

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Anand Agarwal	Chairman & Managing Director
Mr. Amit Khandelwal	Independent Director
Mr. Anoop Mohindra	Independent Director

AUDITORS

Ritesh Burad & Co,
Chartered Accountants

BANKERS

IDBI Bank, Mumbai

STOCK EXCHANGE WHERE SHARES LISTED

Bombay Stock Exchange Limited
Pune Stock Exchange Limited
Ahmedabad Stock Exchange Limited

REGISTRAR & SHARE TRANSFER AGENTS

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

REGISTERED OFFICE

401/B, 4th Floor,
Kemp Plaza, Mind Space,
Link Road, Malad (West),
Mumbai – 400 064.

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Directors Report

To
The Members,

The Directors have pleasure in presenting the Annual Report and the Audited Account for the Year ended 31st January, 2010.

Financial Results

The salient features of the Company's financial results for the year under review are as follows:

Particulars	(Rs. In Lacs)	
	31.01.2010	31.01.2009
Net Sales / Income from Operations	131.96	535.66
Other Income	NIL	3.16
Total Income	131.96	538.82
Operating Profit before interest, Depreciation and Tax	29.51	96.62
Interest	1.60	13.01
Depreciation	16.72	32.24
Profit before tax (PBT)	11.19	51.37
Provision for Taxation	1.34	10.95
Net profit for the Year	9.85	40.42
Profit brought forward	293.95	286.20
Profit available for appropriation	303.80	326.62
APPROPRIATIONS		
General Reserves	0.98	32.66
Surplus carried to Balance Sheet	302.82	293.96

Performance of the Company

During the year under review, the income from operation was Rs. 131.96 lakhs as against Rs. 538.82 lakhs earned in the previous year. After offsetting the expenses the company earned a Net Profit of Rs. 9.85 lakhs against Rs. 40.42 lakhs achieved during the corresponding period of the previous year. The directors are optimistic about the future of the company.

The Earning per Share (EPS) (based on weighted average number of shares) for the year was Rs. 0.03 as against Rs. 0.11 achieved during the corresponding period of previous year.

Dividend

In order to conserve resources for future growth, your Directors do not recommend any dividend for the year.

Transfer to Reserves

The Company has transferred Rs. 0.98 Lakhs during the year (P.Y. Rs 32.66 Lakhs) to the General Reserve and have also retained an amount of Rs.302.82 Lakhs during the year (P.Y.293.96 Lakhs) in the Profit and Loss Account.

Retail Business

During the year, your Company focused its attention on building a strong & healthy relationship in the agri-business value chain. In this objective your company has commenced marketing of vegetables which the company sources directly from farmers. Your company provides its customers with high quality produce that has better shelf life and more consistent quality in keeping the best interest of the consumers. The vision of the company is to generate inclusive growth and prosperity for farmers, vendor partners, small shopkeepers and consumers.

Retail Software

During the year, the company concentrated its activities in Retail of E-Horoscope i.e. 'Om Astrosoft' by implementing comprehensive quality policy to deliver results on time and within budget. The company started E-Horoscope reports in regional languages to its customers through counters, spread across the retail outlets. The astrology software application is very user-friendly, and even a trainee operator can generate the reports. Our main focus is on the customer demanded for various Astro services like complete horoscope, horoscope with remedies, Gem recommendation, Numerology, Marriage compatibility etc. The company also further developed its marketing of PS-Excise software by tieingup with Priti Software. Due to the recessionary trend, the sales of retail software for the last two quarters was on decline, resulting lower sales and profitability.

Deposits and Loans / Advances

Your company has not invited or renewed deposits from the public/shareholders in accordance with Section 58 A of the Companies Act, 1956.

Directors

As per the Articles of Association of the company, Mr. Amit Khandelwal retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Profiles of these Directors, as required by Clause 49 of the Listing Agreements are given in the Section on "Corporate Governance".

During the year Mr Anupam Nadwana ceased to be director due to his resignation. The directors place on record their appreciation for the services provided by him to the company.

Auditors

M/s. Ritesh Burad & Co., Chartered Accountants, Statutory Auditors of the Company retires at the conclusion of ensuing Annual General Meeting. The directors recommend their re-appointment as the statutory auditors for the financial year 2010-11.

M/s. Ritesh Burad & Co, Chartered Accountants have confirmed their eligibility and willingness to accept office, if appointed.

Auditors Report

The observations made by the Auditors in their Report are Self Explanatory and need no further elaboration.

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act 1956, the Board Of Directors hereby states and confirms:

- i) That in the preparation of the Annual accounts for the financial year, the applicable accounting standards have been followed along with the proper explanations relating to material departures;
- ii) That the Company has selected accounting policies described in the notes to accounts, which has been consistently applied except where otherwise stated and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st January, 2010 and of the profit of the company for the year;
- iii) That they have taken proper and sufficient care for the maintenance of the 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; and
- iv) That the Annual Accounts have been prepared on the historical cost convention as a going Concern basis and on accrual basis.

Particulars of Employees

During the year under review there was no employee employed in the financial year who was in receipt of remuneration in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956, read with companies (Particulars of Employee) Rules, 1975.

Employee Relations

The Board of Directors of the company places on record its sincere appreciation for the valuable and dedicated services rendered by all the employees of the company and acknowledges the contribution of all the employees to the Company's performance. During the year under review our employee relations continued to be cordial.

Secretarial Compliance Report

As a reflection of your Company's commitment to transparency, the Board is pleased to enclose the Secretarial Compliance Report for the financial year 2009-10 as a part of this Director's Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

As your company is not engaged in manufacturing activities, the reporting requirement on these matters is not applicable and Foreign exchange earning & outgo during the year is NIL.

Corporate Governance Report and Management's Discussion and Analysis Statement

A report on Corporate Governance is attached to this Report as also a Management Discussion and Analysis statement.

Appreciation and Acknowledgements

Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry.

The Board place on record their appreciation for the support and co-operation your Company has been receiving from its farmer, suppliers, redistribution stockists, retailers, business partners, canteen stores department and others who are associated with the Company as its trading partners. Your Company looks upon them as partners in its progress and shares with them the rewards of growth. It will be the Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, co-operation with each other, consistent with consumer interests.

Directors also take this opportunity to thank all investors, clients, vendors, banks, regulatory, government authorities, stock exchanges and shareholders for their continued support to the company.

On behalf of the Board
For Hit Kit Global Solutions Limited

Place : Mumbai
Date : 25.06.2010

Anand Agarwal
Managing Director

Annexure to the Directors' Report Management Discussion and Analysis

The management of Hit Kit Global Solutions Limited presents the analysis of the performance of the company for the year 2009-10 and its outlook for the future. This outlook is based on an assessment of the current business environment. It may vary due to future economy and other developments both in India and Abroad.

