in, for attending the Meeting.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. Members holding shares in same / identical name(s) under different folios are requested to apply for consolidation of such folio and relevant share certificate.
12. Members who hold shares in electronic form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
13. Members desiring any information as regards the accounts are requested to write to the Company atleast 7 days before the date of the meeting, so as to enable the management to keep the information ready.
14. The Equity Shares of the Company are listed at Bombay Stock Exchange Limited and Ahmedabad Stock Exchange Limited and the Company has paid requisite annual listing fees for the year 2010-2011 to the Exchange.
15. As required under Clause 49 of the Listing Agreement, given below are the details of the Directors seeking reappointment:

Name of the Director	Pramod Kumar Sanganeria
Date of Birth	11/12/1962
Date of Appointment on the Board	08/04/2008
Qualifications	B.Com.
Experience	20 years experience of field of Trading, Accounts and Finance
Shareholding in the Company	NIL
List of Directorships held in other Companies	NIL
Committee Membership	Starcom Information Technology Limited (Chairman of Shareholders/Investor's Grievance and Share Transfer Committee and Remuneration Committee and Member of Audit Committee of the Board of Director of the Company)

For and on behalf of the Board of Directors
Starcom Information Technology Limited

Mahesh Saraf
Chairman & Managing Director

Mumbai, 23rd August, 2010

Regd. Office:

315, Corporate Avenue, Sonawala Road,
Goregaon (East), Mumbai - 400 063.

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the Fifteenth Annual Report of your Company together with the Audited Statements of Accounts for the year ended 31st March 2010.

(In Rs.)

Financial Results	For the year ended 31st March, 2010	For the year ended 31st March, 2009
Income	15,776,503	8,780,438
Expenditure	13,183,721	9,646,180
Profit/ (Loss) before Taxation	2,592,782	(865,743)
Less: Provision for Taxation	791,540	2,876
Net Profit after taxation	1,801,242	(868,619)
Profit/(Loss) brought forward from previous year	581,109	1,449,728
Balance carried forward to Balance Sheet	2,382,351	581,109

OPERATIONS & PROSPECTS:

Total income for the year under review was Rs.15,776,503/- as compared to Rs.8,780,438/- in the previous year. This year Company has incurred profit of Rs.2,592,782- as compared to loss of Rs.868,619/- previous year registering a growth of 307.37%.

Your Directors assure to strive for a brighter future for your Company.

DIVIDEND:

Your Directors wish to conserve resources for future expansion and growth of the Company and hence do not recommend any dividend for the year under review.

DIRECTORS:

In terms of the provisions of the Companies Act, 1956, Mr. Pramod Kumar Sangneria, Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. Your Directors recommend his re-appointment as Director.

The particulars of Mr. Pramod Sangneria as required under clause 49 of the Listing Agreement are given in the Annexure to the notice and corporate governance section of this Annual Report.

FIXED DEPOSITS:

The Company has not accepted any fixed deposits from the public during the year under review.

PARTICULARS OF EMPLOYEES:

Pursuant to Section 217(2A) of the Companies Act, 1956, the Directors have to inform that there was no such employee as mentioned in the section.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Since your Company does not own any manufacturing facility, the particulars relating to conservation of energy and technology absorption stipulated in the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, are not applicable.

There were no foreign exchange earnings and outgo during the year.

CORPORATE GOVERNANCE:

Your Company adheres to the requirements set out by the Securities and Exchange Board of India. A separate section of Corporate Governance along with certificate from Practicing Company Secretary confirming compliance as stipulated under clause 49 of the Listing Agreement forms part of the Annual Report.

CEO/CFO CERTIFICATION:

In accordance with the provisions of the Listing Agreement pertaining to Corporate Governance norms, Mr. Mahesh Saraf, Managing Director has certified about review of financial statements and establishing and maintaining internal controls for financial reporting for the year ended 31st March 2010. The said certificate forms part of the Annual Report.

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 the Stock Exchanges in India, is presented in separate section forming part of the Annual Report.

AUDITORS:

M/s Singrodia Goyal & Co., Chartered Accountants, Statutory Auditors of the Company will retire on conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished a certificate to the effect that their proposed appointment, if made, will be in accordance with the limits specified under section 224(1B) of the Companies Act, 1956. Members are requested to consider their re-appointment as Auditors for the financial year ending 31st March 2011 at remuneration to be decided by your Board of Directors or any Committee thereof.

SUBSIDIARY COMPANY:

During the financial year 2010-11, the Company has acquired 10,000 Equity Share of nominal value of Rs 32,000/- (100%) controlling stake of Alisha Realities Private Limited. Accordingly Alisha Realities Private Limited has become 100% subsidiary of your Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to the Director's Responsibilities Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 31st March 2010 and of the profit of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- (iv) the Directors have prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance of the Company during the year.

For and on behalf of the Board of Directors
Starcom Information Technology Limited

Mahesh Saraf
Chairman & Managing Director

Mumbai, 23rd August, 2010

Regd. Office:

315, Corporate Avenue, Sonawala Road,
Goregaon (East), Mumbai - 400 063.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. There are no material departures from prescribed accounting standards in the adoption of these standards. The management of Starcom Information Technology Limited accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. These estimates and the judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the form and substance of transactions and the state of affairs and profits for the year.

(i) Industry Structure and Development:

The financial crisis that began in the later part of 2008 continued to cast its shadow on global economy throughout last financial year. Although there were occasional green shoots, business confidence continued to be low globally. India however managed the situation effectively through a combination of financial stimulus and other policies that supported the inherent strength of Indian economy. Towards later part of the financial year 2009-10, India's GDP growth appears to have stabilized. Even globally, the projections of future are reflecting optimism and worst seems to be a past for the economy.

