

COMMEX TECHNOLOGY LIMITED POWERING EXCHANGES



Annual Report 2012-2013

BOARD OF DIRECTORS

Ketan Sheth
Sudip Bandyopadhyay
Jayant Mitra
Madhukar Nath Chaturvedi
Kishore Hegde*

*(Resigned w.e.f. 31st March, 2013)

Chairman & Managing Director
Non-Executive & Independent Director
Non-Executive & Independent Director
Non-Executive & Independent Director
Non-Executive & Independent Director

AUDITORS

Gadgil & Co., Chartered Accountants
118-B, Mittal Tower
210, Nariman Point
Mumbai-400 021

COMPANY SECRETARY

Vineet Kakkad
Vivek Thakur

(upto 10th June, 2013)
(w.e.f. 10th June, 2013)

BANKERS

ICICI Bank Limited
Abu Dhabi Commercial Bank
State Bank of India

REGISTERED OFFICE

Dev Plaza, 506
5th Floor, S.V. Road
Andheri (West)
Mumbai- 400058
Tel: +91 (22) 2621 2117
Fax: +91 (22) 2621 2118
Email: investor@commextechnology.com
Website: www.commextechnology.com

REGISTRAR AND SHARE TRANSFER AGENT

Universal Capital Securities Private Limited
21, Shakil Niwas, Opp. Satya Saibaba Temple
Mahakali Caves Road, Andheri- (East)
Mumbai-400093
Tel: +91 (22) 2825 7641
Fax: +91 (22) 28211996
Email: info@unisec.in
Website: www.unisec.in

CORPORATE IDENTIFICATION NUMBER (CIN)

:L72900MH2000PLC123796

Thirteenth Annual General Meeting on Monday the 30th day of September, 2013 at 10.00 AM at Event Banquet, Near Filmistan Studio, S.V. Road, Goregaon West, Mumbai 400062

Notice of Annual General Meeting	03
Chairman Review	13
Directors' Report	14
Management Discussion and Analysis	19
Report on Corporate Governance	23
Auditors Report on Consolidated Financial	37
Consolidated Balance Sheet	39
Consolidated Statement of Profit & Loss Account	40
Consolidated Cash flow statement	41
Notes on Consolidated Financial Statement	43
Auditors' Report on Financial Statement	65
Balance Sheet	70
Statement of Profit& Loss Account	71
Cash flow statement	72
Notes on Financial Statement	74
Financial Information of Subsidiaries	95
Attendance Slip & Proxy form	96

NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the members of Commex Technology Limited (Formerly known as IT People (India) Limited) will be held on Monday, the 30th day of September, 2013 at 10.00 a.m. at Event Banquet, Near Filmistan Studio, S.V.Road, Goregaon West, Mumbai 400062 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as on 31st March 2013 and Statement of Profit & Loss Account for the year ended as on that date, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Madhukar Nath Chaturvedi, who retires by rotation and being eligible, offers himself for reappointment.
3. To declare dividend on Equity shares for the financial year ended on 31st March, 2013.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution

"RESOLVED THAT M/s. Gadgil & Co., Chartered Accountants, Mumbai (Firm Registration No. 102876W) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

"RESOLVED THAT Mr. Sudip Bandyopadhyay who was appointed by the Board of Directors as an Additional Director of the Company with effect from 2nd April, 2013 and who holds office upto the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company."

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Ordinary Resolution:**

"RESOLVED THAT Mr. Jayant Mitra who was appointed by the Board of Directors as an Additional Director of the Company with effect from 24th December, 2012 and who holds office upto the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company."

7. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (the said Act), Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or issue of securities by a person resident outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as also of any other applicable Laws, Rules, Regulations, Guidelines, Notifications and Circulars etc. issued there under (including any modification or re-enactment thereof, for the time being in force) and in terms of the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Government of India (GOI), Foreign Investment Promotion Board (FIPB), Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), Stock Exchange and other authorities, if any, and subject to the consents, permissions and sanctions of the concerned authorities, if any, to the extent required to such conditions and modifications as may be prescribed or may be imposed while according such consents, which may be considered appropriate by the Board of Directors of the Company or any authorized committee thereof, (hereinafter referred to as "the Board") in its absolute discretion, and accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the consent of the Company be and is hereby accorded to the Board to create, offer, issue, allot and deliver, at its sole discretion, Equity Shares / Warrants / Foreign Currency Convertible Bonds (FCCBs) / Partly Convertible Debentures (PCDs) / Optionally Convertible Debentures (OCDs) / Fully Convertible Debentures (FCDs), Debentures attached with warrants whether secured or unsecured / Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Bonds / and any other Equity related instruments with or without warrants (herein after referred to as 'Security(ies)' or Any combination of such securities, whether rupee denominated or denominated in foreign currency for an aggregate sum of upto US\$ 100 Millions (United States Dollars One Hundred Millions only) or its equivalent in any other currency(ies), inclusive of such premium as may be determined by the Board to be subscribed in Indian and/ or one or more foreign currencies, which, at the option of the holders of the security and /or at the option of the Company, may be converted into Equity Shares of the Company, such offer, issue and allotment of securities and conversion of such securities into equity shares of the Company to be made in one or more tranches, through Prospectus, Information Memorandum, Offering Circular, Offer Letter and any other mode, whether public or on private placement basis and combination thereof, to all eligible investors including Indian Public, Foreign Investors, Foreign Institutional Investors (FIIs), Non-Resident Indians (NRIs), Overseas Corporate Bodies (OCBs), Bodies Corporate, Association of Persons, Banks, Financial Institutions, Mutual Funds, Trusts, promoters, person acting in concert of the Company and other entities/ authorities (herein after referred to as 'Investors'), whether such investors are existing equity shareholders of the Company or not, at such a price/ prices at discount or premium to market price or prices in accordance with the applicable law and otherwise on such terms and conditions as may be decided at the time of offer, issue and allotment, by the Board in accordance with the rules, regulations, terms, conditions as may be decided by the Board whenever necessary in consultation with the Lead Managers, Underwriters and Advisors at the time of issue or allotment of such securities."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as the Board may in its absolute discretion consider necessary, proper, expedient, desirable or appropriate for making the said issue as aforesaid including without limitation signing of all applications, filings, deeds, documents and