Although economy has been growing slowly including the retail sector, there were several complex challenges facing this sector. Despite of the challenges your company has remained resilient against adversities and has leveraged opportunities to deliver results.

Outlook

The global economy suffered a slowdown all over the world; afflictions that started as financial sector issues in the US spread fast to the real sectors of the economy across the globe. Although India's domestic economy grew strongly for the whole year, many sectors like automotives, capital goods, retails, consumer durables and realty decelerated significantly towards the second half of the year.

Another major issue we had to contend with during the year was unprecedented volatility in the price of commodities, driven largely by the swings in petroleum crude prices. Severe and continued rise during the year, the precipitous fall towards the later part of the year, and the associated uncertainties in material price movements needed very careful examining by the management.

Nature of Business

The Company is engaged in business of Retail of E-Horoscope generated out of the Astrology software 'Om Astrosoft' to its customers through counters spread across the retail outlets. The company is also engaged in marketing of PS-Excise software of Priti Software. The Company's also carrying its business in agri-business value chain and has commenced marketing fruits, vegetables and staples.

Segment wise Performance

A. Retail Business

During the year under review, your Company strategically increased its focus on retail vegetable business thereby sustaining its earnings from Retail of vegetables. The sales turnover has been broad based, competitive and profitable. Your Company has adopted unique retailing strategy of selling its products in retail market, without permanently hiring the retail counters, thereby cutting down the cost of markets.

B. Software Business

In addition, during the year under review, the Company has tie up with freelancers astrologers who provide guidance based on the Hindu system of astrology and they calculate the entire chart and the planets that need to be harmonized and provide customers appropriate predictions/remedies, if required.

Strengths, Risks and Concerns

A. Strengths

Over last two years in retail business, your Company has developed supply chain for retailing vegetables from farmer or whole seller to the consumers. In IT business, company provides with one of the most accurate and personalized astrology analysis based on OM ASTROSOFT. The interpretation of the E-horoscope is generally made by the freelancers astrologers giving edge over competitors.

B. Risk, Concerns and Risk Mitigation

Risk Management is a critical exercise for all organizations, particularly ones operating in many locations / countries. The main aim of risk management is to identify and analyse the risks through a structured Risk-Benefit Analysis and mitigate those risks which are not beneficial to the organisation.

Financial Performance & Position

The financials of the Company are prepared in accordance with the Generally Accepted Accounting Principles in India. During the year under review, revenue of your Company was Rs. 131.96 lakhs as against Rs. 538.82 Lacs in the previous year and Net Profit for the year of Rs. 9.85 lakhs against Rs. 40.42 lacs in the previous year.

Human Resources/ Industrial Relations

The Company believes that the success of an organization largely depends on the quality of the products it offers in the market and competitive price to the consumers. The company has developed good quality supply chain.

Employee Relations

The Board of Directors take this opportunity to sincerely acknowledge the dedicated services and contribution of all the employees to the Company's satisfactory performance. Your company believes in retaining talents. To enhance the skills of the employees as well as to enable them to face the growing challenges the higher management regularly interacts with its employees. Our employee relations continue to be cordial.

Internal Control Systems and Adequacy

The Company has adequate internal control systems in place commensurate with the size and nature of business which covers all significant areas of the company's operations and reported to the Audit Committee of the Company, for their review in its meetings.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, expectations and estimates are 'forward looking statements'. Actual results might differ from those anticipated because of changing ground realities.

Annexure to the Directors' Report Report on Corporate Governance

I. Mandatory Requirements

Company's philosophy on Code of Governance:

The Management believes that corporate growth, goals, transparency and enhanced stakeholder value are to be achieved only through good Corporate Governance.

Board of Directors

Composition

The Board consists of the qualified and able persons with vast experience in industry, finance management and law. The Company is in full compliance with the Clause 49(I) (A) of the Listing Agreement(s). The present strength of the Board is 3 Directors and complies with the requirements of clause (49) of Listing Agreement.

Attendance, Directorship & Committee Membership

Name of the Director	Category Of directorships @	No.of Board Meetings attended out of 8 held	Attendance at the last AGM held on 22.07.09	Number of Other Directorship#	Number of other Committee Memberships \$	
					Member	Chairman
Mr. Anand Agarwal	MD	8	Attended	1	1	3
Mr. Amit Khandelwal	NED (I).	8	Attended	--	3	1
Mr. Anoop Mohindra	NED.(I)	3	Attended	-	4	--
@ Category of Directorship: WD – Whole Time Director, NED (I) – Non Executive Director and Independent. # Includes Alternate Directorships, and Directorships in Private Companies. \$ As required by the existing Clause 49 of the Listing Agreements entered into with the Stock Exchanges, only Memberships/Chairmanships of the Audit Committee, Remuneration Committee, Investors Grievance Committee and STC of the public companies have been considered. No Director holds any shares in the company.						

ROLE OF INDEPENDENT DIRECTORS

Independent Directors play a key role in the decision-making process of the Board by participating in framing the overall strategy of the Company. The Independent Directors are committed to acting in what they believe to be in the best interest of the Company and its stakeholders.

Board Procedure

The Board meets at least once a quarter to consider and approve the Financial Results, Compliance of stock exchanges and review the operations and Performance of the Company. All the Board meetings are properly scheduled. Notice and Agenda papers containing all the relevant information are circulated to the Directors well in advance of each Board Meeting. All the relevant and necessary information / documents are made available to the Board so as to enable the directors to take informed decisions. The Minutes of each Board / Committee meetings are circulated in draft to all the Directors for seeking their confirmation before the same is recorded in Minutes Book.

Brief Profile of the Director proposed for Re-appointment:

As Director of the company:-

Mr. Amit Khandelwal is a B.Com and holds a post graduate degree in M.D.S.E. He is a Software Engineer with areas of specialization in Windows N.T. 4.0, UNIX, Oracle 8, and MS SQL. He is designated as Non-Executive Independent Director on the Company's Board. His qualifications and experience would be a great asset for the company. He is director on the Board of the Company. He is a member of the committees.

Number of Board Meetings

During the year 8 (Eight) Meetings of the Board of Directors were held as follows: 26.02.2009, 13.04.2009, 18.05.2009, 19.06.2009, 15.07.2009, 28.08.2009, 10.10.2009 & 16.11.2009.

Date of the Board Meeting	Total No. of Directors	No. of Directors who attended
26.02.2009	3	3
13.04.2009	3	2
18.05.2009	3	2
19.06.2009	3	3
15.07.2009	3	2
28.08.2009	3	2
10.10.2009	3	2
16.11.2009	3	3

Committees of the Board**Audit Committee of Directors**

The functioning and terms of reference of the audit committee including the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of section 292A of the Companies Act, 1956 and the listing Agreement with the Bombay Stock Exchange Ltd.

