



**Indo-City
Infotech Limited**

**22nd ANNUAL REPORT
2 0 1 3 - 2 0 1 4**

E-mail : contact.indocity@gmail.com

Website : www.indo-city.com

INDO-CITY INFOTECH LIMITED

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REGISTERED OFFICE

A6, Mittal Estate, Bldg. No. 2,
Andheri- Kurla Road, Andheri (East),
Mumbai-400 059.

CIN

L51900MH1992PLC068670

SHARE TRANSFER OFFICE

Sharepro Services (India) Pvt. Ltd.
Sam Hita warehousing Complex,
Warehouse No. 52 & 53, Plot 13AB,
2nd Floor, Sakinaka, Andheri (E),
Mumbai- 400 072.

BANKERS

HDFC Bank

The Bharat Co-op. Bank Ltd.

Tamilnad Mercantile Bank Ltd.

AUDITORS

S.K.Patodia & Associates
Chartered Accountants
Shree Shakambhari Corporate Park,
156-158, Chakravarti Ashok Complex,
J.B.Nagar, Andheri (East),
Mumbai-400 099.

INVESTOR HELP DESK

Telephone: - +91 22 2850 5903

E-Mail: contact.indocity@gmail.com

INDO-CITY INFOTECH LIMITED

NOTICE

NOTICE is hereby given that 22ND Annual General Meeting of INDO-CITY INFOTECH LTD. will be held on Monday, 29th September, 2014 at 10.00 A.M. at the Registered Office of the Company at A6, Mittal Estate, Bldg. No. 2, Andheri-Kurla Road, Andheri (E), Mumbai-400059, for transacting the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the financial year ended on that date and the Auditors and Directors Reports thereon.
2. To appoint a director in place of Mrs. Shashi Aneel Jain (DIN :00103505), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and for this purpose to consider and if thought fit, to pass the following resolution with or without modification(s), as an Ordinary Resolution :

"**RESOLVED THAT** pursuant to the provisions of section 139 of the Companies Act, 2013 and the rules made there under, M/s S.K. Patodia & Associates, Chartered Accountants, Mumbai having registration number as 112723W be and are hereby re-appointed as the Statutory Auditors of the Company for a period of 3 years from the date of this AGM (subject to ratification of the appointment by the Members at every Annual General Meeting held after this Annual General Meeting), at a remuneration to be decided by the Board of Directors in consultation with them."

SPECIAL BUSINESS:

4. Appointment of Mr. Brij Kishor Gupta as an Independent Director

To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:-

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder as read with Schedule IV to the Act, as amended from time to time, Mr. Brij Kishor Gupta (DIN:00225078), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, for a term of five consecutive years with effect from September 29, 2014 to September 28, 2019 ."

5. Appointment of Mr. Ashwani Maheshwari as an Independent Director

To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:-

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Mr. Ashwani Maheshwari (DIN:05128283), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, for a term of five consecutive years with effect from September 29, 2014 to September 28, 2019."

**By Order of the Board
For Indo-City Infotech Limited**

Place: Mumbai
Dated: 28th August, 2014
Registered Office:
A6, Bldg. No. 2, Mittal Estate, Andheri-Kurla Road,
Andheri (E), Mumbai-400 059.

(Aneel Jain)
Chairman & Managing Director
DIN: 00030742

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NOTES: -

1. The relevant explanatory statement to be annexed to the Notice pursuant to Section 102 of the Companies Act 2013, which set out details relating to Special Business at Item No. 4 and 5 set out above are annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE VALID MUST BE DULY FILED IN ALL RESPECTS, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as proxy on behalf of members not exceeding 50 (fifty) in number and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. Proxies submitted on behalf of the Companies, societies etc. must be supported by an appropriate resolution/authority, as applicable. A member holding more than 10% of the total share capital Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Mrs. Shashi Aneel Jain retires by rotation at this meeting and seeks re-appointment. Her brief profile have been given in the Report on Corporate Governance forming part of the Annual Report.
4. Members are requested to notify immediately any change in their address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the company or to its Share Transfer Agents (M/s Sharepro Services (India) Pvt. Ltd.) in respect of their holdings in physical form.
5. The register of members and the share transfer book will remain closed from **20/09/2014 to 29/09/2014** (both days inclusive).
6. Members intending to require information about accounts to be explained in the meeting are requested to inform the company in writing at least seven days in advance of the Annual General Meeting.
7. Shareholders are requested to please bring their Copies of Annual Report in the Meeting.
8. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations by filing Form No. SH.13 in respect of the Equity Shares held by them, in physical form, duly completed and signed to the Company or its Registrar & Share Transfer Agents (RTA) in their own interest. Members holding shares in demat may get their nomination recorded with their respective Depository Participant (DP).
9. Voting through Electronic Means
 - I. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the members are provided with a facility to cast their vote Electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this notice.

The procedure and instructions for Members for e-voting are as under :

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "**Electronic Voting Sequence Number (EVSN) - "140827028"**" along with "**INDO-CITY INFOTECH LIMITED**" from the drop down menu and click on "**SUBMIT**".
- (iv) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "INDO-CITY INFOTECH LIMITED" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

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- (xviii) The e-voting period begins on Wednesday, 24th September, 2014 (9:00 A.M.) and ends on Thursday 25th September, 2014 (9:00 A.M). During the e-voting period shareholders of the Company, holding Shares either in physical form or dematerialized form, as on the cut-off date of 19th September, 2014, may cast their vote electronically. The e-voting shall be disclosed by CDSL for voting thereafter.
- (xix) Once the vote on the resolution is cast by the shareholders, they shall not be allowed to change it subsequently.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share Capital of the Company as on the cut-off date of Friday, 19th September, 2014.
- (xxii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communications.

In case a member receives physical copy of the Notice of AGM

Please follow all steps from sl. no. (i) to sl. no. (xxii) above to cast vote.

- II. Institutional members (i.e. other than individuals, HUF, NRIs etc.) are required to send scanned Copy (JPG/PDF Format) of the relevant Board Resolution/Authority Letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email to csvidit@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com
 - III. Mr. Vedit Narsana ,Company Secretary in Practice (Membership No. 28344, Certificate of Practice No. 11915), Mumbai has been appointed as the Scrutinizer to scrutinize the e-voting process(including the Physical Assent/ Dissent Form received from Members who do not have access to e-voting) in fair and transparent manner.
 - IV. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman/Director of the Company.
 - V. The Results on resolutions shall be declared on or after the AGM of the Company by the Chairman of the Company or any other person duly authorized in this regard. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within two (2) days of passing of the resolutions at the 22nd AGM of the Company on 29th September, 2014 and communicated to the BSE Limited.
10. In case of those members who do not have access to e-voting facility, they can use the assent/dissent form sent herewith and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and send the form in a sealed envelop to reach Mr.Vedit Narsana Scrutinizer appointed by the Company at the Registered Office of the Company on or before 25th September, 2014 (9:00 A.M).
11. Members who have not registered their e-mail addresses, so far are requested to register their e-mail addresses with the Depository. Members who hold shares in physical form are requested to register their e-mail addresses with the Registrar & Share Transfer Agent (RTA), M/s Sharepro Services (India) Pvt. Ltd., Samhita Warehousing Complex, Warehouse No. 52 & 53, Plot 13AB, 2nd Floor, Sakinaka, Andheri (E), Mumbai - 400072.

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Annexure to the Notice:

EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 and 5

The Company had pursuant to the provisions of Clause 49 of the Listing Agreement , appointed Mr. Brij Kishor Gupta and Mr. Ashwani Maheshwari as Independent Director at various times, in compliance with the requirements of the said clause.