Global IT industry is an infrastructure industry and economy trends get projected through the performance of IT industry. Against a drop of about 5.2% in worldwide IT spending in 2009, Gartner expects the growth of about 3.3% in 2010. Revenue levels of 2008 are expected to be reached only by 2012. IT services and software are expected to grow by about 4.5% and 4.8% respectively in 2010 while hardware segment is expected to remain flat.

With Indian economy projected to grow at 7.98% (IMF projection Oct-2009), the market is likely to grow by about 13% in 2010 as per IDC. Hardware segment, which declined by about 4% in 2009 is expected to bounce back with projected growth of about 11%. The services and software segment has grown by 15.4% and 14.1% respectively. With established presence in hardware segment and increased focus on services, Starcom Information Technology is well poised to benefit from this growth.

(ii) Opportunities and Threats:

Opportunities:

Recovery and growth of economy as well as significant technology changes are presenting several opportunities to Starcom Information Technology Limited.

- a) Gartner predicts that up to 20% of Companies will own no IT assets of their own by 2012. Recognizing the potential of this trend, Starcom Information Technology Limited is developing competency as well as alliances in this technology and services area.
- b) Enhanced awareness and concern for global warming is leading all enterprises to look for ways to reduce their carbon footprint without compromise on business growth and potential. Starcom Information Technology Limited is readying itself with services in the area of Green IT as well as IT for green. An eco-system of partners and alliances is being set up to address this opportunity.
- c) Improving fortunes of IT industry is increasing the demand for IT professionals and large scale recruitment.

Threats:

As Indian economy continues to outpace developed economies in the world, India continues to be an attractive market for major IT players. This enhanced focus on India continues to exert competitive pressure on Starcom Information Technology Limited performance in domestic market.

The growth in the economy and IT industry is expected to lead to increase in attrition next year. This pressure on attrition as well as fast changing technology landscape will necessitate increased investment in its people and innovative approaches to retain and develop right talent.

(iii) Segment-wise Performance:

The segment wise details as per Accounting Standard 17 "Segment Reporting" as notified by the Companies (Accounting Standard) Rules, 2006 is not applicable as there are no separate reportable segments.

(iv) Outlook:

The Company believes that the current trends in IT spend in domestic market looks good. The recent policy initiatives to make Indian Companies more competitive including new policy on Special Economic Zone, the focus of Indian corporates to benchmark themselves with leading global players in terms of quality of processes and competitiveness, is going to drive an increase in IT spend. The Company is well poised to exploit the emerging opportunities.

(v) Risks and concerns:

A comprehensive and integrated risk management framework forms the basis of all the de-risking efforts of the Company. Formal reporting and control mechanisms ensure timely information availability and facilitate proactive risk management. These mechanisms are designed to cascade down to the level of the line managers so that risks at the transactional level are identified and steps are taken towards its mitigation in a decentralized fashion.

The Board of Directors is responsible for monitoring risk levels on various parameters and the Managing Director ensures implementation of mitigation measures. The Audit Committee provides the overall Direction on the risk management policies.

(vi) Internal Control systems and their adequacy:

The Company has an adequate system of internal controls implemented for achieving efficiency in operations, optimum utilization of resources with analysis of data to strengthen it to meet the changing requirements.

(vii) Financial Performance:**(a) Revenues:**

During the financial Year 2009-2010, the Company's Total Revenue was Rs.15,776,503 as compared to Rs.8,780,438 in the previous year.

(b) Expenditure:

During the year under review, total expenditure was Rs.13,183,721 as compared to Rs.9,646,180 in the previous year.

(viii) Human Resources:

The Company has considered its human resources as the most valuable ingredient of the functioning of the Company and utmost endeavor is made to maintain good relations with the employees at all levels.

Cautionary Statement:

Statement in this "Management Discussion and Analysis" may be considered to be "forward looking statements" within the meaning of applicable securities laws or regulations. This statement is based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. 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 REPORT

The detailed Report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below.

(A) MANDATORY REQUIREMENTS

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Sound Corporate Governance practices and ethical business conduct remain at the core of Starcom's value system. The Company believes that sound corporate practices based on transparency, accountability, timely disclosures, empowerment and high level of integrity is essential for the long term enhancement of the stakeholders' value and interest. The Company believes that its actions must result in enhancing corporate performance by maximizing stakeholders' value and also result in motivated work force. We, as a Company, have always focused on value creation for our shareholders. The Company recognizes that the shareholders are ultimately the people who are catalysts to the economic activities and also the ultimate beneficiaries thereof.

II. BOARD OF DIRECTORS:

a) Composition:

The composition of the Board of Directors is in conformity with the listing agreement. The Board comprises of three Directors and more than 50% are Non-Executive & Independent Directors as under:

Director	Executive / Non-Executive / Independent
Mr. Mahesh Saraf	Chairman and Managing Director & Promoter
Mr. Yogesh Singhania	Non-Executive & Independent
Mr. Pramod Kumar Sanganeria	Non-Executive & Independent

b) Attendance of each director at the Board Meeting and last Annual General Meeting and Number of other Directorships and Committees Memberships:

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting and also the number of Directorships and Committee Memberships held by them in other Companies are given below:

FY 2009 -10 (April'09 to March'10)

Name of the Director	Category*	Attendance Particulars		No. of other Directorships and Committee Membership/Chairmanship in other Indian Public Limited Company as on 31-03-2010#		
		Board Meeting	Last AGM	Other Directorship	Committee Memberships	Committee Chairmanships
Mr. Mahesh Saraf	C & E	6	Yes	Nil	Nil	Nil
Mr. Yogesh Singhania	NE & ID	6	Yes	Nil	Nil	Nil
Mr. Pramod Kumar Sanganeria	NE & ID	6	Yes	Nil	Nil	Nil

*C - Chairman, E - Executive, NE - Non Executive Director, ID - Independent Director

For the purpose of considering the number of other Directorships and Committee positions, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956, have been excluded and Committees other than Audit Committee and Shareholders' /Investors' Grievance Committee have been excluded.

c) Meetings of the Board of Directors:

During the Financial year 2009-10, Six Board Meetings were held on the following dates:

30th April 2009, 19th June 2009, 27th July 2009, 31st October 2009, 17th November 2009 and 30th January 2010.