The Company has a Internal Audit Team which submits its report directly to the Audit Committee on a quarterly basis. The Chairman of the Audit Committee attended the last Annual General Meeting held on 22nd July, 2009 to answer shareholders queries.

The Audit Committee is responsible for:

- (i) Effective supervision of the financial reporting process, ensuring financial, accounting and operating controls and compliance with established policies and procedures.
- (ii) Evaluating the adequacy of internal controls and its effectiveness.
- (iii) Reviewing the financial results of the Company for each quarter/ year before the same are placed at the Board meeting for approval.
- (iv) Providing an avenue for effective communication between the Internal Audit, the Statutory Auditors and the Board of Directors.

Composition and Attendance

Name	No. of Meetings Attended
Mr. Amit Khandelwal	5
Mr. Anoop Mohindra	5
Mr. Anand Agarwal	3

The Chief Financial Officer, the Internal Auditor and the Statutory Auditors are permanent invitees to the audit committee meetings. It has been the practice of the Chairman of the Audit Committee to extend an invitation to the Managing Director and Executive Directors to attend all the meetings.

During the year ended January 31, 2010, five meetings of the Audit Committee were held on the following dates:

- (i) February 26, 2009 (ii) May 18, 2009 (iii) June 19, 2009 (iv) August 28, 2009 and (v) November 16, 2009

Mr. Amit Khandelwal, Chairman of the Audit Committee has financial and accounting background and knowledge.

The Minutes of the Audit committee meetings are noted by the Board of Directors at the Board meetings. The Chairman of the Audit Committee was present at the previous Annual General Meeting held on 22nd July 2009.

Investor Grievances Committee

Terms of Reference of the Investors Grievance Committee are as per the guidelines set out in the listing agreement with the Bombay Stock Exchange Limited and the relevant clauses of the Articles of Association of the Company that inter alia include looking into the Investors complaints on transfer of shares, non receipt of Annual Accounts, non receipt of dividends declared etc. and the redressal thereof.

Composition and Attendance

Name	No. of Meetings Attended
Mr. Anand Agarwal	4
Mr. Amit Khandelwal	4
Mr. Anoop Mohindra	2

During the year ended January 31, 2010, Four meetings of the Investor Grievances Committee were held on the following dates:

(i) February 26, 2009 (ii) May 18, 2009 (iii) August 28, 2009 and (iv) November 16, 2009

The Company attends to the Investor's grievances / correspondence expeditiously except in the case that are constrained by dispute or legal impediments.

a.	No. of Shareholders complaints received during the year	3
b.	No. of complaints not resolved to the satisfaction of the shareholders.	NIL
c.	No. of pending share transfers as on January 31, 2010.	NIL

Mr. Bhusan Palande is the Compliance Officer of the Company.

Remuneration Committee

Terms of Reference of the Directors Remuneration Committee are as per the guidelines set out in the listing agreement with the Bombay Stock Exchange Limited that inter alia include determination of the Company's policy on specific remuneration packages for Directors.

Composition and Attendance

Mr. Anand Agarwal is the Chairman of the Remuneration Committee. Other members of the Committee consist of Mr. Amit Khandelwal and Mr. Anoop Mohindra. During the year no meeting of Remuneration Committee was held.

Remuneration Policy

The terms of reference / role of the Remuneration Committee is to determine the Company's policy on the remuneration package of its Executive Directors and to determine and approve the terms & conditions and remuneration package of its Executive Directors, including revision thereof from time to time, and to deliberate on and decide matters incidental thereto or consequential thereof. The details of remuneration paid to Executive Directors are given separately in the Report.

The Non-Executive Independent Directors are entitled for sitting fee as per below for every meeting of the Board or committee thereof. They are also reimbursed all traveling and other expenses incurred by them in connection with attending meetings of the Board of Directors or of Committees thereof or which they may otherwise incur in the performance of their duties as Directors.

Annual Remuneration paid / payable to the Managing Director for the financial year ended January 31, 2010 is given as under:

Name of the Director	Salary (inclusive of perquisites) Rs. In Lakhs	Service Contract
Mr. Anand Agarwal Managing Director	2.51	Re-appointed as Managing Director, for a period of 5 years from 16.07.2009 to 15.07.2014

Remuneration includes salary, reimbursement of medical expenses & other perquisites.

Annual Remuneration paid/payable to the Non- Executive Directors for the financial year ended Jan 31, 2010 is given as under:

The Non-Executive directors were not paid any remuneration except sitting fees for attending the meetings of the board of directors and/ or committees thereof. The details of sitting fees paid to the non-executive director are as under:

Name of the Director	Sitting fees (Rs.)
Mr. Amit Khandelwal	22,000/-
Mr. Anoop Mohindra	10,000/-

Share Transfer Committee (STC)

Terms of Reference of the Share Transfer Committee are as per the guidelines set out in the listing agreement with the Bombay Stock Exchange Limited and pursuant to Article 132 of Articles of Association of the Company that inter alia include approval and registration of transfers and/ or transmissions of equity shares of the Company and do all other acts and deeds as may be necessary or incidental to the above.

Composition and Attendance

Name	No. of Meetings Attended
Mr. Anand Agarwal	2
Mr. Amit Khandelwal	2
Mr. Anoop Mohindra	2

The present composition of STC consists of Three Directors. Mr, Anand Agarwal is Chairman of the Committee and other two Directors are Non Executive and Independent Directors. The Minutes of the Meetings of the aforesaid Committees are noted by the Board of Directors at the Board Meetings.

CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT:

The Company's has adopted a Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practice (Insider Trading Code) and Ethics for Directors and Senior Management Team with an objective to ensure strict adherence to the Company's best practices and consistently improve upon them. The Code has been posted on the Company's website www.hitkitglobal.com. The Code has been circulated to all the members of the Board and Senior Management Team and they have affirmed compliance of the same.

The declaration signed by the Managing Director is given below:-

I hereby confirm that the Company has obtained affirmation from all the members of the Board and Senior Management that they have complied with the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practice (Insider Trading Code) and Ethics for Directors and Senior Management in respect of the financial year 2009-10.

Anand Agarwal
Managing Director

General Body Meetings:

Location and time of the last 3 Annual General Meetings and Special Resolutions passed by the Company are noted below:

Financial Year	Location	Day and Date	Time	Special Resolution
2006-07	Juhu Jagruti Hall, Opp. Bhaidas Sabhagriha Bldg., Bhaktivedanta Swami Marg, Vile Parle (W), Mumbai – 400 056.	Monday 31 st July, 2007	10.00 a.m.	No Special Resolution was passed.
2007-08	Juhu Jagruti Hall, Opp. Bhaidas Sabhagriha Bldg., Bhaktivedanta Swami Marg, Vile Parle (W), Mumbai – 400 056.	Monday 21 st July, 2008	10.00 a.m.	One Special Resolution was passed.
2008-09	Kamla Vihar Sports Club, Poisar Gym Khana Road, Kandivali(w), Mumbai 400 067	Wednesday, 22 nd July, 2009	10.00 a.m.	One Special Resolution was passed.