As per the provisions of Section 149 (4) which has come into force with effect from 1st April, 2014, every listed company is required to have atleast one-third of the total number of Directors as Independent Directors. Further, Section 149 (10) of the Act provides that an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company and is not liable to retire by rotation pursuant to Section 149 (13) read with Section 152 of the Act.

The Nomination and Remuneration Committee has recommended the appointments of theses Directors as Independent Directors from September 29, 2014 upto September 28, 2019.

The above Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under section 149 (6) of the Act.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of the above directors as Independent Directors is now being placed before the members in General Meeting for their approval.

The brief profile of the Independent Directors to be appointed is given below:

Mr. Brij Kishor Gupta

Mr. Gupta is a Qualified Chartered Accountant. He has vast experience and eminent knowledge in the financial matters, accounts and had been associated with the financial sector for past several years. His experience will help the company to grow more.

Mr. Gupta has been on the Company's Board since June 6, 2007 and is an Independent Director.

Other Directorships: Trueman Securities Ltd., Infraquest International Ltd., Pearl Prime Realestate Pvt. Ltd., Associated Stock Broking Pvt. Ltd.

Committee Membership : Audit Committee (Infraquest International Ltd.)

Mr. Ashwani Maheshwari

Mr. Maheshwari is a Post Graduate in Commerce. He has total experience of 8 years and has wide knowledge in various sectors including Financial Sector.

Mr. Maheshwari has been on the Company's Board since January 12, 2012 and is an Independent Director.

Other Directorships: Nil

Committee Membership : Nil

The Board recommends the Ordinary Resolutions set out at Item No. 4 and 5 of the Notice for approval by the Members.

The above Independent Directors are interested in the Resolutions mentioned at Item No. 4 and 5 of the Notice with regard to their respective appointments. Other than the above Independent Directors, no other director, Key Managerial Personnel or their respective relatives are concerned or interested in the resolutions mentioned at Item No. 4 and 5.

INDO-CITY INFOTECH LIMITED

DIRECTORS' REPORT

To,

The Members of Indo-City Infotech Limited,

Your Directors have pleasure in presenting the Twenty Second Annual Report and Audited Accounts of the Company for the year ended 31st March, 2014.

I. FINANCIAL RESULTS:

Financial results of the company during the year vis-a-vis previous year are as follows :-

	(Rupees)	
	<u>2013-14</u>	<u>2012-13</u>
PROFIT BEFORE TAX	8,51,378	10,84,478
Less: Provision for Tax	<u>(2,71,307)</u>	<u>(3,17,687)</u>
Total	5,80,071	7,66,791
Add.: Amount Brought Forward	<u>83,50,195</u>	<u>75,83,404</u>
Balance Carried to Balance Sheet	<u><u>89,30,266</u></u>	<u><u>83,50,195</u></u>

II. DIVIDEND:

To conserve the resources, your directors express their inability to recommend any dividend for the year under review.

III. PERFORMANCE:

Total income of the company during the year under review is Rs. 69.41 Lacs as against Rs. 73.61 Lacs for the previous year and the profit after tax for the year stood at Rs. 5.80 Lacs as against Rs. 7.66 Lacs for the previous year.

IV. FUTURE OUTLOOK:

Your Company is planning for expanding their existing business as well as other projects also the planning thereon is being carried on. Your directors foresee bright future and higher earnings in the coming years.

V. DIRECTORS:

Mrs. Shashi Aneel Jain, Director who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

As per Section 149 of the Companies Act, 2013 (Act), every listed Company shall have Independent Directors. The said section aligns the Act with Clause 49 of the Listing Agreement. Nomination & Remuneration Committee has recommended the appointment of existing independent directors at the ensuing Annual General Meeting as independent directors under the Companies Act, 2013.

VI. CORPORATE GOVERNANCE:

Your company has been proactive in following the principle and practice of good corporate governance. The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges are complied with.

A separate statement on corporate governance is annexed as a part of the Annual Report along with the Auditors' certificate on its compliance. A report in the form of Management Discussion and Analysis pursuant to clause 49 of the Listing Agreement, as a part of this report is annexed hereto.

VII. AUDITORS

M/s . S.K PATODIA & ASSOCIATES, Chartered Accountants, retire at the ensuing Annual General Meeting and offer themselves for re-appointment. In accordance with Section 139 of the Companies Act, 2013 read with Rules made there under, M/s S.K Patodia & Associates, Chartered Accountants, can be appointed for a maximum period of 3 years.

They have confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 (1) of the Act read with Companies (Audit and Auditors) Rules, 2014 and that they satisfy the criteria given under Section 141 of the Act. The Audit Committee and Board of Directors have recommended their appointment as the Statutory Auditors of your Company.

VIII. AUDITORS REPORT:

Observation made in the Auditor's Report are self-explanatory and therefore do not call for any further comment under section 217(3) of the Companies Act, 1956.

IX. FIXED DEPOSIT

Your Company has not accepted any fixed deposit from public within the meaning of section 58A of the Companies Act, 1956

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and the Rules made there under.

X. PARTICULARS OF EMPLOYEES

The information required U/s. 217 (2A) of the Companies Act, 1956 with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company, as the Company has not employed any employee whose salary exceeds Rs. 24,00,000/- per annum or Rs. 2,00,000/- per month.

XI. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE AND OUTGO:

The Provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to conservation of energy or technology absorption is not applicable to the Company. The Company did not earn and spend any foreign exchange.

XII. DIRECTORS RESPONSIBILITY STATEMENT

As required under section 217 (2AA) of the Companies Act, 1956, it is hereby stated that;

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) The Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities; and
- d) The directors had prepared accounts on a going concern basis.

XIII. ACKNOWLEDGMENTS:

Your Directors wish to place on record their appreciation and acknowledgement with gratitude for the support and assistance extended to the Company by the Bankers, Shareholders and Customers. Your Directors place on record their deep sense of appreciation for the devoted service of the executive and staff at all levels of the Company.

For and on behalf of the Board

Aneel Jain
Chairman & Managing Director
DIN:00030742

Place: Mumbai
Date: 30th May, 2014

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Management discussion and analysis:

1 Industry Structure and Developments

The Company was incorporated on 22nd Sept., 1992. The Company started its business in IT in 1999 and also changed its name. The Company had a humble beginning and is restructuring itself year by year to make a name in the IT industry. With its dedicated team of professionals the company is planning to grow strength by strength. Due to the global recession in IT industry, the activities of the company were affected. However in this scenario company has still maintained its profitability.

2 Opportunities, threats risk and concerns

The Company is progressively in contact with end users of its products the work on which is continue and with the launch of these different portals, the Company expects more client base in its activities.

The low economic growth have affected the activities of the company. However, with continuous technological advancement and measures taken for cost effectiveness for the company's product, the Company is expected to face the emerging challenges in a confident and optimistic manner.

3 Segment-wise or product-wise performance.

The Company recognizes Hardware / software and Web Services as its only primary segment. The overall performance of the company is the segment wise performance of the company.

4 Business Outlook.

As a forward looking statement it can be noted that the company appears to heading better all round performance during the coming years. Towards this, the company is working on various software packages.

5 Internal Control System and their adequacy.

The Company has adequate internal control procedures commensurate with the size and nature of its business. The internal control system provides for policies, guidelines, authorization and procedures. The Audit Committee of the Board of Directors headed by an independent director periodically reviews the internal audit reports, significant risk area assessment and adequacy of internal controls for ensuring checks and balances.

6 Discussion on Financial Performance:

The financial results and performance for the year are elaborated in the Director's Report.