III. AUDIT COMMITTEE:**a) Brief description of terms of reference:**

The broad terms of reference of Audit Committee are in accordance with the prescribed guidelines as set out in clause 49 of the Listing Agreement executed with the Stock Exchanges that inter alia, include overseeing financial reporting processes, reviewing the financial statements, quarterly, half yearly/ annual financial results and adequacy of internal control systems, discussion with the Auditors on any significant findings etc.

b) Composition:

The Committee consists of One Executive and Two Non-Executive Independent Directors. The Members of the Committee have knowledge of finance, accounts, company law etc. The Chairman of the Audit Committee is an Independent Director.

Name of the Member	Category	Executive, Non-Executive/Independent
Mr. Yogesh Singhania	Chairman	Non-Executive, Independent
Mr. Pramod Kumar Sanganeria	Member	Non-Executive, Independent
Mr. Mahesh Saraf	Member	Executive

c) Meeting and attendance during the year:

During the year under review, Five meetings of the Audit Committee were held, the dates being, 30th April 2009, 19th June 2009, 27th July 2009, 31st October 2009 and 30th January 2010.

Name of the Member	Meeting held	Meeting Attended
Mr. Yogesh Singhania	5	5
Mr. Pramod Kumar Sanganeria	5	5
Mr. Mahesh Saraf	5	5

IV. REMUNERATION COMMITTEE:**a) Brief description of terms of reference:**

The Remuneration Committee has been constituted to review and recommend the remuneration payable to the Executive Directors and Senior Management of the Company based on their performance and defined assessment criteria.

b) Composition:

Name of the Member	Designation	Non-Executive/Independent
Mr. Pramod Kumar Sanganeria	Chairman	Non-Executive, Independent
Mr. Yogesh Singhania	Member	Non-Executive, Independent

c) Meeting and attendance during the year:

During the year under review, no meeting of the Remuneration Committee was held.

d) Remuneration Policy:

The Committee recommends the remuneration payable to Managing Director and Whole-time Director or any Executive Directors based on their contribution to the growth and development of the Company, keeping in mind the remuneration package of the industry.

e) **Details of Remuneration Paid:**

The Company has not paid remuneration or sitting fees to any Directors during the year under review.

V. **SHAREHOLDERS'/ INVESTORS' GRIEVANCE & SHARE TRANSFER COMMITTEE:**a) **Constitution and terms of reference of the Committee:**

The Committee consists of One Executive and Two Non-Executive Independent Directors, namely Mr. Pramod Kumar Sanganeria - Chairman and Mr. Yogesh Singhania and Mr. Mahesh Saraf, Members of the Committee.

The Committee would specifically look into the redressal of the shareholders' complaints in respect of all matters including transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, dematerialization of shares and investor's complaints etc.

b) **Name and designation of Compliance Officer:**

Mr. Mahesh Saraf, Managing Director is the Compliance officer of the Committee.

c) **Number of Shareholders complaints received:**

There were no complaints received during the year under review.

d) **Meeting and attendance during the year:**

The Committee met six times during the year under review, i.e. 15th May 2009, 30th May 2009, 15th October 2009, 14th November 2009, 30th November 2009 and 15th February 2010 and all the members of the Committee were present at all the meetings.

VI. **GENERAL BODY MEETINGS:**a) **Details of the last three Annual General Meetings of the Company were held and the Special Resolutions passed thereat as under:**

Financial Year	AGM/EGM	Day, Date & Time	Venue	Special Resolution Passed
2008-2009	14 th AGM	Wednesday, 30 th September 2009 at 10.00 a.m.	315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063.	NIL
2007-2008	13 th AGM	Tuesday, 30 th September 2008 at 10.00 a.m.	315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063.	1) Alteration in Articles of Articles of Association. 2) Voluntarily de-listing from Ahmedabad Stock Exchange 3) Appointment of Mr. Mahesh Saraf as Managing Director 4) Appointment of Mr. Anil Raika as Whole Time Director
2006-2007	12 th AGM	Friday, 28 th September 2007 at 3.30 p.m.	401, Arcadia Building, 195 NCPA Marg , Nariman Point, Mumbai - 400 021	NIL

b) **Special Resolution passed through Postal Ballot:**

During the financial year under review, no resolution was passed through postal ballot.

c) **Person who conducted the postal ballot exercise:**

Not applicable.

d) Whether any special resolution is proposed to be conducted through postal ballot:

No

e) Procedure for postal ballot:

The Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the Members by such process as per Section 192A and other applicable provisions of the Companies Act, 1956, read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001.

VII. DISCLOSURES:

(i) Basis of related party transactions:

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their relatives, its subsidiaries etc. During the year ended 31st March 2010, the Company has not entered into transaction with any related party.

(ii) Details of non-compliance by the Company:

During the last three years there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets, except a SEBI imposed penalty of Rs.1,50,000/- towards settlement charges for Consent application filed for non compliance of Regulation 6 and 8 of SEBI (Substantial Acquisitions and Takeover) Regulations, 1997 and Reinstatement Penalty of Rs.4,20,000/- paid to BSE towards Revocation of Suspension in trading of equity shares.