No postal ballot was used / invited at these meetings in respect of special resolutions. The above special resolution was passed with the requisite majority.

Subsidiaries:

The Company do not have any subsidiary.

Disclosures

Related Party Transactions:

During the year under review company has not made any significant related party transactions with its Promoters, Directors or Managing Directors of the Management or relatives etc that may have potential conflict with the interests of the company at large.

Non Compliance by the Company, Penalties, Strictures:

Company has complied with all the requirements of the listing Agreement(s) entered into with the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. There are no penalties or strictures imposed neither on the Company by Stock Exchanges or SEBI or any other statutory authorities relating to the above.

Disclosure of Accounting Treatment

Disclosures of accounting treatment wherever applicable have been made in the Audited Financial Accounts for the year ended 31st January, 2010.

Board Disclosures - Risk Management:

The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures and they are being reviewed periodically.

Senior Management

Disclosures have also been received from the senior managerial personnel relating to the financial and commercial transactions in which they or their relatives may have personnel interest. However, none of this transaction have potential conflict with the interest of the company at a large.

Mandatory requirements

The Company is in full compliance with all the mandatory requirements of Clause 49 of the Listing Agreement(s) entered into with the stock exchange(s).

Non Mandatory Requirements

- a. The Company has adopted the non-mandatory requirements as regards the provisions relating to the Remuneration Committee.
- b. Since the financial results are published in leading newspapers as well as promptly displayed on the Company's website, the same are not sent to each household of the shareholders.
- c. The Company is in the regime of unqualified financial statements.
- d. The Company has not adopted Whistle Blower Policy.
- e. The Board of Directors comprises of highly qualified professionals possessing wide and varied knowledge and experience in their respective fields, which is considered adequate for enabling them to discharge their responsibilities as Directors. As such, there is no formal training programme for the Directors.

Means of Communication

The quarterly, half yearly and yearly financial results of the Company are published in leading newspapers in India which includes the National English newspapers: Free Press Journal and local language Marathi newspaper: Navshakti. The results are also displayed on the Company's website "www.hitkitglobal.com". Press releases made by the Company from time to time. The Company also intimates the stock exchanges all price sensitive information or such other matters which in its opinion are material and of relevance to the investor / shareholders. The Financial Results are not being sent to each household of the Shareholders. The Management's Discussion and Analysis on financial and operational performance of the Company is provided in the Annual Report.

General Shareholder Information

AGM: Date, time and venue	Friday, 30 th July, 2010 at 10.00 a.m. at Privilege INN, Opp. Shakti Ford Showroom, Goregaon - Malad Link Road, Malad (W), Mumbai – 400 064		
Financial Year	01 st February to 31 st January each year.		
Date of Book Closure	25 th July, 2010 to 30 th July, 2010 (both days inclusive)		
Dividend	In order to conserve resources for future growth, your Directors do not recommend any dividend for the year under consideration.		
Listing on Stock Exchanges	<ol style="list-style-type: none"> 1. Bombay Stock Exchange Ltd., P J Towers, Dalal Street, Mumbai – 400 001 Tel: 22721233 / 34 2. Pune Stock Exchange Ltd., Shivleela Chambers, Kumthekar Road, 756, Sadashiv Peth, Pune – 411 030 3. Ahmedabad Stock Exchange Ltd., 7, Kamdhenu Complex, Opp. Sahajanand College, Ahmedabad – 380 015 		
Payment of Annual Listing Fees to Stock Exchanges	The Company has paid the listing fees for the year 2010-11 to the Stock Exchanges where the Company's Shares are listed.		
Stock Code	The Company's Stock Code is 532359		
Market Price Data (BSE)	Month	High (Rs.)	Low (Rs.)
	February, 2009	0.76	0.51
	March, 2009	0.72	0.48
	April, 2009	0.80	0.45
	May, 2009	1.05	0.55
	June, 2009	1.15	0.77
	July, 2009	0.96	0.73
	August, 2009	0.78	0.64
	September, 2009	0.81	0.63
	October, 2009	0.75	0.58
	November, 2009	0.73	0.53
	December, 2009	0.73	0.61
	January, 2010	1.09	0.60
Registrars and Share Transfer Agent	Adroit Corporate Service Pvt. Limited 19, Jafferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059 Time: 10:00 a.m. to 5:00 p.m. (Monday – Friday) Phone: 0091 22 28596060 Fax: 0091 22 28503748		
Share Transfer System	<p>99.96% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with Adroit Corporate Services Pvt. Ltd. at the above mentioned address.</p> <p>Transfer of shares in physical form is normally processed within ten to twelve days from the date of receipt, if the documents are complete in all respects. The directors, Compliance officer and the Company Secretary are severally empowered to approve transfer.</p>		

Shareholding Pattern as on 31st January, 2010	CATEGORY		No. of shares	% of Capital	
	Promoter's		61,06,084	16.50	
	Private Corporate Bodies		52,77,780	14.26	
	Public (In India)		2,54,34,351	68.75	
	NRIs/ OCBs		1,29,161	0.35	
	Clearing Member		52,624	0.14	
	TOTAL		3,70,00,000	100.00	
Distribution of Shareholding as on 31st January, 2010.	No .of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shares holding
	Upto -- - 500	2,348	32.76	7,74,210	2.09
	501 -- 1000	1,872	26.12	18,00,535	4.87
	1001 – 2000	1,060	14.79	19,10,248	5.16
	2001- 3000	453	6.31	12,58,461	3.40
	3001- 4000	205	2.86	7,76,807	2.10
	4001- 5000	443	6.18	21,81,006	5.89
	5001- 10000	423	5.90	34,58,395	9.35
	10001 and above	364	5.08	2,48,40,338	67.14
	TOTAL	7,168	100.00	3,70,00,000	100.00
	Dematerialization of Shares and liquidity	<p>The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 99.96% of the Company's equity share capital are dematerialised as on January 31st, 2010. The Company's equity shares are regularly traded on the Bombay Stock Exchange Limited, in dematerialised form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE309B01023.</p>			

Secretarial Audit Report Regarding Reconciliation of Capital	As stipulated by SEBI, a qualified practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and the total number of shares in physical form.
Compliance Certificate from Auditors	The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges. The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements with the Stock Exchanges and the same is annexed to the Directors' Report and Management Discussion and Analysis. The Certificate from the Statutory Auditors will be sent to the Listed Stock Exchanges alongwith the Annual Return of the Company.
Outstanding GDRs / ADRs and their impact on Equity:	The Company has not issued any of these instruments.
Address for correspondence	Hit Kit Global Solutions Ltd. 401/B, 4th Floor, Kemp Plaza, MindSPACE, Link Road, Malad (W), Mumbai – 400 064. Tel no. 91-22-4003 2272 / 6521 2227 Fax : 91-22- 4003 2271 E-mail address: hitkit.global@gmail.com Designated e-mail address for investor services: info@hitkitglobal.com Website: www.hitkitglobal.com

Auditors' Certificate on Corporate Governance

To the Members of
Hit Kit Global Solutions Limited

We have examined the compliance of conditions of corporate governance by Hit Kit Global Solutions Ltd. ('the Company') for the year ended on 31st January, 2010, as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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 above-mentioned Listing Agreement.