7 Human resources:

Harmonious relations continued to prevail throughout the year. The focus is on maintaining a high level of motivation and on leadership development and the number of employees are maintained according to business development.

8 Cautionary Statement:

This report contains estimates and expectations, which the company believes or may be considered to be forward looking Statements within the meaning of applicable laws and regulations. Actual results could differ or vary materially from those expressed or implied due to various factors.

For and on behalf of the Board

Aneel Jain
Chairman & Managing Director
DIN:00030742

Place: Mumbai

Date: 30th May, 2014

INDO-CITY INFOTECH LIMITED

Report on Corporate Governance

1) Company's Philosophy:

Your Company is committed to the principles of fair business practices, transparency in its dealing, compliance of law, adherence to ethical standards and to have a better rapport with the clients and shareholders. The Company provides the customers various with dynamic productivity and with total satisfaction. The Company's core vision is to place belief in clients, customers, investors and associates. The Company is prompt in discharging its statutory obligations and duties. The Board has adequate representation of professional, qualified, Non – executive and Independent directors.

2) Board of Directors:

a) Composition :-

The Board of Directors comprised of four (4) directors with an Executive Chairman. The number of Independent Non-Executive Director is 50 % of total number of Directors. The Composition of the Board is in conformity with the requirement of Clause 49 of the Listing Agreement with Stock Exchanges. The Composition of Board with reference to number of Executive, Non-executive and Non-executive Independent Directors, meets the requirement of code of Corporate Governance.

Composition and Category of Directors:

Name	Category	Relationship with each other	No. of Board Meeting Attended	No. of Directorship (*) and Committee Membership/Chairmanship in other Public Companies (**)			
				AGM	Directorship	Member	Chairman
Shri Aneel Banwari Jain	Chairman & Managing Director	Husband of Mrs. Shashi Jain	5	Yes	1	-	-
Smt. Shashi Jain	Non Executive Director	Wife of Mr. Aneel Jain	5	Yes	1	-	-
Shri Brij Kishor Gupta	Non Executive Independent Director	***	5	Yes	2	1	-
Shri Ashwani Maheshwari	Non Executive Independent Director	***	4	Yes	0	-	-

* Exclude Directorship in Private Limited Companies.

** Represent Membership/Chairmanship of Audit Committee and Shareholders/Investors Grievance Committee.

*** There is no relationship between any of the Independent Directors

None of the Directors of the Board is a member of more than 10 Board level Committees and Chairman of more than 5 Board Committees (as per Clause 49 of the Listing Agreement) , across all the Companies in which they are directors.

b) Board Meetings and Annual General Meeting :

During the financial year 2013-2014, the Company has held 5 Meetings as against the minimum requirements of 4 meeting. The meetings are held on 27/05/2013, 29/07/2013, 30/10/2013, 29/01/2014 & 31/03/2014.

The Annual General Meeting of the Company held on 30th September, 2013. The details of attendance of Directors in Board Meeting and last Annual General Meeting has been mentioned in above table.

c) Details of shares and convertible instruments held by Non Executive Directors as on 31st March, 2014 :

Name of Non Executive Director	No. of Shares held	% of total share capital
Mrs. Shashi Jain	1716000	16.5

The Company does not have any convertible instruments.

d) Code of Conduct

As provided under Clause 49 of the Listing Agreement the Board of Directors of a Company has laid down Code of Conduct for all Board Members and Senior Management Personnel. A declaration to this effect forms part of this report.

e) Information about Director seeking Appointment/Re-appointment at the ensuing Annual General as required under Clause 49 of the Listing Agreement :-

Mrs. Shashi Aneel Jain (DIN:00103505) is a Post Graduate . She has experience and expertise in commercial activities . She was designated as an Non-Executive Director of the Company, liable to retire by rotation with effect from September 22, 2003.

Mrs. Shashi Aneel Jain retires from the Board by rotation at this meeting and being eligible, offers herself for re- appointment as Director of the Company.

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3) Audit Committee:

During the financial year 2013-14, the company held 4 meetings of the audit committee. The composition of committee and attendance are as under:-

Name	Category	No. of Meeting Attended
Smt. Shashi Jain	Non-Executive Director	4
Shri Brij Kishor Gupta	Non Executive Independent Director	4
Shri Ashwani Maheshwari	Non Executive Independent Director	4

The Audit Committee meetings were held on 27/05/2013, 29/07/2013, 30/10/2013 and 29/01/2014.

Mr. Brij Kishor Gupta act as the Chairman of the Committee.

The Company Secretary act as the Secretary to the Committee.

The following were the major tasks assigned to the Audit Committee:

- I Review of Company's financial reporting process and financial statements i.e. quarterly and annual financial statements and ensure their compliance with the requirements of various authorities, before they are adopted by the Board.
- II. Review of Accounting and financial policies and practices.
- III. Review of internal control and internal audit system.
- IV. Recommendation to the Board of Directors the selection of Auditors, considering their independence and effectiveness, and approval of their fees for audit and for non-audit services.
- V. Discussion with Auditors on any significant findings and follow up thereon.
- VI Considering and approving the present accounting principles and policies being followed by the Company, suggested changes in the same, if so required, and assessing whether the changes accepted by the management have been implemented.

The terms of reference stipulated by the Board to the Audit Committee are, as contained under Clause 49 of the Listing Agreement, as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board focusing primarily on i) matters to be included in the Directors Responsibility Statement to be included in the Boards Report ii) any changes in accounting policies and practices, iii) major accounting entries based on exercise of judgment by management, iv) qualifications in draft audit report, v) significant adjustments arising out of audit, vi) the going concern assumption, vii) compliance with accounting standards, viii) compliance with Stock Exchange and legal requirements concerning financial statements and ix) any related party transaction i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- Reviewing with the management, the quarterly financial statements before submission to the Board.
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue etc.) the statement of funds utilized for the purpose other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of Inter-Corporate Loans and investments.
- Valuation of undertaking or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit functions, if any including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

INDO-CITY INFOTECH LIMITED

- Discussion with external auditors before the audit commences nature and scope of audit as well as had post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- Approval of appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
- Carrying out any other function as referred to the Committee.
- Reviewing the following information
 - i) Management discussion and analysis of financial condition and results of operations, ii) statement of significant related party transactions, submitted by management, iii) management letters/letters of internal control weaknesses issued by the statutory auditors, iv) internal audit reports relating to internal control weaknesses, and v) the appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

4) **Nomination and Remuneration Committee:**

Pursuant to Section 178(1) of the Companies Act 2013, the company renamed the erstwhile Remuneration Committee as the Nomination and Remuneration Committee.

Composition of Remuneration Committee and Attendance:

Name	Category	No. of Meeting Attended
Smt. Shashi Jain	Non-Executive Director	1
Shri Brij Kishor Gupta	Non Executive Independent Director	1
Shri Ashwani Maheshwari	Non Executive Independent Director	1

Mr. Ashwani Maheshwari act as the Chairman of the Committee.

The role of the committee is as follows :-

- i) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of a policy , relating to the remuneration of the directors, key managerial personnel and other employees,
- ii) formulation of criteria for evaluation of Independent Directors and the Board,
- iii) devising a policy on board diversity,
- iv) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remunerations paid to the Executive Directors is in accordance with the provisions of Schedule XIII of the Companies Act, 1956.

Name of Director	Remuneration
Mr. Aneel Jain	9,30,000/-

Non-Executive Director: Non-Executive Directors have not been paid any sitting fees for attending Board and Committee meetings.