(iii) Whistle Blower Policy:

The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee. However, a formal Whistle Blower Policy is not in place.

(iv) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause:

The Company has complied with all the mandatory requirements of clause 49 of the Listing Agreement entered into with the Stock Exchanges. The status of the compliance with non-mandatory requirements of this clause has been detailed hereof.

VIII. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual results are communicated to the Bombay Stock Exchanges Limited & Ahmedabad Stock Exchange Ltd. where the Company's shares are listed, as soon as the same are approved and taken on record by the Board of Directors of the Company. Further, the results are published in Business Standard (English) and Lakshadeep (Marathi). The results are not sent individually to the shareholders.

IX. GENERAL SHAREHOLDERS INFORMATION:

a) 15th Annual General Meeting:

Day, Date and Time : Saturday, 25th September 2010 at 10.00 A.M.

Venue : Registered Office of the Company :
315, Corporate Avenue, Sonawala Road,
Goregaon (East), Mumbai - 400 063.

b) Financial Year : 1st April 2009 to 31st March 2010

c) Date of Book Closure : Friday, 17th September 2010 to Saturday, 25th September 2010
(both days inclusive)

d) Dividend payment date : Not Applicable

e) Listing on Stock Exchange : i) Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
ii) Ahmedabad Stock Exchange Limited
Kamdheni Complex, Opp. Sahajanand College, Panjrapole,
Ahmedabad, Gujarat 380015

f) Stock Code:

- i) Bombay Stock Exchange Limited - 531616
 ii) Ahmedabad Stock Exchange Limited - 27876
 Demat ISIN in NSDL and CDSL for equity shares - INE347I01010

g) Market Price Data : High and Low during the financial year 2009-2010.

Month	BSE	
	High	Low
April - 2009	—	—
May - 2009	14.85	14.15
June - 2009	14.10	14.10
July - 2009	—	—
August - 2009	15.50	14.80
September -2009	15.35	14.80
October -2009	15.50	15.35
November - 2009	14.60	14.60
December - 2009	—	—
January - 2010	15.33	15.33
February - 2010	—	—
March - 2010	—	—

h) Registrar and Share Transfer Agent:

Purva Sharegistry (India) Private Limited, 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400 011. Tel. No. 23016761

i) Share Transfer System:

Share Transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects.

j) Distribution of shareholding as on 31st March 2010:

Grouping of Shares	No. of Shareholders	% of total Shareholders	No. of Shares per Category	% of total share
1 upto 500	192	46.38	77,520	1.55
501 to 1000	184	44.44	1,68,800	3.38
1001 to 2000	10	2.42	16,100	0.32
2001 to 3000	6	1.45	16,300	0.33
3001 to 4000	2	0.48	7,900	0.16
4001 to 5000	1	0.24	4,100	0.08
5001 to 10000	4	0.97	32,900	0.66
10001 and above	15	3.62	46,76,980	93.53
Total	414	100.00	50,00,600	100.00

Category	No. of Shareholders	No. of Shares held	% of total shares
Promoters	4	36,15,980	72.31
Financial Institution	1	4,100	0.08
Bodies Corporate	12	25,300	0.51
Indian Public	396	11,05,220	22.1
Foreign Bodies Corporate	1	2,50,000	5.00
Total	414	50,00,600	100.00

k) Dematerialisation of shares and liquidity:

As on 31st March 2010, 88.64% of the Company's total equity shares representing 44,32,580 shares were held in dematerialized form and balance 11.36% representing 5,68,020 shares were held in physical form.

l) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

There were no such outstanding instruments as on 31st March 2010.

m) Address for correspondence:

- **For share transfer/ dematerialization of shares/ other queries relating to the securities:**
Purva Sharegistry (India) Private Limited
9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital,
Lower Parel (East), Mumbai - 400 011.
- **For queries on Annual Report or investors' assistance:**
315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400 063.

(B) NON-MANDATORY REQUIREMENT

- a) The Company has not yet fixed any tenure for the Independent Directors on the Board of the Company.
- b) The Board has set up a Remuneration Committee, details of which are furnished earlier in the Report.
- c) The quarterly/half yearly financial results are published in the newspapers.
- d) The Company has not yet adopted any training program for the members of the Board.
- e) The Company has not adopted any Whistle Blower Policy.

FOR STARCOM INFORMATION TECHNOLOGY LIMITED

MAHESH SARAF

Chairman & Managing Director

Mumbai, 23rd August, 2010

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Starcom Information Technology Limited
(Formerly known as Jatia Finance Limited)
Mumbai.

We have examined the compliance of conditions of Corporate Governance by Starcom Information Technology Limited (formerly known as Jatia Finance Limited), for the year ended on 31st March 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause 49. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the clause 49 of the Listing Agreement.

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

For Hemanshu Kapadia & Associates

Hemanshu Kapadia
Proprietor
C.P. No. 2285

Mumbai, 23rd August, 2010

CEO / CFO CERTIFICATION :

To

The Board of Directors of Starcom Information Technology Limited
(Formerly known as Jatia Finance Limited)
Mumbai.

I, Mahesh Saraf, Chairman and Managing Director of the Company, to the best of my knowledge and belief, certify that:-

- (a) I have reviewed the Balance Sheet & Profit & Loss Account and all the schedules and notes on accounts, as well as the cash flow statements, and Directors' Report for the year and to the best of my knowledge and belief:
 - (i) these statements do not contain any untrue statement of a material facts or omit any material fact or contain statements that might be misleading,
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the Internal Control Systems of the Company and the same have been disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps have been taken or proposed to be taken to rectify these deficiencies.
- (d) I have indicated to auditors and the Audit committee that:
 - (i) there are no significant changes in internal control during the year;
 - (ii) there have been no significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
 - (iii) I am not aware of any instance of significant fraud and involvement therein of the Management or an employee having a significant role in the Company's internal control system.