We 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 Ritesh Burad & Co.
Chartered Accountants
(Registration No.117936W)

Ritesh Burad
Proprietor
(Membership No. 103781)

Place : Mumbai
Date : 25.06.2010

Certificate under sub Clause V of Clause 49 of the Listing Agreement

I Anand Agarwal, Managing Director of the Company hereby confirm and certify that

- a) I have reviewed the financial statements and the cash flow statement for the year ended January 31, 2010 and that to the best of my knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing generally accepted 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 for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Committee
- (i) that no significant changes in internal control over financial reporting during the period;
 - (ii) that changes in accounting policies during the period have been disclosed in the Notes to the financial statements; and
 - (iii) that no instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Mumbai
Date : 25.06.2010

Anand Agarwal
Managing Director

Auditors' Report

The Board of Directors**Hit Kit Global Solutions Limited**

1. We have audited the attached Balance Sheet of Hit Kit Global Solutions Ltd as at 31st January, 2010 and the Profit and Loss Account 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 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.

3. As required by the Companies (Auditor's Report) Order, 2003 (as amended by the companies (Auditor's Report) (Amendment) Order, 2004) 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 Paragraphs 4 and 5 of the said order.

4. Further to our comments in the annexure referred in Paragraph '3' above;

(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, so far as it appears from our examination of the books.

(c) The Balance Sheet, Profit and Loss Account dealt with by this report are in Agreement(s) with the books of accounts.

(d) In our opinion, the Balance Sheet, Profit and Loss Account comply with the Accounting Standards referred to in Section 211(3c) of the Companies Act, 1956.

(e) On the basis of written representations received from the directors as on 31st January, 2010 and information given to us, none of the directors is disqualified as on 31st January, 2010 from being appointed as a Director in terms of Section 274(1)(g) 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 accounts together with the notes thereon give the information required by 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 case of the Balance Sheet of the state of affairs of the company as at 31st January, 2010.

&

(ii) In case of the Profit & 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 Ritesh Burad & Co.

Chartered Accountants

(Registration No.117936W)

Ritesh Burad

Proprietor

(Membership No.: 103781)

Place : Mumbai

Date : 25.06.2010

Annexure to Auditors' Report

(Referred to in Paragraph 3 of our report on even date of Hit Kit Global Solutions Ltd. as at 31-01-2010)

- 1) In respect of Fixed Assets
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. We are informed that no material discrepancies were noticed by the management on such verification.
 - c) During the year, in our opinion, a substantial part of the fixed assets has not been disposed off by the Company.
- 2) In respect of its Inventory
 - a) According to the information and explanations given to us, the management conducted physical verification at reasonable intervals during the period under report.
 - b) In our opinion, and according to the information and explanation given to us, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - c) In our opinion, the company has maintained proper records of inventory during the year. Discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt within the books of accounts.
- 3) In respect of Loans Given / Taken

The Company has not granted or 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 and accordingly clause (iii) (b) (C) and (d) of the order are not applicable.
- 4) In respect of Internal Control Procedure

In our opinion and according to the information and explanation given to us, there are adequate internal control procedures for the purchase of Inventory, Securities, Fixed Assets and with regards to the sale of Securities commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- 5) In respect of transactions covered u/s 301 of the Companies Act, 1956.

In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements that needed to be entered into the Register needed to be maintained u/s 301 of the Companies Act 1956.
- 6) The Company has not accepted any deposits from Public.
- 7) In our opinion, the company's internal audit system is commensurate with the size and nature of its business.
- 8) The Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- 9) In respect of Statutory Dues:
 - a) According to the records of the Company, the Company has been regular in depositing undisputed statutory dues including Income tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31-01-2010 for a period of more than six months from the date they became payable.
 - b) The Company does not have any disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
- 10) The Company does not have accumulated losses at the end of the year. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 11) Based on our audit procedures and according to the information and explanations given to us, the company has no dues to a financial institution or bank or debenture holders and hence this clause is not applicable.

- 12) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company 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/or mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (auditors report) Order 2003 is not applicable to the Company.
- 14) The Company is not dealing in or trading in shares, securities, debentures or other investments. Accordingly, the provisions clauses 4(xiv) of the Companies (Auditors Report) order, 2003 are not applicable to the Company.
- 15) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or other financial institutions.
- 16) In our opinion and according to the information and explanations given to us, the company has not taken any term loans. Therefore, clause is not applicable to the Company.
- 17) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that, prima facie, no funds raised on short-term basis have been used for long-term investment, and vice-versa.
- 18) The Company has not made 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 secured debentures during the year.
- 20) The Company has not raised any fund through Public Issue during the year.
- 21) In our opinion and according to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

As per our report on even date

For Ritesh Burad & Co.
Chartered Accountants
(Registration No.117936W)

Ritesh Burad
Proprietor
(Membership No.: 103781)

Place: Mumbai
Date : 25.06.2010

BALANCE SHEET AS AT 31 JANUARY, 2010			
Particulars	Schedule	As at 31.01.2010 (Amount in Rs.)	As at 31.01.2009 (Amount in Rs.)
SOURCES OF FUNDS			
Shareholders' fund			
Share Capital	1	74,000,000	74,000,000
Reserves & Surplus	2	56,995,029	56,010,187
Loan Funds			
		-	-
Total Sources of Funds.....		130,995,030	130,010,187
APPLICATION OF FUNDS			
Fixed assets			
Gross Block	3	10,932,916	13,832,306
Less : Depreciation		6,374,276	5,860,873
Net Block		4,558,640	7,971,434
Capital WIP		36,697,655	17,658,847
		41,256,295	25,630,281
Investments	4	48,832,579	35,253,630
Current assets, Loans & Advances			
Debtors	5	10,173,242	47,062,319
Cash and bank balance	6	1,620,260	1,820,155
Loans and advances	7	28,701,654	21,680,811
		40,495,156	70,563,285
Less : Current Liabilities & Provision			
Current liabilities	8	49,254	1,041,542
Provisions		169,000	1,094,638
		218,254	2,136,180
Net Current Assets		40,276,902	68,427,105
Miscellaneous expenses (To the extent written-off)	9	629,254	699,171
Total Application of Funds.....		130,995,030	130,010,187
Significant Accounting Policies And Notes to Accounts	13		
<p>As per our Report of even date For Ritesh Burad & Co. Chartered Accountants (Registration No.117936W)</p> <p style="text-align: center;">For & On Behalf of the Board of Directors Hit Kit Global Solutions Limited</p> <p>Ritesh Burad Proprietor Membership No. 103781</p> <p style="text-align: center;">Anand Agarwal Managing Director</p> <p style="text-align: center;">Amit Khandelwal Director</p> <p style="text-align: center;">Anoop Mohindra Director</p> <p>Place: Mumbai Date: 25.06.2010</p> <p style="text-align: center;">Place: Mumbai Date: 25.06.2010</p>			