5) **Stakeholders Relationship Committee:-**

Pursuant to Section 178(5) of the Companies Act 2013, the company renamed the erstwhile Shareholders/ Investors Grievance Committee as the Stakeholders Relationship Committee.

- The Committee comprises of Mrs. Shashi Jain , Mr. Ashwani Maheshwari and Mr. Brij Kishor Gupta.
- The Committee is headed by Mr. Brij Kishor Gupta. The committee oversees the performance of the Registrars and Transfer Agent and recommends measures to improve the level of investor services.
- The Company has authorized Mrs. Shashi Jain and Mr. Brij Kishor Gupta, jointly& severally, to approve the share transfers.
- Miss Surbhi Singhvi is a Company Secretary cum Compliance Officer of the Company.

The function of the committee includes:

To specifically look into redressing investors' grievances pertaining to:

- 1) Transfer of Shares;
- 2) Dividends, if any applicable;

INDO-CITY INFOTECH LIMITED

- 3) Dematerialization of Shares;
- 4) Replacement of lost/stolen/mutilated share certificates;
- 5) Non-receipt of right/bonus/split share certificates;
- 6) Any other related issues;

During the year under review, the Company had not received any complaints from shareholders, which was resolved to the satisfaction of shareholders.

There are no valid requests pending for share transfers / dematerialization of shares as on the date of Director's Report.

6) Date, Venue and Time for the last three Annual General Meetings :-

Date	Venue	Time	No. of Special Resolutions
30 th September, 2011	Registered Office	10.00 A.M.	—
28 th September, 2012	Registered Office	10.00 A.M.	—
30 th September, 2013	Registered Office	10.00 A.M.	—

7) Disclosures:

There were no materially significant related party transactions i.e., transactions, material in nature, with its promoters, the directors or the management or relatives etc. that may potentially conflict with the interest of the Company at large.

There was no instances of non – compliance or penalty, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

No personnel is being denied any access to the Audit Committee.

The financial statements have been prepared following the Accounting Standards.

Non Mandatory Requirements

- a) Board : The Board has an executive Chairman. The Independent Directors on the Board hold requisite qualifications and experience which enables them to make effective contribution to the Company in their capacity as an Independent Director.
- b) Remuneration Committee: Details are given under the heading "Nomination and Remuneration Committee".
- c) Shareholders Right: Details are given under the heading "Means of Communication".

8) Means of Communication:

Half yearly results are not sent to shareholders since it is not mandatory. The Company has a system of sending Annual Report only once in a year.

The Quarterly results of the Company are sent to Stock Exchanges in their format as per requirement of Listing Agreement format and hence the quarterly financial results of the Company are available on the BSE's website.

The company has its own website www.indo-city.com.

Results are published in a newspaper named "Financial Express" and "Mumbai Mitra".

No presentation was made to the Institutional Investors or to the Analysts during the Financial Year 2013-2014.

Management Discussion and Analysis Report forms a part of this Annual report.

9) General Shareholders Information:

9.1 Annual General Meeting

Date & Time : 29th Sept., 2014 at 10.00 A.M.

Venue : **Registered Office**

9.2 Financial Calendar : 1st April to 31st March

9.3 Date of Book Closure : 20.09.2014 to 29.09.2014 (both days inclusive)

9.4 Dividend Payment Date : No dividend has been recommended by the Board for the financial year 2013-2014.

9.5 Listing of Equity Shares : Bombay Stock Exchange Ltd.

9.6 BSE Code : **532100**

9.7 Market Price Data : High, Low during each month in last Financial Year,

INDO-CITY INFOTECH LIMITED

Month	High (Rs.)	Low (Rs.)
April, 2013	4.45	3.52
May, 2013	5.19	4.08
June, 2013	5.60	4.70
July, 2013	5.56	4.19
August, 2013	5.20	4.13
September, 2013	5.25	4.45
October, 2013	5.02	4.24
November, 2013	5.74	4.74
December, 2013	6.22	5.19
January, 2014	6.50	6.16
February, 2014	6.14	3.91
March, 2014	4.13	3.25

9.8 Performance in comparison to Broad based indices such as BSE Sensex, CRISIL Index etc. : Not linked to any Sensex / Index.

9.9 Registrar and Transfer Agents : SHAREPRO SERVICES (INDIA) PVT. LTD.
Samhita Warehousing Complex,
Warehouse No. 52&53, Plot 13AB,
Andheri (East), Mumbai – 400 072 India

9.10 Share Transfer System

Share Transfer request received in physical form are registered within 15 days from the date of receipt and Demat request are normally confirmed within an average of 15 days from the date of receipt.

9.11 Secretarial Audit for Reconciliation of Share Capital

A qualified practicing Company Secretary carried out the Secretarial Audit pursuant on quarterly basis to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued/paid up equity capital of the company. The share reconciliation audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the dematerialized form.

9.12 Shareholding Pattern as on 31st March, 2014:

Category	No. of Shares held	% of Shareholding
Promoters	5151600	49.53%
Private- Bodies Corp.	524595	5.04%
Public- Individuals	4720461	45.29%
NRI's/OCB's	3344	0.03%
Total	10,400,000	100.00%

9.13 Dematerialization of Shares & Liquidity :

The Company's equity shares are included in the list of Companies whose scripts have been mandated by the SEBI for settlement only in dematerialized form by all investors. The Company has signed agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") to offer depository services to its shareholders. 1,02,73,365 Equity Shares of the total number of equity shares of the Company have been dematerialized as on 31/03/2014.

9.14 Outstanding GDR/ADR/Warrants or any convertible instrument, : N.A.
Conversion date and likely impact on equity.

9.15 Address for Investor Correspondence

- i) for transfer / dematerialization of shares : SHAREPRO SERVICES (INDIA) PVT. LTD.
Samhita Warehousing Complex, Warehouse No. 52&53,
Plot 13AB, Andheri (East), Mumbai – 400072 India
- ii) for any query on Annual Report : Registered Office of the Company.

INDO-CITY INFOTECH LIMITED

Investors Relations Cell:

Company has appointed an independent agency to maintain smooth relations with the investors, who give details of all-important events to the investors from time to time.

There are no valid requests pending for share transfers as on the date of Directors' Report.

DECLARATION OF CODE OF CONDUCT

To

The Members of **INDO-CITY INFOTECH LIMITED**.

I, Aneel Jain, Managing Director of Indo-City Infotech Limited, to the best of my knowledge and belief, declare that all the members of the Board and Senior Management Personnel have affirmed compliance with the code of conduct of the Company for the year ended 31st March, 2014.

Aneel Jain

Place : Mumbai

Date: 30th May, 2014

Managing Director

DIN: 00030742

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of **INDO-CITY INFOTECH LIMITED**.

We have examined the compliance of conditions of Corporate Governance by **Indo-City Infotech Limited**, for the year ended 31st March, 2014 as stipulated in Cluase-49 of the Listing Agreements of the said Company with the stock exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was Limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit for 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:

- (i) We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements.
- (ii) 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 S.K. PATODIA & ASSOCIATES
Chartered Accountants

Arun Poddar
Partner
M.No. 134572

Place : Mumbai

Date : 30th May, 2014

INDO-CITY INFOTECH LIMITED

INDEPENDENT AUDITOR'S REPORT

Auditors' Report

To,

The Members of **Indo-City Infotech Limited**,

Report on the Financial Statements

1. We have audited the accompanying financial statement of Indo-City Infotech Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014 and the statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The Procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014,
 - (b) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date.
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements :

7. As required by the Companies (Auditors Report) Order, 2003 and amendments by the "the Companies (Auditor's Report) (Amendment) Order, 2004", issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order") , and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matter specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227 (3) of the Act, we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company as it appears from our examination of those books.
 - c) The said Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in the sub-section (3C) of section 211 of the Act.
 - e) On the basis of written representations received from the directors as on 31st March, 2014 and taken on record by the Board, we report that none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.