FOR STARCOM INFORMATION TECHNOLOGY LIMITED

MAHESH SARAF
Chairman & Managing Director

Mumbai, 23rd August, 2010

**ANNUAL CERTIFICATION BY CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR
PURSUANT TO CLAUSE 49 I D (II) OF THE LISTING AGREEMENT:**

As the Managing Director of Starcom Information Technology Limited and as required pursuant to Clause 49 I D (ii) of the Listing agreement, I hereby declare and certify that all the Board members and senior management personnel of the Company have affirmed compliance with the code of conduct as adopted by the Company for the year 2009-10.

FOR STARCOM INFORMATION TECHNOLOGY LIMITED

MAHESH SARAF

Chairman & Managing Director

Mumbai, 23rd August, 2010

REPORT OF THE AUDITORS

To
The Members,
Starcom Information Technology Limited
(formerly known as Jatia Finance Limited)

We have audited the attached Balance Sheet of **Starcom Information Technology Limited (formerly known as Jatia Finance Limited)** as at 31st March 2010, the Profit and Loss Account and the Cash Flow Statement 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.

1. We conducted our audit in accordance with 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 misstatement. 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company as appears from our examination of such books.
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
 - d) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the requirements of the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from all the Directors of the Company as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on 31st March 2010, from being appointed as a director in terms of clause (g) of sub section (1) to Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read together with the notes thereon, 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:
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010.
 - ii. In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.
 - iii. In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

For Singrodia Goyal & Co.
Chartered Accountants
(Firm Reg. No : 112081 W)

Place: Mumbai
Date : 14th May, 2010

Suresh Murarka
Partner
Mem. No. 044739

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in Paragraph (1) thereof)

Annexure referred to in Paragraph 2 of our report of even date on the accounts of **Starcom Information Technology Limited (formerly known as Jatia Finance Limited)** for the year ended 31st March, 2010.

As required by the Companies (Auditors Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) (a) Since the Company does not have any Fixed Assets clause 4(i) (a), (b) & (c) of the said Order are not applicable to the Company
- (ii) (a) The Company has conducted physical verification of inventory at reasonable intervals during the year.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable & adequate in relation to the size of the Company & the nature of its business.
(c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has neither granted nor taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
(b) In view of our comments in para (iii)(a) above, Clause 4 (iii) (b) to (g) of the said Order are not applicable to the Company
- (iv) There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase and inventories. The Company has not purchased any Fixed Assets during the year. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- (v) (a) During the year, the Company has not entered into any transactions that need to be entered in the register in pursuance of Section 301 of the Companies Act, 1956.
(b) In view of our comments in para (v) (a) above, clause 4 (v) (b) of the said Order is not applicable to the Company.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company does not have a formal internal audit system commensurate with its size and natures of its business but its financial and other internal checks, ensures proper recording of the financial transactions.
- (viii) The Central Government has not prescribed for maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for the Company.
- (ix) (a) Accordingly to the records of the Company, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess, wherever applicable have been regularly deposited with the appropriate authorities. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2010 for a period more than six months from the date they became payable.
(b) There are no amount in respect of any disputed sales tax, income tax, wealth tax, service tax, custom duty, excise duty and cess.
- (x) The Company does not have accumulated losses at the end of financial year. The Company has not incurred cash losses during the current financial year but has incurred cash losses in the previous financial year.

- (xi) The Company has no facilities from banks and financial institutions.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not obtained any term loans during the year.
- (xvii) On an overall examination of the balance sheet of the Company, we are of the opinion that no short-term funds have been used for long-term investments.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money through public issues during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year.

For Singrodia Goyal & Co.
Chartered Accountants
(Firm Reg. No : 112081 W)

Place: Mumbai
Date : 14th May, 2010

Suresh Murarka
Partner
Mem. No. 044739

Balance Sheet as at 31st March, 2010

	SCH.	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
I. SOURCES OF FUNDS			
SHAREHOLDERS FUND			
Share Capital	'1'	50,006,000	50,006,000
Reserves & Surplus	'2'	2,382,351	581,109
TOTAL		52,388,351	50,587,109
II. APPLICATION OF FUNDS			
CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors	'3'	—	417,735
Cash & Bank Balances	'4'	31,348,096	48,835,360
Loans & Advances	'5'	32,953,254	1,383,501
		64,301,350	50,636,596
Less: Current Liabilities & Provision	'6'	11,912,999	49,488
NET CURRENT ASSETS		52,388,351	50,587,108
	TOTAL	52,388,351	50,587,109
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	'11'		

AS PER OUR REPORT ATTACHED OF EVEN DATE
For SINGRODIA GOYAL & CO.
Chartered Accountants