Profit and Loss Account for the year ended 31 January, 2010			
Particulars	Schedule	Year Ended 31.01.2010 Amount (Rs)	Year Ended 31.01.2009 Amount (Rs)
Income			
Income from Operations	10	13,196,215	53,565,773
Other Income		-	316,251
TOTAL		13,196,215	53,882,024
Expenditure			
(Increase) / Decrease in Inventories		-	8,212,807
Purchase of Software & Development Cost	11	7,541,023	18,361,729
Purchase of traded goods / Cost of Produce		1,357,062	13,544,237
Administrative, Selling & General Expenses	12	1,346,999	4,101,486
Interest & Finance Charges (Net)		159,980	1,301,230
Depreciation		1,672,309	3,224,300
TOTAL		12,077,373	48,745,789
Profit / (Loss) before Tax		1,118,842	5,136,235
Less: Provision for Taxation		134,000	1,094,638
Profit / (Loss) after Tax		984,842	4,041,597
Balance B/F from previous year		29,395,417	28,619,977
Profit Available for Appropriation		30,380,259	32,661,574
Appropriations:			
General Reserve		98,484	3,266,157
Surplus carried to Balance Sheet		30,281,775	29,395,417
		30,380,259	32,661,574
Earning per Share [(Basic and Diluted)] (on face value of Rs. 2 per Share)		0.03	0.11
Notes to the financial statements	13		
As per our Report of even date			
For Ritesh Burad & Co.		For & On Behalf of the Board of Directors	
Chartered Accountants		Hit Kit Global Solutions Limited	
(Registration No.117936W)			
Ritesh Burad	Anand Agarwal	Amit Khandelwal	
Proprietor	Managing Director	Director	
Membership No. 103781			
	Anoop Mohindra		
	Director		
Place: Mumbai	Place: Mumbai		
Date: 25.06.2010	Date: 25.06.2010		

Cash Flow Statement for the year ended 31 January 2010			
	Particulars	Year Ended 31/01/10 Amount (Rs)	Year Ended 31/01/09 Amount (Rs)
A.	Cash Flow from Operations		
	Net Profit before tax and Extraordinary items	1,118,842	5,136,235
	Adjustments for :		
	Depreciation	1,672,309	3,224,300
	Preliminary Expenses	69,917	77,686
	Finance Charges	159,980	1,301,230
	Operating Profit before working capital changes	3,021,048	9,739,451
	Adjustments for :		
	Inventories	-	8,212,259
	Trade and Other receivables	36,924,077	(2,297,566)
	Trade Payables	(992,288)	(298,068)
	Loans & Advances	(7,020,843)	(4,450,967)
	Cash generated from operations	31,931,994	10,905,109
	Income tax (last year provision)	(1,094,638)	(1,206,800)
	Cash flow before Extraordinary Items	30,837,356	9,698,309
	Net Cash from Operating Changes	30,837,356	9,698,309
B.	Cash Flow from Investing Activities		
	(Purchase) / Sale of Fixed Assets	1,740,486	2,333,400
	Capital Working Progress	(19,038,808)	(2,346,269)
	(Purchase) / Sale of Investments	(13,578,949)	(10,753,630)
	Net Cash used in Investing Activities	(30,877,271)	(10,766,499)
C.	Cash from Financing Activities		
	Finance Charges Paid	(159,980)	(1,301,230)
	Net cash received from financing activities	(159,980)	(1,301,230)
	Net Increase in Cash & Cash Equivalents (A+B+C)	(199,895)	(2,369,420)
D.	Net changes in Cash & Cash Equivalents		
	Cash & Cash Equivalent at the Beginning of year	1,820,155	4,189,575
	Cash & Cash Equivalent at the At the End of year	1,620,260	1,820,155
	Net Increase / (Decrease) as disclosed above	(199,895)	(2,369,420)
<p>Notes:</p> <p>1. Previous Years figures have been regrouped, recast wherever necessary</p> <p>2. The above Cash Flow Statements has been prepared under the indirect method as set out in Accounting Standard -3.</p> <p>As per our Report of even date For Ritesh Burad & Co. Chartered Accountants (Registration No.117936W)</p> <p style="text-align: right;">For & On Behalf of Board of Directors Hit Kit Global Solutions Limited</p> <p>Ritesh Burad Proprietor Membership No. 103781</p> <p style="text-align: right;">Anand Agarwal Director</p> <p style="text-align: right;">Amit Khandelwal Director</p> <p style="text-align: right;">Anoop Mohindra Director</p> <p>Place: Mumbai Date: 25.06.2010</p> <p style="text-align: right;">Place: Mumbai Date: 25.06.2010</p>			

Schedules To The Balance Sheet As At 31st January,2010		
Particulars	As At 31.01.2010 (Amount in Rs.)	As At 31.01.2009 (Amount in Rs.)
Schedule 1		
Share Capital:		
Authorised		
4,50,00,000 Equity shares of Rs.2/- each (P.Y. 4,50,00,000 Equity Shares of Rs.2/- each)	90,000,000	90,000,000
	90,000,000	90,000,000
Issued, Subscribed and Paid up		
3,70,00,000 Equity shares of Rs.2/- each fully paid (out of which 19,92,300 Equity Shares of Rs.2/- each allotted on Preferential Issue basis.) (P.Y. 3,70,00,000 Equity Shares of Rs.2/- each)	74,000,000	74,000,000
Total	74,000,000	74,000,000
Schedule 2		
Reserves and Surplus		
General Reserve		
As per Last Balance Sheet	16,102,870	12,836,713
Add: Transfer from P & L	98,484	3,266,157
	16,201,355	16,102,870
Profit & Loss Account	30,281,775	29,395,417
Share Premium Account	5,976,900	5,976,900
Forfeiture Reserve Account	4,535,000	4,535,000
Total	56,995,029	56,010,187

DEPRECIATION AS PER COMPANIES ACT 1956

Schedule 3

Fixed Assets (At Cost)

