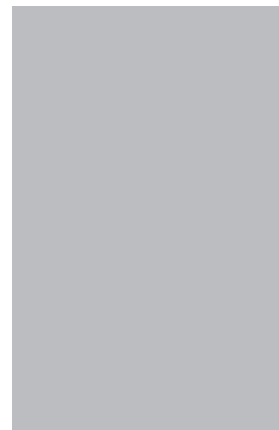


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# ANNUAL REPORT 2009-2010

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## COMPANY INFORMATION

### Board of Directors

#### CHAIRMAN

Brig. S.V.S Chowdhry

#### CEO & MANAGING DIRECTOR

Mr. Navin Gupta

#### DIRECTORS

Mr. R.L Gupta

Mr. Kailash Nath

Mr. Sarabjit Singh Saini

Dr. A.K Khare

Mr. Rasik Makkar

Mr. H.P Singh

Mr. J.K Bholra

Mr. H.R Issarani

Mr. L.C Goel

#### COMPANY SECRETARY

Mr. Shrey Rustagi

#### AUDITORS

Nath & Hari, Chartered Accountants

#### REGISTRAR & TRANSFER AGENTS

Alankit Assignments Limited

2E/21, Anarkali House, Jhandewalan Extn.

New Delhi-110055

#### REGISTERED OFFICE

5, Sant Nagar, East of Kailash, New Delhi-110065

[www.iecgroup.in](http://www.iecgroup.in)

#### HEAD OFFICE

M-92, Connaught Place, New Delhi-110001

## COMMITTEES OF BOARD OF DIRECTORS

### Audit Committee

Brig. S.V.S. Chowdhry, Chairman

Mr. Kailash Nath, Member

Mr. Sarabjit Singh Saini, Member

### Shareholder's Committee

Mr. Kailash Nath, Chairman

Brig. S.V.S. Chowdhry, Member

Mr. Sarabjit Singh Saini, Member

### Remuneration Committee

Brig. S.V.S Chowdhry, Chairman

Mr. H.P Singh, Member

Mr. Sarabjit Singh Saini, Member

Dr. A.K Khare, Member

### Subsidiary Companies

IEC Leasing and Capital Management Ltd

IEC Learning and Management Ltd.

IEC Education and Infrastructure Ltd.



## *Mission*

IEC has always adhere to growth through its commitment and mission. IEC had introduced the concept “KG to PG” - A Unique & highly effective business model/concept where in it continually works with an individual for more than fifteen years on average. It begins with the informal childhood learning at our Kindergarten and culminates into a graduation/post graduation degree for him.

The captive fifteen plus years time span that an individual spends at IEC provides us with the opportunity to create mutual wealth both in quality and value terms.

## *Vision*

It is IEC constant endeavour to delight all its target groups through excellence in service delivery and achieving the worldwide recognition. To be a center of excellence for quality education, where old ideas are challenged and new concepts nurtured, to be a seat of world class education from where Technocrats and Managers would emerge empowered to face the challenges of ever changing society with courage, conviction and compassion.

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# From the Desk of CEO & MD

**Dear Shareholders,**

I am delighted to report another excellent set of results reported by your company during the past financial year. This has been possible through strong focus on efficiency and efficient cost management system and through focus on new initiatives in Education sector.

Your company is in niche service sector. For the last half decade there is a robust performance by the Services Sector in India, which has been clocking strong double-digit growth rates over the past few years, and has been primarily accountable for the high GDP growth rates recorded. This fantastic growth rate has been achieved due to the humongous talent pool available in India, which is a subset of its entire population. The biggest asset of any country is its people. India has a population of more than 110cr, the second-largest in the world. However, India's literacy rate is not even two – third of the Total population, thus, there is a short supply of educated manpower in India. In fact, there is a huge requirement of talent in the fields of Hospitality, IT Services, Retail, Financial Services and Aviation, to name a few. This call for a high investment and growing participation both from Government as well as the Private sector. However, the Government has its own boundations with limited funds and expertise and the Private sector participation lacks due to the Regulatory barriers which prohibits the profit making activity in Education sector. It is well established fact that private sector recognizes his Social Responsibility but after ensuring with them set level of profits. It certainly calls for much-needed transform in the regulatory measures to ensure the Private Participation in this sector.

The numbers of junior basic schools are highest in the country and there is a strong need to set up higher secondary schools as well as colleges with a focus on IT education. Government has set up many ICT schools but still more than fifty percent of the market is untapped which shows an opportunity for private players. In respect to the country's population and number of students, trained teacher's ratio is low which emphasizes the need of training institutes. The growing IT industry in India is driving IT education and training market as well as enhanced teaching techniques.