SURESH MURARKA
PARTNER
Mem. No. 044739

Place : Mumbai
Dated : 14th May, 2010

For and on behalf of the Board of Directors

MAHESH SARAF
*Chairman &
Managing Director*

YOGESH SINGHANIA
Director

Profit & Loss Account for the Year Ended 31st March, 2010

	SCHE.	FOR THE YEAR ENDED 31.03.2010 (Rs.)	FOR THE YEAR ENDED 31.03.2009 (Rs.)
A. INCOME			
Income from Operations	'7'	11,500,000	4,809,238
Other Income	'8'	4,276,503	3,971,200
		<u>15,776,503</u>	<u>8,780,438</u>
B. EXPENDITURE			
Cost of Goods Sold	'9'	11,800,000	—
Loss in Share Trading Activities		—	8,160,326
Administration and Other Expenses	'10'	1,383,721	1,485,854
		<u>13,183,721</u>	<u>9,646,180</u>
Profit/(Loss) Before Tax		2,592,782	(865,743)
Less: Provision for Tax			
Current Tax		791,000	—
Deferred Tax Liability / (Assets)		—	—
Fringe Benefit Tax		—	2,876
Tax for earlier years		540	—
		<u>791,540</u>	<u>2,876</u>
Profit / (Loss) After Tax		1,801,242	(868,619)
Add : Balance as per last year		581,109	1,449,728
		<u>2,382,351</u>	<u>581,109</u>
Balance Transferred to the Balance Sheet		2,382,351	581,109
Earning per share of Rs. 10/- each - Basic		0.36	(0.17)
- Diluted		0.36	(0.17)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

'11'

AS PER OUR REPORT ATTACHED OF EVEN DATE

For and on behalf of the Board of Directors

For SINGRODIA GOYAL & CO.

Chartered Accountants

SURESH MURARKA

PARTNER

Mem. No. 044739

MAHESH SARAF

Chairman &
Managing Director

YOGESH SINGHANIA

Director

Place : Mumbai

Dated : 14th May, 2010

Cash Flow Statement for the Year Ended 31st March, 2010

Particulars	Year Ended 31.3.2010 (Rs.)	Year Ended 31.3.2009 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxation & Extraordinary items	2,592,782	(865,743)
Add/(Less) Adjustments for:		
(Profit)/Loss from Sale of Investment	—	150,000
(Profit)/Loss from Sale of Premises	—	(3,971,200)
Dividend received	—	(157,538)
Interest received	(4,276,503)	—
Operating Profit before working Capital Changes	(1,683,721)	(4,844,481)
Adjustment For:		
Trade and other Receivables	417,735	(417,735)
Inventories	—	11,259,865
Loans and advances	(10,041,642)	35,767,990
Trade Payable	11,863,512	8,304
Net Cash from Operating Activities	555,883	41,773,943
Net Income Tax paid	344,568	(770,952)
Net Cash Flow from Operating Activities	(a) 900,451	41,002,991
B) CASH FLOW FROM INVESTING ACTIVITIES		
Loans Given	(22,664,219)	—
Sale of Investment	—	2,600,000
Sale of Premises	—	11,107,800
Purchase of Premises	—	(7,136,600)
Dividend received	—	157,538
Interest received	4,276,503	—
Net Cash Flow from Investment Activities	(b) (18,387,716)	6,728,738
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest on Loans	—	—
Net Cash Flow from Financing Activities	(c) —	—
Net Increase/(Decrease) in Cash & Cash Equivalents	(a+b+c) (17,487,264)	47,731,729
Add: Cash & Cash Equivalents at the beginning of year	48,835,360	1,103,631
Cash & Cash Equivalents at the end of year	31,348,096	48,835,360

Note: 1. Cash & Cash equivalent at the end of the year consist of cash in hand and balances with banks and are net of short term loans and advances from banks as follows:

Particulars	As at 31.03.2010	As at 31.03.2009
Cash in hand	14,180	3,214
Balances with Bank		
In Current Account	41,173	1,046,502
In Fixed Deposit Account	31,292,743	47,785,645
	31,348,096	48,835,360

2 Previous Year Figures have been regrouped , rearranged wherever necessary in order to confirm to current year's presentation.

For and on behalf of the Board of Directors

For SINGRODIA GOYAL & CO.
Chartered Accountants

SURESH MURARKA
PARTNER
Mem. No. 044739

MAHESH SARAF
Chairman &
Managing Director

YOGESH SINGHANIA
Director

Place : Mumbai
Dated : 14th May, 2010

Schedules Forming Part of the Balance Sheet as on 31st March, 2010

Particulars	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE : '1' - SHARE CAPITAL		
Authorised Capital		
55,00,000 Equity Shares of Rs.10 each	55,000,000	55,000,000
	55,000,000	55,000,000
Issued, Subscribed and paid- up Capital		
50,00,600 Equity Shares of Rs.10 each fully paid up.	50,006,000	50,006,000
	50,006,000	50,006,000
SCHEDULE: '2' - RESERVES & SURPLUS		
Balance of Profit & Loss Account	2,382,351	581,109
	2,382,351	581,109
SCHEDULE : "3" - SUNDRY DEBTORS		
(Unsecured, Considered Good)		
Debts outstanding for a period less than Six Months	—	417,735
	—	417,735
SCHEDULE : "4" - CASH & BANK BALANCES		
Cash in Hand	14,180	3,214
Balances with Scheduled Banks		
In Current Accounts	41,172	1,046,502
In Fixed Deposit Accounts	31,292,743	47,785,645
	31,348,096	48,835,360
SCHEDULE : "5" - LOANS & ADVANCES		
(Unsecured, Considered Good)		
Advance recoverable in cash or kind for which value to be received	10,042,000	359
Loans	22,664,219	—
Advance Tax & TDS (Net of Provisions)	247,035	1,383,142
	32,953,254	1,383,501

Schedules Forming Part of the Profit & Loss Account for the year ended 31st March, 2010