For **S.K. PATODIA & ASSOCIATES**
Chartered Accountants

Arun Poddar
Partner
M.No. 134572

Place : Mumbai
Date : 30th May, 2014

INDO-CITY INFOTECH LIMITED

Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even dated of the members of Indo-City Infotech Limited on the financial statement of and for the year ended March, 2014.

- (i) a) The Company is maintaining proper records showing full particulars, including quantitative details and situations of fixed assets.
- b) The fixed assets have been physically verified by the management in according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, apportion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) The Company is in the business of rendering service, and consequently, does not hold any inventory. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the company
- (iii) a) The Company has granted unsecured loans to one Company and three other parties covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year –end balance of such loans aggregated to Rs.16,00,000 and Rs. 13,00,000 respectively.
- b) In our opinion, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interests of the company.
- c) In respect of the aforesaid loans, the parties are repaying the principal amount and are also regular in payment of interest as applicable.
- d) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.
- e) The Company has not taken any loans, secured or unsecured, from companies, firm or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4 (iii) (f) and (g)] of said order are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of fixed assets and for the sale of services. The Company's operation do not involve purchase of inventory and sale of goods. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us , we have neither come across , nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion, and according to the information and explanations given to us, in respect of the transactions made in pursuance to such contracts and arrangements and exceeding Rs. 5 lakhs in respect of each party during the year , no comparable market prices are available as the related goods are considered to be of proprietary nature.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections of 58A and 58AA of the Act and the rules framed there under.
- (vii) In our opinion, The Company does not have any formal internal audit system during the year.
- (viii) The Central Government of India has not prescribed for maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- (ix) a) Accordingly to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of profession tax, though there has been a slight delay in few cases,, and is regular in depositing undisputed statutory dues, including provident fund, investor education and protection fund, employees state insurance, income tax, wealth tax, service - tax , customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities. In respect of profession fax of Rs. 6,650/- outstanding as at March, 31, 2014 for a period of more than six months form the date they become payable, has been paid subsequently.
- b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income - tax, sales tax, wealth- tax service tax, custom duty and excise duty which have not been deposited on account of any dispute.
- (x) The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year. .
- (xi) According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayments of dues to any banks as at the balance sheet date. The Company does not have any borrowings from any

INDO-CITY INFOTECH LIMITED

financial institution nor has it issued any debentures as at the balance sheet date.

- (xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- (xiii) As the provisions of any Special Statute applicable to Chit Fund/ Nidhi / Mutual Benefit Fund/ Societies are not applicable to the company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name or are in the process of transfer in its name, except to the extent of the exemption granted under section 49 of the Act.
- (xv) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- (xvi) The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis haven been used for long-term investment.
- (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. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- (xix) The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- (xx) The Company has not raised any money by way of public issue during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- (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, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **S.K. PATODIA & ASSOCIATES**
Chartered Accountants

Arun Poddar
Partner
M.No. 134572

Place : Mumbai
Date : 30th May, 2014

INDO-CITY INFOTECH LIMITED

BALANCESHEET AS AT MARCH 31, 2014

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share Capital	2	104,000,000	104,000,000
Reserves and Surplus	3	<u>29,484,266</u>	<u>28,904,195</u>
		133,484,266	132,904,195
2. Non - Current Liabilities			
Deferred Tax Liabilities (Net)	4	47,905	89,030
3. Current Liabilities			
Other Current Liabilities	5	120,746	184,676
Short - Term Provisions	6	<u>59,245</u>	<u>61,562</u>
		179,991	246,238
TOTAL		<u>133,712,162</u>	<u>133,239,463</u>
II ASSETS			
1. Non - Current Assets			
Fixed Assets			
Tangible Assets	7	5,921,489	6,225,067
Intangible Assets	7	1,441,500	-
Work-in-Progress		1,267,732	-
Non - Current Investments	8	41,517,029	46,994,730
Long - Term Loans and Advances	9	<u>55,270,200</u>	<u>52,587,914</u>
		105,417,950	105,807,711
2. Current Assets			
Trade Receivables	10	313	258
Cash and Cash Equivalents	11	21,584,219	22,141,638
Short-Term Loans and Advances	12	126,321	191,105
Other Current Assets	13	<u>6,583,359</u>	<u>5,098,751</u>
		28,294,212	27,431,752
TOTAL		<u>133,712,162</u>	<u>133,239,463</u>

The Notes referred are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of the even date.

For S K Patodia & Associates
Chartered Accountants
Firm's Registration No. : 112723W

Arun Poddar
Partner
Membership No. : 134572

Place : Mumbai
Date : May 30, 2014

For and on behalf of the Board of Directors

Aneel Jain
Managing Director

Place : Mumbai
Date : May 30, 2014

Surbhi Singhvi
Company Secretary

Place : Mumbai
Date : May 30, 2014

Shashi Jain
Director

Place : Mumbai
Date : May 30, 2014

INDO-CITY INFOTECH LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(Amount in Rs.)

Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I REVENUE			
Revenue from Operations	14	570,500	776,500
Other Income	15	6,370,401	6,584,674
Total Revenue		6,940,901	7,361,174
II EXPENSES			
Employee Benefits Expense	16	2,749,099	2,926,270
Finance Costs	17	19,624	-
Depreciation and Amortization Expense	7	791,453	295,686
Other Expense	18	2,529,347	3,054,740
Total Expenses		6,089,523	6,276,696
III Profit Before Tax (I - II)		851,378	1,084,478
IV Tax Expense:			
Current Tax expense for Current Year		301,200	342,600
Prior Year Tax Adjustments		11,232	-
Deferred Tax		(41,125)	(24,913)
		271,307	317,687
V Profit for the Year		580,071	766,791
VI Earnings Per Equity Share (Face Value Rs. 10 Per Share):	19		
Basic and Diluted (Rs.)		0.06	0.07

The Notes referred are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of the even date.

For S K Patodia & Associates
Chartered Accountants
Firm's Registration No. : 112723W

Arun Poddar
Partner
Membership No. : 134572

Place : Mumbai
Date : May 30, 2014

For and on behalf of the Board of Directors

Aneel Jain
Managing Director

Place : Mumbai
Date : May 30, 2014

Surbhi Singhvi
Company Secretary

Place : Mumbai
Date : May 30, 2014

Shashi Jain
Director

Place : Mumbai
Date : May 30, 2014

INDO-CITY INFOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2014

NOTE 1 : Significant Accounting Policies

A) Basis of accounting and preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

B) Use of estimates

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

C) Fixed assets

Tangible Fixed Assets:

Tangible Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost includes all incidental expenses related to acquisition and attributed to cost of bringing the asset to its working condition for its intended use.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Intangible Fixed Assets:

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any

D) Depreciation and amortisation

Depreciation on Tangible assets has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on assets acquired/sold during the year is provided on prorata basis. Assets individually costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Intangible assets are amortised over their estimated useful lives on straight line method over a period of four years. Amortisation on additions/ deletions to intangible assets is calculated pro-rata from/ up to the date of such additions/ deletions.

E) Revenue recognition

Income from services

Revenues from Web-hosting services are recognised when services are rendered in accordance with the terms of the agreements and the revenue is measurable and there is no uncertainty as to ultimate collection.