## **Financial Performance**

The last fiscal year was rise to the new landmarks, and new targets for your company. The Net Profits of the Company has increased by over 33% and Profit After Tax by 20%. Your Company is trying to channelise every form of formal education activity and is venturing into new tie ups. In last fiscal, VEF the collaborator of your company has expanded its roots to management courses by starting Post Graduation Management Program (PGDM) in its campus, the Program is running successfully.

Last FY Company has reported the gross revenue of Rs.902.32 Lacs, out of which Personality Development Program (PDP) with 746.19 Lacs forms the major portion and income from training segment reported 86.23 Lacs while franchise and other miscellaneous income reported 69.90 Lacs.

The management of your company is committed towards excellence and to take your company towards new height of success.

Yours sincerely,  
With best wishes,

**Navin Gupta**  
CEO and MD



# NOTICE

Notice is hereby given that the 16th Annual General Meeting of the members of IEC EDUCATION LIMITED will be held on Friday, September 24, 2010 at 3.30 P.M at Sri Sathya Sai International Centre, Lodhi Road, Institutional Area, Pragati Vihar, New Delhi-110003 to transact the following Business:

## Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010 and Profit and Loss account for the year ended on that date along with the Director's Report and Auditor's Report thereon.
2. To Consider and appoint a Director in place of Mr. Sarabjit Singh Saini, who retires by rotation and being eligible offers himself for re-appointment.
3. To Consider and appoint a Director in place of Mr. H.R. Issarani, who retires by rotation and being eligible offers himself for re-appointment.
4. To Consider and appoint a Director in place of Mr. J.K. Bhola, who retires by rotation and being eligible offers himself for re-appointment.
5. 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 ordinary resolution:-

**"RESOLVED THAT,** M/s Nath & Hari, Chartered Accountants, be and is hereby re-appointed as auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of Next Annual general Meeting of the company on such remuneration as shall be fixed by the Board of Directors."

## Special Business

6. Amendment in Articles of Association

To Consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:-

**"RESOLVED THAT,** in pursuance to the provisions of Section 192A read with Section 31 of the Companies Act, 1956 and other applicable provisions, if any, after Article 66A of the Articles of Association of the Company the following article is inserted:

66A. Notwithstanding anything contained in the Articles of Association of the Company but subject to the provisions of the Act, the Company do adopt the mode of passing a resolution by the members of the Company by means of a postal ballot and/or other ways as may be prescribed by the Central Government in this behalf in respect of the following matters instead of transacting such business in a General Meeting of the Company:-

- (i) Any business that can be transacted by the Company in General Meeting as prescribed by law; and
- (ii) Particularly, resolutions relating to such business as the Central Government may by notification, declare to be conducted only by postal ballot.

The Company shall comply with the procedure for such postal ballot and/ or other ways prescribed by the Central Government in this regard.

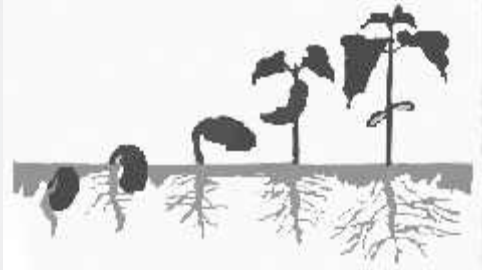
Place: Delhi

Date: 23rd August, 2010

By Order of the Board.  
For and on behalf of IEC EDUCATION LIMITED

Sd/-  
Shrey Rustagi  
(Company Secretary)





## NOTES:

1. **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 AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN FOURTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
3. Shareholders seeking any information with regard to the accounts are requested to write to the Company at an early date but not later than 48 hours before the scheduled time of holding the AGM.
4. Shareholders are requested to kindly bring their copies of Annual Report to the meeting.
5. Members are requested to quote their registered folio number in all correspondence with Company and notify the Company immediately of change, if any, in their address.
6. The register of members and share transfer books of the Company will remain closed from 17-09-2010 to 24-09-2010 (both days inclusive)
7. Information required to be furnished under the Listing Agreement.



## Brief particulars of Directors who are proposed to be appointed /re-appointed are given as below:

1. **Name** : **Mr. Sarabjit Singh Saini**  
**Age** : 39  
**Qualification** : B.Com  
**Shareholding** : 2800  
**Profile** : Mr. Sarabjit Singh Saini is a successful industrialist having wide experience in running industry and business. He has a rich experience in administration, finance and various aspects of business dealing. He is adept in dealing with higher Government authorities and handling successfully large workforce both at national and international level.