Particulars	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE: '6' - CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors		
Due to Micro, Small & Medium Enterprises (Refer Note: B(4) of Schedule "11")	—	—
Due to Others	54,774	33,075
Other Liabilities	7,413	6,429
Book Overdrafts	11,850,812	9,984
	11,912,999	49,488
 SCHEDULE : '7' - INCOME FROM OPERATIONS		
Sales	11,500,000	—
Interest (TDS Rs. Nil, P.Y. Rs. 7,56,887/-)	—	3,894,474
Bill Discounting Charges	—	705,413
Brokerage & Commission (TDS Rs. Nil, P. Y. Rs. 4,823/-)	—	51,813
Dividends	—	157,538
	11,500,000	4,809,238
 SCHEDULE: '8' - OTHER INCOME		
Profit on Sale of Fixed Asset	—	3,971,200
Interest (TDS Rs. 4,99,971/- P. Y. Rs. Nil)	4,276,503	—
	4,276,503	3,971,200
 SCHEDULE: '9' - Cost of Goods Sold		
Opening Stock	—	—
Add : Purchases	11,800,000	—
Less : Closing Stock	—	—
	11,800,000	—

Schedules Forming Part of the Profit & Loss Account for the year ended 31st March, 2010

Particulars	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
SCHEDULE: '10' - ADMINISTRATIVE AND OTHER EXPENSES		
Salaries	264,000	199,000
Staff Welfare Expenses	17,536	—
Legal & Professional Charges	48,709	53,480
Auditors Remuneration	34,194	30,008
Travelling & Conveyance	219,302	186,156
Printing & Stationery	12,480	20,655
Advertisement Expenses	40,749	34,914
Securities Transaction Tax	—	59,455
Share Transaction Charges	—	76,909
Fees & Registration Charges	115,117	620,543
Registrar Charges	31,266	51,095
Loss on Sale of Investments	—	150,000
Business Promotion Expenses	585,600	—
Miscellaneous Expenses	14,768	3,639
	<u>1,383,721</u>	<u>1,485,854</u>

Schedules Forming Part of the Accounts for the Year Ended 31st March, 2010

Schedule '11': Significant Accounting Policies and Notes on Accounts

A. Significant Accounting Policies

1. Basis of Preparation of Financial Statements

The Financial Statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956 and comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

2. Investments

Investments that are intended to be held for more than a year from the date of acquisition, are classified as long term investment and are carried at cost less any provision for permanent diminution in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

3. Inventories

Inventories are valued at lower of cost or market value.

4. Revenue Recognition

- i) Revenue from sale of software licenses are recognized upon delivery to the customer.
- ii) Profit or Loss from dealing in shares and securities are recognized on settlement dates.
- iii) Dividend income is recognized when right to receive payment is established
- iv) In respect of other heads of income, the Company follows the practice of accounting on accrual basis.

5. Provision for Income Tax

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred tax assets are reviewed as at each Balance Sheet date.

6. Treatment of Contingent Liabilities.

- i) Provisions are recognized in terms of Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent Assets issued by The Institute of Chartered Accountants of India (ICAI), when there is a present

legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

ii) Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

iii) Contingent Liabilities are disclosed by way of notes.

B. Notes on Accounts

1. Estimated amount of contracts remaining to be executed on capital account not provided for net of Advances Rs.200 Lakhs. (Previous year Nil)
2. Some of the Sundry creditors and Loans & Advances are subject to confirmation and reconciliation. Consequential adjustment thereof, if any, will be given effect into the books of accounts in the year of such adjustments.
3. The Company has not made provision for Gratuity during the year as no employee have completed six month period of service.
4. As on 31.03.2010, there are no dues to Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act, 2006".
5. The Company had made an application to the Reserve Bank of India (RBI) for deregistering the Company from Non-Banking Finance Company (NBFC). The said application has been approved by the Reserve Bank of India (RBI) vide order dated September 04, 2009.
6. In the opinion of Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated as realisable in the ordinary course of business and the provisions of all known liabilities are adequate and not in excess of amount reasonably necessary.
7. The name of the Company has been changed from Jatia Finance Limited to Starcom Information Technology Limited and the fresh certificate of incorporation dated 10th December, 2008 has been received from the Registrar of Companies, Mumbai
8. Auditor's Remuneration

Particulars	2009-10 (Rs.)	2008-09 (Rs.)
Statutory Audit	10,000	10,000
Tax Audit	5,000	5000
Other Services	16,000	12,000
Tax	3,194	3,008
Total	34,194	30,008

9. Additional information pursuant to the provisions of Part II of Schedule VI of the Companies Act, 1956

i) The quantitative information of opening stock, purchases, sales and closing stock are given below.

Particulars		31st March 2010		31st March 2009	
		Quantity	Value	Quantity	Value
		Nos.	(Rs.)	Nos.	(Rs.)
Opening Stock (A)					
Equity Shares		—	—	101,000	11,259,864
Software		—	—	—	—
TOTAL	(A)	—	—	101,000	11,259,864
Purchases					
Equity Shares		—	—	1,009,564	28,355,973
Software		3	11,800,000		
TOTAL	(B)	—	—	1,009,564	28,355,973
Sales					
Equity Shares		—	—	1,110,564	33,628,932
Software		3	11,500,000		
TOTAL	(C)	—	—	1,110,564	33,628,932
Closing Stock					
Equity Shares		—	—	—	—
Software		—	—	—	—
TOTAL	(D)	—	—	—	—
Profit/(Loss) on Trading in Options/Futures (Net)	(E)	—			(2,173,421)
Loss	(A+B-C-D-E)	—			8,160,326

Transactions & Stocks on account of error trades/trades not confirmed by clients have not been considered

ii) Expenditure, earning and remittance in foreign currency: Nil

10. Earnings Per Share

Particulars	2009- 2010	2008-2009
A Weighted average number of Equity Shares of Rs. 10/- each		
i Weighted average number of Equity Shares outstanding during the year	50,00,600	50,00,600
ii Weighted average number of Potential Equity Shares outstanding during the year	50,00,600	50,00,600
B Net Profit/(Loss) after Tax available for Equity shareholders (Rs.)	18,01,242	(868,619)
C Basic Earnings Per Share (in Rs.) {B/A (ii)}	0.36	(0.17)
D Diluted Earnings Per Share (in Rs.) {B/A (iv)}	0.36	(0.17)