writings required to be filed with any statutory authority (ies) and to settle any question, doubt or difficulty that may arise in regard to the offer, issue and allotment of Securities."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into and execute arrangements/ agreements with Lead Managers / Underwriters / Guarantors / Depository (ies)/ Registrars / Custodians / Advisors / Bankers and all such agencies as may be involved or concerned and to remunerate all such Lead Managers/ Underwriters/ Guarantors / Depository (ies)/ Registrars / Custodians / Advisors / Bankers and all other Advisors and agencies by way of commission, brokerage, fees, expenses incurred in relation to the issue of securities and other expenses, if any."

"RESOLVED FURTHER THAT the Company and /or any agency or body authorized by the Company may issue Global Depository Receipts / American Depository Receipts and /or any other form of securities mentioned herein above representing the underlying Equity Shares issued by the Company in registered or bearer form with such features and attributes as are prevalent in capital markets in instruments of this nature and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in the capital market."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, issue of securities in international offering may have all or any term or combination of terms in accordance with applicable regulations and prevalent international practice."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to dispose of such securities as are to be issued and are not subscribed on such terms and conditions as it may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT the Equity Shares to be allotted in terms of this resolution shall rank pari passu in all respects with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to finalize the mode , terms and timing of the issue (s) including the class of investors to whom the securities are to be offered , issued and allotted , to the exclusion of all other categories of investors, the number of securities to be allotted in each tranche, issue price, face value ,premium amounts on issue /conversion of securities /exercise of warrants /redemptions of securities, rates of interest, redemptions, period, listings on one or more Stock Exchanges in India and/or abroad , as the Board may in its absolute discretion deem fit and to issue and allot such number of Equity Shares upon conversion of any of the Securities referred to in paragraph(s) above in accordance with the terms of offering and also to seek the listing /admission of any or all of such Equity shares on the Stock Exchanges /Depositories in India where the existing Equity Shares of the Company are Listed /admitted."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate any or all the powers conferred upon it by this resolution, to any committee formed thereof or any one or more Directors of the Company or to any individual so authorized by the Board of the Company."

8. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the provision of SEBI (Issue of Capital and Disclosure Requirements)

Regulations, 2009 as amended from time to time (hereinafter referred to as the "SEBI ICDR Regulations"), the provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Foreign Exchange Management (Transfer or Issue of Security by a person resident outside India) Regulation 2000, as also of any other applicable Laws, Rules, Regulations, and Guidelines, (including any amendment thereto or re-enactment thereof) and the enabling provisions in the Memorandum and Articles of Association of the Company, and the Listing Agreements entered into by the Company with the concerned Stock Exchanges in India where the equity shares / securities of the Company are listed, as may be applicable, and subject to such approvals, permissions, sanctions and consents as may be necessary and required under applicable Laws, Rules, Regulations, Agreements and Contracts on such terms, conditions, alterations, modifications, corrections, changes and variations, if any, that may be stipulated or imposed or prescribed under such approvals, permissions, sanctions and consents, which may be agreed and accepted by the Board of Directors (which term shall include any duly constituted and authorized "Committee of Directors" thereof), the consent of the company be and is hereby accorded to the Board of Directors to create, offer, issue and allot in one or more tranches, Equity Shares to Qualified Institutional Buyers (QIBs) (as defined in the "SEBI ICDR Regulations") by way of Qualified Institutional Placement, as provided under chapter VIII –of the SEBI ICDR Regulations for an aggregate amount not exceeding to ₹ 500 Crores (Rupees Five Hundred Crores only), inclusive of such premium as may be decided by the Board, at a price which shall not be less than the price determined in accordance with the pricing formula stipulated under chapter VIII of the "SEBI ICDR Regulations."