**Director of the Company since 25th Oct, 2005.**

**Other Directorship** : All Time Consultancy Private Limited.

2. **Name** : **Mr. H.R. Issarani**  
**Age** : 63  
**Qualification** : B.Com, M.A, CAIIB, Diploma in Labour Laws  
**Shareholding** : Nil  
**Profile** : Mr. H.R. Issarani has rich experience of 32 years in Banking and has held various posts in many parts of our country like Rajasthan, Punjab, Gujarat, West Bengal, Haryana and U.P. He has given his dynamic leadership to India's biggest branch of Syndicate Bank in Nehru Place, New Delhi. Prior to joining Syndicate Bank he served as a lecturer for a year in Lal Bahadur Shastri College, Rajasthan. His career span includes stints at various banks in the country. In his last role he served as the Chairman of Gurgaon Gramin Bank. Before that he has held important positions like Zonal Manager, Syndicate bank Faridabad, Director of Gurgaon Gramin Bank, Zonal Manager, Syndicate Bank, Zonal office Lucknow, Meerut Wing.

**Director of the Company since 4th Jan, 2008.**

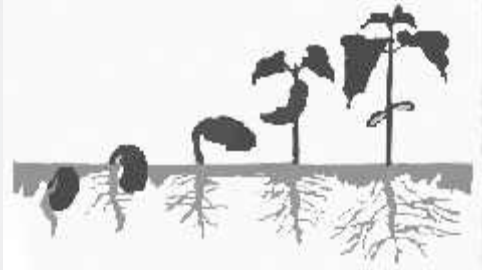
**Other Directorship** : Nil

3. **Name** : **Mr. J. K. Bhola**  
**Age** : 45  
**Qualification** : L.L.B., M.SC  
**Shareholding** : Nil  
**Profile** : Mr. J.K. Bhola is an Advocate by profession, practicing before hon'ble Supreme Court of India, High Courts, District Courts of various states including Delhi, Mumbai, Kolkata, Haryana, Chandigarh, Allahabad, Himachal Pradesh and Gujarat. He has rich experience in handling civil and criminal cases, Consumer cases and cases under Negotiable Instrument Act. Mr. Bhola has experience of almost 20 yrs his expertise is in handling industrial and labors cases.

**Director of the Company since 4th Jan, 2008.**

**Other Directorships** : NIL





## **Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956**

### **Item: 6**

Existing Articles of Association of the company do not provide power to pass the shareholders resolution through Postal Ballot except for the business mentioned under Companies (Passing of the Resolution by Postal Ballot) Rules, 2001. The proposed Article is being introduced to include any item which can be passed in the general meeting through Postal Ballot as per Section 192A of the Companies Act, 1956. Your Directors recommend the resolution for your approval.

None of the Directors of the Company is interested in the resolution.

By Order of the Board

Sd/-

Shrey Rustagi  
(Company Secretary)

Date: 23rd August 2010

Place: Delhi



# Directors' Report

## To the Members

Directors of your company are pleased to present 16th Annual Report together with statement of Audited Accounts and Auditors' Report for the year ended March, 31, 2010.

## Financial Results

(Amount in Rs. Lakhs)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Income from Operations	875.12	916.07
Other income	27.19	31.91
Total Expenditure	595.54	679.12
Profit Before Interest, Depreciation & Tax	306.77	268.86
Interest	20.06	15.88
Depreciation & Amortisation	58.76	81.01
Profit Before Tax	227.95	171.96
Provision for Tax	34.65	11.54
Profit After Tax	193.30	160.42

## Operations

Last Financial Year was very challenging to the world economy with widespread economic crisis the world has ever faced since Great Depression of 1930s. However, the efficient management of your company has not leaded its impact on profitability and growth of the company and for the third consecutive year the company has shown a remarkable increase in profits. One of the reasons behind this consistency is the comeback of Mr. Navin Gupta as MD and CEO of your company and ever since his appointment your Company is sailing on high growth of success. He is well known name in the Education sector and has taken some key policy decisions to rollover the company again on track of profits.

The Net Profits of the company have increased by 32.56 % from Rs.171.96 lac to Rs. 227.95 lac and Profits after tax (PAT) has increased by 20.50 % from Rs. 160.42 lac to Rs. 193.30. However, due to slow pace of the industry the total turnover of the company has declined from Rs. 947.98 lac to Rs. 902.32 lac. The Basic Earning per share and Diluted Earning per Share are 1.34 and 1.27 respectively.

The management has brought a change in its perception of doing business and has shown their belief in doing business which is more profitable rather than simply running in volumes, the turnover of the company is low in comparison to the last fiscal inspite there is a steep increase in the profits of the company proving the worth of management's decision.