11. Related Party Disclosures

Related party disclosures as required by the Accounting Standard -18 on "Related Party Disclosures" Notified by the Companies (Accounting Standard) Rules, 2006 are given below:

i) For the year ended 31st March 2010,

(a) Key Management Personnel

Name of Person	Category
Mr. Mahesh Saraf	Managing Director

During the year, the Company has not entered into transaction with any related party.

ii) For the year ended 31st March 2009,

(a) Key Management Personnel

Name of Person	Category
Mr. Mahesh Saraf	Managing Director
Mr. Anil Raika	Whole Time Director *

*Resigned w.e.f 24th January, 2009

(b) Associates

M/s. Impex Developers Limited	Associate Concern
-------------------------------	-------------------

Transactions with the related parties during the year :

Amount (in Rs.)

Nature of Transactions	Refer to (a) above		Refer to (b) above	
	Current Year	Previous Year	Current Year	Previous Year
Repayment of Loans Received	Nil	Nil	50,00,000	Nil
Outstanding : Loans & Advances	Nil	Nil	Nil	50,00,000

12. Segment Information

The segment wise details as per Accounting Standard 17 "Segment Reporting" as notified by the Companies (Accounting Standard) Rules, 2006 is not applicable as there are no separate reportable segments

13. Deferred Taxes

There are no items attributable to the timing difference between taxable income and accounting income hence no deferred tax liabilities (assets) as required by Accounting Standard (AS) - 22 as notified by the Companies (Accounting Standard) Rules, 2006 has been recognized during the year.

14. Previous year figures have been regrouped, reclassified and rearranged wherever necessary

For and on behalf of the Board of Directors

For SINGRODIA GOYAL & CO.

Chartered Accountants

SURESH MURARKA

PARTNER

Mem. No. 044739

MAHESH SARAF

Chairman &
Managing Director

YOGESH SINGHANIA

Director

Place : Mumbai

Dated : 14th May, 2010

Additional Information as required under Part IV of Schedule VI to The Companies Act, 1956.

Balance Sheet Abstract and Company's Business Profile

I	Registration details		
	Registration no.	State code	Balance sheet date
	85704	11	31.03.2010
II	Capital raised during the year (Amount in Rs. Thousands)		
	Public issue	Rights issue	Bonus issue
	NIL	NIL	NIL
	Private placement		
	NIL		
III	Position of mobilisation and development of funds (Amount in Rs. Thousands)		
	Total liabilities	Total assets	
	52,388	52,388	
	Sources of funds		
	Paid up capital	Reserves & surplus	Secured loans
	50,006	2,382	NIL
	Unsecured loans		
	NIL		
	Application of funds		
	Net Fixed Assets	Investments	Net Current Assets
	NIL	—	52,388
	Deferred Tax Assets		
	NIL		
IV	Performance of the Company (Amount in Rs. Thousands)		
	Turnover	Total Expenditure	
	Rs. 15,777	Rs. 13,184	
	Profit/Loss (Before Tax)		Profit/Loss (After Tax)
	2,593		1,801
	Earnings per Share in Rs.		Dividend Rate (%)
	0.36		NIL
V	Generic names of one principal products/services of the Company (as per monetary terms)		
	Item Code No.:	0807	
	Product Description :	Designing, Developing & Dealing in Software & other allied activities	

For and on behalf of the Board of Directors

For SINGRODIA GOYAL & CO.

Chartered Accountants

SURESH MURARKA

PARTNER

Mem. No. 044739

MAHESH SARAF

Chairman &
Managing Director

YOGESH SINGHANIA

Director

Place : Mumbai

Dated : 14th May, 2010

STARCOM INFORMATION TECHNOLOGY LIMITED

Regd. Office: 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400063

ATTENDANCE SLIP

Annual General Meeting on Saturday, September 25, 2010 at 10.00 A.M. at Registered Office at 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai- 400 063.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id*

Registered Folio No.

Client Id*

NAME AND ADDRESS OF THE MEMBER :

No. of Share(s) held :

I hereby record my presence at the Fifteenth Annual General Meeting of the Company at the 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai- 400 063, on Saturday, September 25, 2010 at 10.00 A.M.

Signature of the Member/Proxy _____

* Applicable for investors holding shares in electronic form.

----- Cut here -----

STARCOM INFORMATION TECHNOLOGY LIMITED

Regd. Office: 315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400063

PROXY FORM

DP Id*

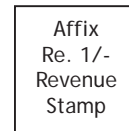
Registered Folio No.

Client Id*

I/We _____ of _____ being a Member(s) of STARCOM INFORMATION TECHNOLOGY LIMITED hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy to vote for me/us and on my/our behalf at the **Fifteenth Annual General Meeting** of the Company to be held on Saturday, September 25, 2010 at 10.00 A.M. and at any adjournment thereof.

Signed 2010.

Place:



Signature

* Applicable for Members holding shares in electronic form.

Note: The Proxy in order to be effective, should be duly completed, stamped, signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting. The Proxy need not be a Member of the Company.

BOOK-POST
PRINTED MATTER

MARK PAPERS • (022) 2201 4824

TO

If undelivered, please return to:

STARCOM INFORMATION TECHNOLOGY LIMITED

Regd. Office:

315, Corporate Avenue, Sonawala Road, Goregaon (East), Mumbai - 400063