"RESOLVED FURTHER THAT the relevant date for the purpose of arriving at the aforesaid minimum issue price of the Specified Securities shall be the date of the meeting in which the Board (or any committees thereof constituted /to be constituted), decides to open the issue of the Specified Securities, subsequent to the receipt of Shareholders' approval in terms of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 as also of other applicable Laws, Regulations and Guidelines in relation to the proposed issue of the Specified Securities."

"RESOLVED FURTHER THAT:

- i. The Specified Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
- ii. The Equity Shares proposed to be issued through the Qualified Institutional Placement shall rank pari passu with the then existing Equity Shares of the Company in all respect including Dividend; and
- iii. The number of equity shares issued and allotted through Qualified Institutional Placement shall be appropriately adjusted in accordance with the SEBI ICDR Regulations for corporate actions such as Bonus Issue, Right Issue, Split and Consolidation of Share Capital, Merger, Demerger or any such capital or Corporate Restructuring."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Specified Securities may have such features and attributes or any terms and combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets and the Board subject to the applicable Laws, Regulations, Guidelines, be and is hereby authorized to dispose off such Specified Securities that are not subscribed in such manner as it may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval of preliminary as well as final offer document(s), determining the form, manner and timing of issue, including the investors to whom the Specified Securities are to be issued and allotted, the number of Specified Securities to be allotted, issue price, face value, premium amount, if any, rate of interest, execution of various Agreements/ Deeds/Documents/ Undertaking/ creation of mortgage/ charge in accordance with the Section 293 (1) (a) of the Companies Act, 1956, in respect of any of the securities issued through the Qualified Institutional Placement, either on Pari Passu basis or otherwise, and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of the Specified Securities and utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek any further concern or approval of the Members to the end and intent that the Members shall be deemed to have given their approval thereto expressly by virtue of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such Consultants, Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Bankers, Solicitors, Lawyers, Merchant Bankers, and any such Agencies and Intermediaries as may be involved or concerned in such offerings of Specified Securities and to remunerate all such agencies by way of commission, brokerage, fees, or the like, and to enter into or execute Agreements/Arrangements/MOUs with any such Agency or Intermediary and also to seek the listing of any /or all of such Specified Securities or Securities representing the same in one or more Stock Exchanges."

Date: 30th May, 2013

Place: Mumbai

By Order of the Board of Directors

Ketan Sheth

Chairman & Managing Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate Members, Societies, partnership firms, etc. intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The relevant explanatory statement pursuant to section 173(2) of the Companies Act, 1956 setting out the material facts concerning the Special Business mentioned under item nos. 5, 6, 7 & 8 of the notice are annexed hereto.
4. Members/Proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
5. The Annual Report of the Company is also available on the Company's website at www.commextechnology.com
6. The Company is concerned with environment and utilizes natural resources in a sustainable way. the Ministry of Corporate Affairs (MCA), Government of India through its circular Nos. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively, has allowed the companies to send official documents to their shareholders electronically as a part of green initiatives in corporate governance. The Company recognizes the spirit of the circular and henceforth proposes to send documents like Notice convening General Meeting, Directors' Report, Auditors' Report etc. to the email address provided by you to the depositories. We request you to update your email address with the depository participants to ensure that the annual report and other documents reach you on your preferred email.
7. The Register of Members and the Shares Transfer Books of the Company will be closed from 27th September, 2013 to 30th September, 2013 (both days inclusive).
8. The register of Directors Shareholding, maintained under section 307 of the Companies Act, 1956 will be available for inspection by the members at the meeting.
9. Members are requested to address all the documents, transfer deeds, demat requests, and other communications with respect to shares in physical mode to the Registrar & Share Transfer Agents of the Company, M/s. Universal Capital Securities Private Ltd. directly quoting their Full Name, Folio No. and Name of the Company.
10. As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's Registrar and Share Transfer Agents.

11. Members holding shares in multiple folios in the identical order of names are requested to consolidate their holdings into one folio and intimate the same to our R&T Agents.
12. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Compliance officer at least ten days in advance of the meeting so that the information required can be made readily available at the meeting to the extent possible.
13. Members are requested to intimate all changes pertaining to their Bank details, ECS, mandates, nominations, power of attorney, change of address/notice etc.:
 - a. To their Depository Participants (DPs) in respect of their electronic share accounts.
 - b. To the Company's Registrar & Share Transfer Agents M/s. Universal Capital Securities Private Ltd. in respect of their physical share folios, if any.
14. The dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid on or after 30th September, 2013 to those persons or their mandate:
 - a. Whose names appear as Beneficial Owners as at the end of the business hours on Thursday, 26th September, 2013 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - b. Whose names appear as members in the register of members of the Company after giving effect to valid share transfers in physical form lodged with the Company/ Registrar and Share Transfer Agents on or before Thursday, 26th September, 2013
15. Documents referred to in any of the items of the notice are available for inspection at the registered office of the Company up to 30th September, 2013 on all working days, except Sundays, during business hours of the Company.
16. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.