F) Other income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

G) Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

H) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

I) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

INDO-CITY INFOTECH LIMITED

J) Earnings per share

Basic earnings per share are 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. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings 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 is adjusted for the effects of all dilutive potential equity shares.

K) Accounting for Taxation of Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the group reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

L) Provision and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

M) Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

INDO-CITY INFOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

NOTE 2 : SHARE CAPITAL

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Authorised Capital		
1,07,50,000 (March 31, 2013 : 1,07,50,000) Equity Shares of Rs. 10 each	107,50,000	107,50,000
Issued, Subscribed and Paid up		
1,04,00,000 (March 31, 2013 : 1,04,00,000) Equity Shares of Rs.10 each fully paid up	104,00,000	104,00,000
Total	104,00,000	104,00,000

(a) Terms / rights attached to equity shares:

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2014		As at March 31, 2013	
	Number of shares	Rs.	Number of shares	Rs.
No. of shares at the beginning of the year	10,400,000	104,00,000	10,400,000	104,00,000
Add: shares issued during the year	-	-	-	-
No. of shares at the end of the year	10,400,000	104,00,000	10,400,000	104,00,000

(c) Details of Shareholding

Name of the Shareholder	As at March 31, 2014		As at March 31, 2013	
	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding
Aneel Banwari Jain	1,872,000	18.00	1,872,000	18.00
Shashi Aneel Jain	1,716,000	16.50	1,716,000	16.50
Aneel Jain HUF	1,036,000	9.96	942,300	9.06
Times Growth Securities Limited	527,600	5.07	#	#

Less than 5% shareholding

NOTE 3 : RESERVES AND SURPLUS

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Securities Premium Reserve		
Opening Balance	20,554,000	20,554,000
Add: Additions during the year	-	-
Closing Balance	20,554,000	20,554,000
Surplus in the Statement of Profit and Loss		
Opening Balance	8,350,195	7,583,404
Add: Profit for the year	580,071	766,791
Closing Balance	8,930,266	8,350,195
Grand Total	29,484,266	28,904,195

INDO-CITY INFOTECH LIMITED

NOTE 4 : DEFERRED TAX LIABILITIES (NET)

The major components of deferred tax liabilities as recognized in the financial statements is as follows:

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Deferred Tax Liabilities		
On difference between book balance and tax balance of fixed assets	47,905	89,030
Net	47,905	89,030

Note : Deferred Tax Asset on carry forward of short term capital losses of Rs. 16,719 (as at March 31, 2013 Rs. Nil) has not been recognised as there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

NOTE 5 : OTHER CURRENT LIABILITIES

Statutory Liabilities:

TDS Payable	843	36,207
Professional Tax Payable	14,275	5,375
Employee Related Liabilities	105,628	143,094
Total	120,746	184,676

NOTE 6 : SHORT-TERM PROVISIONS

Provision for expenses	59,245	61,562
Total	59,245	61,562

NOTE 7 : FIXED ASSETS

(Amount in Rs.)

Description	Gross Block				Depreciation/ Amortisation				Net Block	
	As at April 1, 2013	Additions	Deductions/ Adjustments	As at March 31, 2014	As at April 1, 2013	Charged For the year	Deductions/ Adjustments	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Tangible Assets:										
Land	4,203,101	-	-	4,203,101	-	-	-	-	4,203,101	4,203,101
Air conditioner	275,940	-	-	275,940	165,270	13,107	-	178,377	97,563	110,670
Computers	258,578	-	-	258,578	155,672	40,928	-	196,600	61,978	102,906
Furnitures and Fixtures	3,849,796	-	-	3,849,796	2,144,501	243,694	-	2,388,195	1,461,601	1,705,295
Office Equipments	137,677	7,375	-	145,052	34,582	13,224	-	47,806	97,246	103,095
Total	8,725,092	7,375	-	8,732,467	2,500,025	310,953	-	2,810,978	5,921,489	6,225,067
Intangible Assets:										
Webportal	-	1,922,000	-	1,922,000	-	480,500	-	480,500	1,441,500	-
Total	-	1,922,000	-	1,922,000	-	480,500	-	480,500	1,441,500	-
Grand Total	8,725,092	1,929,375	-	10,654,467	2,500,025	791,453	-	3,291,478	7,362,989	6,225,067
Previous Year	7,570,288	1,154,804	-	8,725,092	2,204,339	295,686	-	2,500,025	6,225,067	5,365,949

Note:

Webportal is amortised on a straight line basis over their estimated useful lives which have been determined as 4 years. The useful lives have been determined based on the period over which future economic benefits are estimated to be received by use of the Webportal.

INDO-CITY INFOTECH LIMITED

NOTE 8 : NON-CURRENT INVESTMENTS

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Trade Investments (Valued at cost unless stated otherwise)		
a) Quoted Investments in Equity instruments:		
Nil (March 31, 2013 : 30,000) Shares of Rs. 10 each in NHPC Limited fully paid up	-	936,369
2,00,000 (March 31, 2013 : 2,00,000) Shares of Rs. 10 each in Avon Corporations Limited fully paid up	555,210	555,210
960 (March 31, 2013 : 960) Shares of Rs. 10 each in Indiabull Powers Limited fully paid up	11,040	11,040
	566,250	1,502,619
b) Unquoted Investments in Equity instruments:		
In Associate Companies:		
79,000 (March 31, 2013 : 79,000) Shares of Rs. 10 each in ABJ Developers Private Limited fully paid up	7,900,000	7,900,000
70,285 (March 31, 2013 : 70,285) Shares of Rs. 10 each of Times Growth Securities Limited	7,028,500	7,028,500
1,71,000 (March 31, 2013 : 1,71,000) Shares of Rs. 10 each in Indocoins Capital Markets Private Limited	17,100,000	17,100,000
In Others:		
Nil (March 31, 2013 : 1,30,000) Shares of Rs. 10 each in Fatehpur Enterprises Private Limited fully paid up	-	1,300,000
Nil (March 31, 2013 : 2,00,000) Shares of Rs. 10 each in Vaibor Financial Services Private Limited fully paid up	-	2,000,000
90,000 (March 31, 2013 : 90,000) Shares of Rs. 10 each in Allwin Packing Private Limited fully paid up	900,000	900,000
90,500 (March 31, 2013 : 1,00,000) Shares of Rs. 10 each in Infact Consultancy Private Limited fully paid up	905,000	1,000,000
Nil (March 31, 2013 : 95,500) Shares of Rs. 10 each in Rishika Consultants Private Limited fully paid up	-	955,000
60,000 (March 31, 2013 : 1,05,000) Shares of Rs. 10 each in Salasar Dwellers Private Limited fully paid up	600,000	1,050,000
25 (March 31, 2013 : 25) Shares of Rs. 10 each in The Bharat Co-Operative Bank Limited fully paid up	252	252
	34,433,752	39,233,752
c) Unquoted Investments in Preference Shares:		
NCD - Debentures	7,000,000	7,000,000
	7,000,000	7,000,000
Less: Provision for diminution in the value of Investments	482,973	741,641
Total	41,517,029	46,994,730

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Aggregate Book value of:		
Quoted fully paid up Investments in Equity Instruments	83,277	760,978
Unquoted fully paid up Investments	34,433,752	39,233,752
Aggregate Market value of:		
Quoted fully paid up Investments in Equity Instruments	83,277	760,978

INDO-CITY INFOTECH LIMITED

NOTE 9 : LONG-TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good		
Security Deposits	35,200	35,200
Capital Advances for Website portal	-	1,922,000
Loans to Other Parties	53,935,000	49,760,000
Loans to Related Parties (Refer Note No.21)	1,300,000	800,000
Balances with government authorities:		
VAT Credit Receivable	-	70,714
Total	55,270,200	52,587,914