Particulars	Gross Block (COST)			Depreciation				Net Block		
	Cost As at 01.02.2009	Additions	Deductions	As at 31.01.2010	As at 01.02.2009	for the year	on Deductions	As at 31.01.2010	As At 31.01.2010	As At 01.02.2009
Generator	95,000	-	-	95,000	67,723	6,014	-	73,737	21,265	27,277
Furniture & Fixture	434,468	-	-	434,468	158,695	27,502	-	186,197	248,273	275,773
Office Equipment, etc.	508,133	130,487	-	638,620	130,708	55,914	-	186,622	451,999	377,425
Computer Software	12,794,705	-	3,029,877	9,764,828	5,503,747	1,582,879	1,158,904	5,927,721	3,837,103	7,290,958
Total	13,832,306	130,487	3,029,877	10,932,916	5,860,873	1,672,308	1,158,904	6,374,276	4,558,638	7,971,433
January 31,2009	36,410,351	17,388	22,595,433	13,832,306	22,881,218	3,224,300	20,244,645	5,860,873	7,971,434	

Schedules To The Balance Sheet As At 31st January,2010		
Particulars	As At 31.01.2010 (Amount in Rs.)	As At 31.01.2009 (Amount in Rs.)
Schedule 4		
Investment Long Term		
Unquoted	48,832,579	35,253,630
Total	48,832,579	35,253,630
Schedule 5		
Sundry debtors		
Trade Debtors (Unsecured, Considered good Unless Otherwise Specified)		
More than Six Months	7,076,081	30,631,125
Less than Six Months	32,012	14,080,406
Other debts	3,065,149	2,350,788
Total	10,173,242	47,062,319
Schedule 6		
Cash and bank balance		
Cash in hand	1,606,660	293,877
Bank balance with scheduled bank in current a/c	13,600	1,526,278
Total	1,620,260	1,820,155
Schedule 7		
Loans and Advances		
Advance recoverable in cash and for value to be received	23,682,011	21,680,811
Deposits	5,019,643	-
Total	28,701,654	21,680,811
Schedule 8		
Current Liabilities		
Sundry creditors	32,175	485,784
Other liabilities	17,079	555,758
Total	49,254	1,041,542
Schedule 9		
Miscellaneous expenditure		
(To the extent not written off)		
Miscellaneous expenditure	699,171	776,857
Less: Written off during the year	69,917	77,686
Total	629,254	699,171

Schedules To The Profit And Loss Account For The Year Ended 31st January, 2010		
Particulars	As At 31.01.2010 (Amount in Rs.)	As At 31.01.2009 (Amount in Rs.)
Schedule 10		
Income from Operation		
Income from Operation	13,196,215	53,565,773
Total	13,196,215	53,565,773
Schedule 11		
Purchase of Software & development Cost		
Software Development, Consultancy & Services	7,541,023	18,361,729
Total	7,541,023	18,361,729
Schedule 12		
Administrative, Selling & General Expenses		
Administrative salaries	263,000	1,175,623
Staff Welfare	9,234	94,521
Travel & Conveyance	4,511	262,185
Printing & Stationery	87,956	182,564
Rent	214,500	180,000
Communication Charges	32,341	305,590
Power and electricity	36,800	378,744
Bank charges	160	23,560
Auditors Remuneration	20,000	20,000
Listing fees/Annual custodial fees	78,381	91,328
Office expenses	20,898	9,612
Registrar & Depository Charges	34,039	95,274
Postage & Courier Charges	1,099	22,857
Meeting & Seminar	5,536	36,758
Director Remuneration	251,000	180,000
Director Fees	32,000	32,000
Website Expenses	3,312	12,593
Professional / Legal charges	105,862	637,078
AGM Expenses	12,500	9,500
News / Advertisement Publication Charges	48,962	177,793
Repairs & Maintanance	14,991	96,220
Misc. expenditure written-off	69,917	77,686
Total	1,346,999	4,101,486
As per our Report of even date		
For Ritesh Burad & Co. Chartered Accountants (Registration No.117936W)	For & On Behalf of the Board of Directors Hit Kit Global Solutions Limited	
Ritesh Burad Proprietor Membership No. 103781	Anand Agarwal Managing Director	Amit Khandelwal Director
	Anoop Mohindra Director	
Place: Mumbai Date: 25.06.2010	Place: Mumbai Date: 25.06.2010	

Schedule Forming Part of the Accounts for the Year Ended 31st January 2010

Schedule 13

Nature of Operation

The Company is engaged in Retail Software development and Marketing. The Company has entered into the organized retail Market in India which includes Contract farming and selling of speciality Ayurvedic herbal produce.

Notes to the Accounts and Significant Accounting Policies

A. Significant Accounting Policies

1) Basis of Presentation

The financial statements have been prepared and presented under the historical cost convention using the accrual basis of accounting in accordance with the accounting principles generally accepted in India and are in accordance with the applicable Accounting Standards, Guidance Notes and the relevant provisions of the Companies Act, 1956.

2) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

3) Revenue Recognition:

Revenue from Activity:

- a. The company generally follows mercantile system of accounting and recognises significant terms of income and expenditure on accrual basis.
- b. Revenue from Software & Retail Business consists primarily on account of sale of goods and is recognised on delivery to the clients.

4) Equipment and Depreciation (Fixed Assets)

- a. Assets are stated at actual cost less accumulated depreciation. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses incurred during the construction/installation stage.
- b. Depreciation has been provided for on straight-line method at the rates prescribed in Schedule XIV to the Companies Act, 1956 as amended by the Central Government's Notification No. GSR Nodf. 756(E) dated 16.12.1993.

5) Investments

Investments are stated at cost of acquisition.

6) Inventories

Inventories are valued at Cost.

7) Software Development Expenses

Software Development Expenses includes the cost of subcontracting consultancy and services. The software development expenses of internally developed software are charged to the Profit & Loss account for the year, in which the software development is completed and are shown as extra ordinary items.

8) Borrowing Cost

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalised as a part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged against revenue.

9) Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to there Profit and Loss Account in the period in which an asset is identified as Impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

10) Research and Development

Expenditure incurred on Research & Development is charged to revenue and fixed assets in the year it is incurred as per nature of expenses.

11) Taxation

Provisions for current tax are made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable /virtual certainty that the asset will be realised in future.

Provision for Income Tax includes provision for current Tax & Deferred Tax liabilities / Assets.

12) Provision, Contingent Liabilities and Contingent Assets.

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

13) Retirement Benefits

Liability for payment of Gratuity is accounted for on cash basis and future liability on accruing basis has, however, not been actuarially determined.

14) Earning Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

15) Dues to Small Scale industrial undertaking.