NOTE 10 : TRADE RECEIVABLES

Unsecured, considered good

Debts Outstanding for a period exceeding six months from the date they are due for payment

Other Debts

Total

313	258
-	-
313	258

NOTE 11 : CASH AND CASH BALANCES

Cash and Cash Equivalent

Cash on Hand

Bank Balances in:

- In current accounts

Other Bank Balances

- Fixed Deposits with maturity period of more than 3 months but less than 12 months

Total

50,552	683,890
45,688	1,507,748
96,240	2,191,638
21,487,979	19,950,000
21,584,219	22,141,638

NOTE 12 : SHORT-TERM LOANS AND ADVANCES

Unsecured, considered good

Advance to Employee

Advance income tax (net of provision Rs. 642,280; March 31, 2013 : Rs. 342,600)

Total

4,500	-
121,821	191,105
126,321	191,105

NOTE 13 : OTHER CURRENT ASSETS

Interest Accrued on:

Fixed Deposits with Banks

Long-Term Loans to Others

Long-Term Loans to Related Parties

Total

1,467,049	977,127
5,033,406	4,073,624
82,904	48,000
6,583,359	5,098,751

INDO-CITY INFOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

NOTE 14 : REVENUE FROM OPERATIONS

(Amount in Rs.)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Income from Services Rendered (Web-hosting Income)	570,500	776,500
Total	570,500	776,500

NOTE 15 : OTHER INCOME

Interest Income:

- On Fixed Deposits with Banks	2,201,448	2,026,316
- On Long-Term Loans to Others	4,029,854	4,398,266
- On Long-Term Loans to Related Parties	82,904	48,000
- On Income tax Refund	-	33,492
Dividend Income on Non-Current Investments	56,195	77,195
Net Gain on Sale of Non-Current Investments	-	1,405
Total	6,370,401	6,584,674

NOTE 16 : EMPLOYEE BENEFIT EXPENSES

Salaries, Incentives and Wages	1,537,609	1,428,237
Director Remuneration	930,000	1,200,000
Staff Welfare Expenses	281,490	298,033
Total	2,749,099	2,926,270

NOTE 17 : FINANCE COST

Interest on Working Capital Loans	15,205	-
Interest on Loan	4,419	-
Total	19,624	-

NOTE 18 : OTHER EXPENSES

Repairs and Maintenance- Others	159,477	226,135
Repairs and Maintenance- Computer	150,036	144,748
Communication Expenses	89,557	91,716
Travelling and Conveyance Expenses	460,313	402,968
Bank Charges	11,171	3,207
Printing and Stationery Expenses	449,460	439,627
Sales Promotion and Advertisement Expenses	214,015	226,164
Legal and Professional Fee	202,653	187,138
Payments to Auditors:		
Audit fees	39,326	39,326
For other services	3,372	18,879
Provision for diminution in the value of Investments	80,701	741,641
Electricity Charges	75,297	106,908
Office Expenses	369,654	262,085
Postage and Courier Expenses	170,207	164,198
Loss on Sale of Non-Current Investments	54,108	-
Total	2,529,347	3,054,740

INDO-CITY INFOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Amount in Rs.)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
NOTE 19: EARNINGS PER EQUITY SHARE		
Profit attributable to Equity shareholders (Rs.)	580,171	766,791
Weighted average number of equity shares outstanding during the year (Nos.)	10,400,000	10,400,000
Basic and diluted earning for the year (Rs.)	0.06	0.07
Face value per Share (Rs.)	10.00	10.00

INDO-CITY INFOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

NOTE 20 : CURRENT ASSETS AND LOANS AND ADVANCES

In the opinion of the Board, all the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. The Provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

NOTE 21 : RELATED PARTY DISCLOSURE

a. Details of Related Parties

Description of Relationship	Names of Related Parties
Key Management Personnel (KMP)	Mr. Aneel Jain, Chairman & Managing Director
Relatives of KMP	Swati Jain - Brother's wife Vimal Jain HUF
Company in which KMP / Relatives of KMP can exercise significant influence	ABJ Developers Private Limited IndoCoins Capital Markets Private Limited M/s. Vineet Enterprises (Proprietor Mr. Vimal Jain)

Notes:

- The list of related parties above has been limited to entities with which transactions have taken place during the year.
- Related party transactions have been disclosed till the time the relationship existed.

b. Details of Related Party transactions during the year ended March 31, 2014

(Amount in Rs.)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Directors Remuneration		
Aneel Jain	930,000	1,200,000
	930,000	1,200,000
Loan Given		
ABJ Developers Private Limited	300,000	-
M/s. Vineet Enterprises (Proprietor Mr. Vimal Jain)	500,000	-
	800,000	-
Loan Given Repaid		
ABJ Developers Private Limited	300,000	-
	300,000	-
Interest Income		
Swati Jain	18,000	6,066
Vimal Jain HUF	30,000	7,643
M/s. Vineet Enterprises (Proprietor Mr. Vimal Jain)	34,904	-
	82,904	13,709
Loan Taken		
IndoCoins Capital Markets Private Limited	-	200,000
	-	200,000
Loan Repayment		
IndoCoins Capital Markets Private Limited	-	200,000
	-	200,000

INDO-CITY INFOTECH LIMITED

c. Closing Balances of the Related Parties

Particulars	(Amount in Rs.)	
	Balances as at March 31, 2014	Balances as at March 31, 2013
Loan Given		
M/s. Vineet Enterprises (Proprietor Mr. Vimal Jain)	534,904	-
Swati Jain	318,000	318,000
Vimal Jain HUF	530,000	530,000
	1,382,904	848,000

NOTE 22 : SEGMENT REPORTING

(i) Information about Primary Business Segment

The Company is exclusively engaged in the business of Web hosting. This, in the context of Accounting Standard 17 on Segment Reporting, is considered to constitute a single primary segment. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year are all as reflected in the financial statements for the year ended March 31, 2014 and as on that date.

(ii) Information about Secondary Geographical Segments:

The Company has business activity in India only hence this, in the context of Accounting Standard 17 on Segment Reporting, is considered to constitute a single secondary geographical segment. Thus all revenue, total assets and capital expenditure are with in india as reflected in the financial statements for the year ended March 31, 2014 and as on that date.

NOTE 23 : IMPAIRMENT OF FIXED ASSETS

There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with Accounting Standard (AS) – 28 'Impairment of Assets'.

NOTE 24 - PREVIOUS YEARS'S FIGURES

Previous year figures have been regrouped or rearranged, wherever considered necessary, to confirm with the current year's presentation.

The accompanying notes are integral part of these financial statements

As per our report of even date attached

For S K Patodia & Associates
Chartered Accountants
Firm's Registration No. : 112723W

Arun Poddar
Partner
Membership No. : 134572

Place : Mumbai
Date : May 30, 2014

For and on behalf of the Board of Directors

Aneel Jain
Managing Director

Place : Mumbai
Date : May 30, 2014

Surbhi Singhvi
Company Secretary

Place : Mumbai
Date : May 30, 2014

Shashi Jain
Director

Place : Mumbai
Date : May 30, 2014

INDO-CITY INFOTECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(Amount in Rs.)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
A. Cash flow from operating activities		
Net profit before taxation	851,378	1,084,478
Adjustments for:		
Depreciation on fixed assets	791,453	295,686
Interest on working capital loans	15,205	-
(Gain)/ Loss on sale of non-current investments	54,108	(1,405)
Provision for diminution in the value of Investments	80,701	741,641
Income income	(6,314,206)	(6,506,074)
Dividend Income	(56,195)	(77,195)
Operating profit/ (loss) before working capital changes	(4,577,556)	(4,462,869)
Adjustments for changes in working capital:		
(Increase)/decrease in trade receivables	(55)	17,501
Increase/(decrease) in other current liabilities	(63,930)	31,006
(Increase)/decrease in long-term loans and advances	70,714	-
(Increase)/decrease in short-term loans and advances	(4,500)	-
Increase/(decrease) in short term provisions	(2,317)	46,007
Net Cash used in operations	(4,577,644)	(4,368,355)
Less: Income taxes paid (net of refund received)	(243,148)	(107,460)
Net cash used in operating activities	(4,820,792)	(4,475,815)
B. Cash flow from investing activities		
Acquisition of fixed assets including capital work-in-progress and capital advances	(1,275,107)	(1,174,804)
Movement in long-term loans and advances	(4,675,000)	6,300,000
(Investment in)/ realisation of Fixed Deposits and Margin Money	(1,537,979)	(2,000,000)
(Purchase)/ Sales of investment (Net)	5,342,892	(7,352,197)
Dividend received	56,195	77,195
Interest received	4,829,598	6,362,653
Net cash generated from from investing activities	2,740,599	2,212,847
C. Cash flow from financing activities		
Interest paid on loans	(15,205)	-
Net cash used in financing activities	(15,205)	-
Net increase/ (decrease) in cash and cash equivalents	(2,095,398)	(2,262,968)
Opening cash and cash equivalents	2,191,638	4,454,606
Closing cash and cash equivalents	96,240	2,191,638

Notes :

- The Cash Flow Statement has been prepared under the "Indirect method" as set out in Accounting Standard - 3 on Cash Flow Statements as notified under Section 211 (3C), Companies (Accounting Standards) Rules, 2006 as amended.
- Previous year's comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

This is the Cash Flow Statment referred to in our report of even date

For S K Patodia & Associates
Chartered Accountants
Firm's Registration No. : 112723W

Arun Poddar
Partner
Membership No. : 134572

Place : Mumbai
Date : May 30, 2014

For and on behalf of the Board of Directors

Aneel Jain
Managing Director

Place : Mumbai
Date : May 30, 2014

Surbhi Singhvi
Company Secretary

Place : Mumbai
Date : May 30, 2014

Shashi Jain
Director

Place : Mumbai
Date : May 30, 2014

FORM NO. MGT 11**Proxy Form**

[Pursuant to Section 105 (6) of the Companies Act, 2013 (the Act) and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

CIN : L51900MH1992PLC068670

Name of the Company: Indo-City Infotech Limited

Regd. Off. : A6, Mittal Estate, Bldg. No. 2, Andheri-Kurla Road, Andheri (E), Mumbai – 400059

Tel. No.:- 022-28505903; E-mail: contact.indocity@gmail.com ; Website: www.indo-city.com

Name of the Member (s): _____

Regd. Add.: _____

Email Id: _____ Folio No./Client Id: _____ DPID: _____

I/We, being the member (s) of _____ shares of the above named Company, hereby appoint:

1. Name : _____

Address : _____

Email Id : _____ Signature: _____, or failing him

2. Name : _____

Address : _____

Email Id : _____ Signature: _____, or failing him

3. Name : _____

Address : _____

Email Id : _____ Signature: _____, or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the TWENTY SECOND ANNUAL GENERAL MEETING of the Company, to be held on the 29th day of September 2014 at 10.00 A.M. at A6, Mittal Estate, Bldg. No. 2, Andheri-Kurla Road, Andheri (E), Mumbai- 400059 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
1	Adoption of Audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date together with the reports of the Board of Directors and the Auditors thereon.
2	Appointment of Director in place of Mrs. Shashi Jain who retires by rotation and is eligible for re-appointment.
3	Appointment of M/s S.K.Patodia & Associates, Chartered Accountants as the Statutory Auditors of the Company.
4	Appointment of Mr. Brij Kishor Gupta as an Independent Director
5	Appointment of Mr. Ashwani Maheshwari as an Independent Director

Signed this _____ day of _____ 2014

Signature of Shareholder _____

Signature of Proxyholder (s) _____

Affix
Rs. 1/- Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

Tear Here

Name of the Company : Indo-City Infotech Limited

CIN : L51900MH1992PLC068670

Regd. Off. : A6, Mittal Estate, Bldg. No. 2, Andheri-Kurla Road, Andheri (E), Mumbai - 400059

Tel. No.:- 022-28505903; E-mail: contact.indocity@gmail.com ; Website: www.indo-city.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL

Full Name of the Member (in BLOCK LETTERS) _____

DP ID *: _____ Client ID : _____

Regd. Folio No.: _____ No. of Shares held : _____

Full Name of the Proxy (in BLOCK LETTERS) _____

I hereby record my presence at the Twenty Second Annual General Meeting of the Company on Monday, 29th September, 2014 at 10.00 A.M. at A6, Mittal Estate, Bldg. No. 2, Andheri-Kurla Road, Andheri (E), Mumbai-400059.

Signature of Member/ Proxy _____

*Applicable to investors holding shares in electronic form

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ASSENT/DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

Name	
Address	
DP Id Client Id / Folio No	
No. of shares held	

I/We hereby exercise my/our vote in respect of the following resolutions(s) as specified in the Notice of Indo-City Infotech Limited dated August 28, 2014 to be passed at the Annual General Meeting of the Company, for the businesses stated in the said Notice by conveying my/our assent or dissent to the said Resolution in the relevant box below:

Resolution No	Resolution	No. of Shares	I/We assent to the resolution (For) *	I/We dissent to the resolution (Against) *
Ordinary Business				
1	To consider and adopt the Audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.			
2	Re-appointment of Mrs. Shashi Jain, who retires by rotation.			
3	Re-appointment of M/s S K Patodia & Associates, Chartered Accountant as the Statutory Auditor.			
Special Business				
4	Appointment of Mr. Brij Kishor Gupta as an Independent Director			
5	Appointment of Mr. Ashwani Maheshwari as an Independent Director			

* Please put a tick mark (✓) in appropriate column against the resolution indicated above.

Place : _____

Date: _____

Signature of Member-----
*Tear Here***Instructions :**

1. In terms of clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, this Form is being provided.
2. A member desiring to exercise vote by Assent/Dissent shall complete this Form with assent (for) or dissent (against) and send at their cost to reach Scrutinizer Mr. Vedit Narsana, Practising Company Secretary, at the Registered Office of the Company on or before September 25, 2014 by 9.00 a.m. Any Form received after the said date shall be treated as if the reply from the Members has not been received.
3. In case Members cast their vote both by Physical Assent/Dissent Form and e-voting, then voting done through e-voting shall prevail and voting done by Physical assent/dissent will be treated as invalid.
4. Voting through physical/assent form cannot be exercised by a proxy. However corporate and institutional shareholders shall be entitled to vote through their authorized representative with proof of their authorization.
5. Members are requested not to send any other paper along with Assent/Dissent form and not to write anything on this form. If any such other paper is sent the same will be destroyed by the Scrutinizer.
6. Incomplete unsigned or incorrectly ticked assent/dissent forms will be rejected.
7. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholders as on the cut-off date of September 19, 2014.

Book - Post



If undelivered please return to:

INDO-CITY INFOTECH LIMITED

A6, Mittal Estate, Bldg. No. 2, Andheri-Kurla Road,
Andheri (E), Mumbai – 400059