As at January 31st, 2010 and January 31st 2009, the company has no outstanding dues exceeding Rs. 1 lakhs for more than 30 days to Small Scale Industrial Undertaking.

There are no Micro and Small Enterprises to whom the company owes dues, for more than 45 days as at January 31st 2010. This information as required to be disclosed under the micro, Small and Medium Enterprises development Act, 2006 has been determined to the extent such parties have been identified on the basis of Information available to the company.

B. NOTES TO ACCOUNTS

1. Contingent Liabilities –

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statement.

2. Gratuity

Liability for payment of Gratuity is accounted for on cash basis and future liability on accruing basis has, however, not been actuarially determined.

3. Miscellaneous Expenditure

Miscellaneous Expenditure is written-off @ 10% per annum.

4. Segment Reporting

The Company operates in multi segments of "Software Solutions" and "Retail Business". The segment wise bifurcations as per Clause 41 are under:

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED (Rs. In Lakhs)

Sr. No.	Particulars	Figures for the current year ended Jan 31, 2010	Figures for the Previous year ended Jan 31, 2009
1.	Segment Revenue (net sales/income from each segment should be disclosed under this head).		
	a. Segment – Software	74.49	284.22
	b. Segment – Retail Business	57.47	251.44
	Total	131.96	535.66

	Less: Inter segment revenue	NIL	NIL
	Net sales/income from operations	131.96	535.66
2.	Segment Results (Profit (+)/Loss (-) before tax and interest from each segment)*		
	a. Segment – Software	10.06	62.75
	b. Segment – Retail Business	11.62	11.57
	Total	21.68	74.32
	Less: (i) Interest	1.60	13.01
	(ii) Other Un-allocable expenditure net off un-allocable income.	8.89	9.94
	Total Profit Before Tax	11.19	51.37
3.	Capital Employed (Segment assets-Segment liabilities).		
	a. Segment – Software	525.59	611.49
	b. Segment – Retail Business	476.12	409.71
	c. Un-allocable & Corporate	308.24	278.90
	Total	1,309.95	1,300.10

5.Related Party Disclosure

As required by the Accounting Standard 18 “Related Party Disclosure” are Given below:-

a. Promoter Company, having sole management control.

Webnet Infoways Limited

b.Long Term Investor named as promoter,

Efforts & Results Technologies Pvt. Limited

c. Key Management Personnel

Mr. Anand Agarwal (Managing Director)

Transaction with Related Parties (Amt. in Rs.)

Sr. No.	Nature of Transaction	Key Management Personnel
1	Salary (inclusive perquisites) Mr. Anand Agarwal	2,51,000/- (pa)

6.Foreign Currency Transactions –

No foreign Currency Transactions are done by the company during the year under report.

7.Other information

a)The Company is engaged in the development of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under Paragraphs 3 and 4C of Part II of Schedule VI of the Companies Act, 1956.

b)Remuneration to the auditors (Including Service Tax)

	31.01.2010 (Rs.)	31.01.2009 (Rs.)
Audit Fees	15,000/-	15,000/-
Taxation Matters	5,000/-	5,000/-

c) Remuneration to the Directors

Remuneration Paid/Payable Particulars To Directors and other Chief Managerial Person:

As per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

The number of employees employed for the whole year drawing salary of Rs. 24,00,000/- per annum or more is NIL and the number of employees employed for part of the year drawing salary of Rs. 1,00,000/- per month or more is also NIL.

Managing Director	31.01.2010 (Rs.)	31.01.2009 (Rs.)
	2,51,000/-	1,80,000/-

d) Income from I.T. Activities represents the sales of software rendered and it is stated net of sales return.

8. In the Opinion of Board of Directors, all the Current Assets, Loans and Advances have a value on realization in the ordinary course of Business which may be less than the amount at which they are stated and all the known liabilities as at the end of year have been provided for. However no devaluation of Assets have been done during the year.

9. Earnings Per Share

Calculation of Earning per share – Basic and Diluted

Earnings	Year Ended 31 st January 2010		Year Ended 31 st January 2009	
	Basic	Diluted	Basic	Diluted
Net Profit Attributable to equity shareholders (Rs. In Lakhs)	9.85	9.85	40.42	40.42
Shares	37000000	37000000	37000000	37000000
Earnings Per share of face value of Rs. 2/-	0.03	0.03	0.11	0.11

10. Quantitative Information:

As per the legal opinion obtained by the management, the provisions of clause 3 (ii) of Schedule VI of Part II of Companies Act, 1956 are not applicable to the company and as such no quantitative details are given.

11. Liabilities and Assets:

Balances group under Sundry Debtors, Sundry Creditors, and Loans and Advances are subject to conformation from respective parties.

12. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

13. Sundry Creditors (due to SSI Units) :

As per the information available with the company, the sundry creditors do not include any amount due to SSI exceeding Rs.1.Lakhs outstanding for more than 30 days.

14. Previous years figures have been regrouped or rearranged wherever necessary.

15. Figures have been rounded off to nearest rupee wherever applicable.

As per our Report of even date

For, **Ritesh Burad & Co.**
Chartered Accountants
(Registration No.117936W)

By Order of the Board
Hit Kit Global Solutions Limited

Ritesh Burad
Proprietor
(Membership No. 103781)

Anand Agarwal
Managing Director

Amit Khandelwal
Director

Place: Mumbai
Date : 25.06.2010

Anoop Mohindra
Director

Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956

Balance Sheet Abstract and Company's General Business Profile**I. Registered Details**

Registration No.	49929	State Code	11
Balance Sheet Date	31 (Date) 01 (Month) 2010 (Year)		

II. Capital Raised During the Year

(Amount in Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. Thousands)

Total Liabilities	130,995	Total Assets	130,995
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Sources of Funds

Paid-up Capital	74,000	Reserves & Surplus	56,995
Secured Loans	NIL	Unsecured Loans	NIL

Application of Funds

Net Fixed Assets	4,559	Investments	48,833
Net Current Assets	40,277	Misc. Expenditure	629
Accumulated Losses	NIL	Capital work in progress	36,698

IV. Performance of Company

(Amount in Rs. Thousands)

Turnover	13,196	Total Expenditure	12,077
Profit & Loss before Tax	1,119	Profit & Loss after Tax	985
Earning Per Share in Rs.*	0.03	Dividend Rate %	NIL

* Earning per share has been computed by dividing profit after tax by the total number of issued equity shares at the year end.

V. Names of Three Principal Products/Services of the Company:-

Item Code no. (ITC Code):	85249009
Product Description)	Computer Software & Retail Business

For & On Behalf of Board of Directors
Hit Kit Global Solutions Limited

Anand Agarwal
Managing Director

Amit Khandelwal
Director

Anoop Mohindra
Director

Place: Mumbai
Date: 25.06.2010

Place: Mumbai
Date: 25.06.2010

