Looking to the Future

ANNUAL REPORT

2012-13




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growth

Annual *Report*

2012-13



COMPANY INFORMATION

Board of Directors *(As on 10th August, 2013)*

Brig. S.V.S Chowdhry
CHAIRMAN, Independent Non Executive Director
Dr. Naveen Gupta
CEO & Managing Director, Promoter
Mr. R.L. Gupta
Non Executive Director, Promoter
Mr. Kailash Nath
Independent Non Executive Director
Mr. Sarabjit Singh Saini
Independent Non Executive Director
Dr. A.K. Khare
Independent Non Executive Director
Mr. Rasik Makkar
Independent Non Executive Director
Mr. H.P Singh
Independent Non Executive Director
Mr. J.K. Bhola
Independent Non Executive Director

Committees of The Board

Audit Committee
Mr. H.P Singh
Chairman, Independent &, Non Executive Director
Mr. Sarabjit Singh Saini
Member, Independent & Non Executive Director
Dr. A.K. Khare
Member, Independent & Non Executive Director

Shareholder's Investor Grievance Committee
Mr. H.P Singh
Chairman, Independent & Non Executive Director
Mr. Sarabjit Singh Saini
Member, Independent & Non Executive Director
Dr. A.K. Khare
Member, Independent & Non Executive Director

Remuneration Committee
Mr. Sarabjit Singh Saini
Chairman, Independent & Non Executive Director
Mr. H.P Singh
Member, Independent & Non Executive Director
Dr. A.K. Khare
Member, Independent & Non Executive Director

Registered Office
5, Sant Nagar, East of Kailash, New Delhi - 110065.

Head Office
M-92, Connaught Place, New Delhi-110001

Auditors
Nath & Hari, Chartered Accountants

Listed At
- Bombay Stock Exchange Limited
- Delhi Stock Exchange Limited
- Jaipur Stock Exchange Limited

Company Secretary
Ms. Preeti Rani

Registrar & Transfer Agents
Alankit Assignments Limited
2E/21, Alankit House, Jhandewalan Extn.
New Delhi - 110055.

Website: www.iecgroup.in

Subsidiary Companies
IEC Leasing and Capital Management Limited
IEC Learning and Management Limited
IEC Education and Infrastructure Limited



CONTENTS

- Notice 04
- Director's Report 09
- Report on Corporate Governance 16
- Auditors Certificate on Corporate Governance 28
- Management Discussion and Analysis Report 29
- Independent Auditor's Report 33
- Balance Sheet 37
- Statement of Profit & Loss Account 38
- Cash Flow Statement 39
- Significant Accounting Policies 41
- Notes forming part of the Financial Statements 43
- Statement Pursuant to Sec 212 55

Consolidated Financial Statements

- Independent Auditor's Report on Consolidated Financial Statements 56
- Consolidated Balance Sheet 57
- Statement of Consolidated Profit & Loss Account 58
- Cash Flow Statement 59
- Significant Accounting Policies 61
- Notes forming part of Consolidated Financial Statements 62

NOTICE

Notice is hereby given that 19th Annual general Meeting of the Members of IEC Education Limited will be held on Monday, the 23rd day of September 2013 at 2.00 PM at Sri Satya 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, 2013 and Profit and Loss account for the year ended on that date along with 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 reappointment
3. To Consider and appoint a Director in place of Mr. JAIDEEP KUMAR BHOLA, who retires by rotation and being eligible offers himself for reappointment
4. To Consider and appoint a Director in place of Mr. RAMESH LAL GUPTA, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with of without modification(s), the following resolution as ordinary resolution:
   "**RESOLVED THAT** pursuant to Section 224 and other applicable provisions if any, of Companies Act, 1956, M/s Nath and Hari, Charterd 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 determined by Board of Directors."

Special Business

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

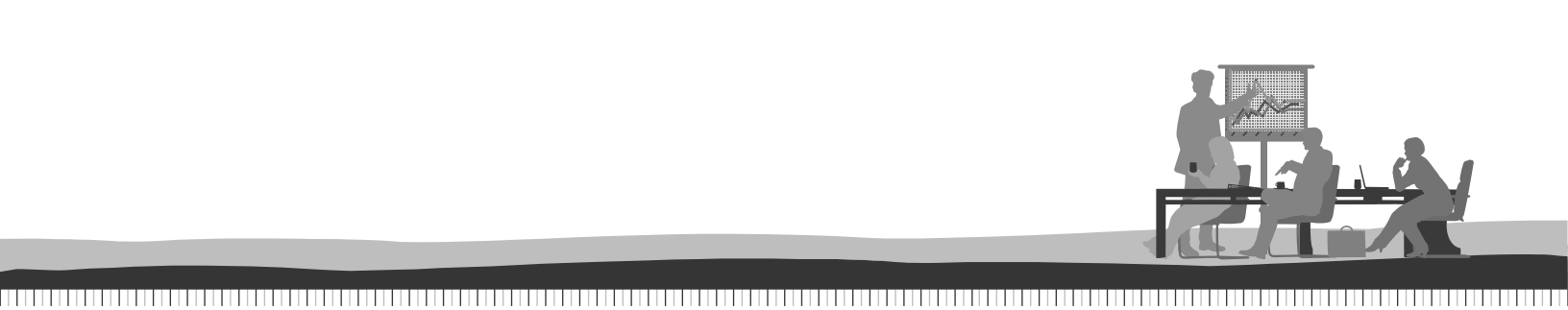
"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311, 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals as may be necessary, the members of the Company do hereby approve the re-appointment of Dr. Naveen Gupta as Managing Director of the Company for a further period of 5 years w.e.f. 27th June 2013 to 26th June 2018 and shall not be liable to retire by rotation, upon terms and conditions including remuneration as set out by the Board of Directors, the Board of Directors shall also have the power to alter and vary the terms and conditions of said appointment so as not to exceed the limit specified in schedule XIII to the Companies Act, 1956 or any amendments thereto.

"RESOLVED FURTHER THAT in his new tenure remuneration has been kept unchanged as per Company's policies and as approved by Remuneration Committee within the meaning of Schedule XIII, Part II Section II (A) of the Companies Act, 1956 the said remuneration or any incremental thereof as approve shall be paid to him notwithstanding the fact that the Company has no profits or inadequate profits in any financial year and/or any increments over the aforesaid remuneration as may be granted to him during his tenure provided that such remuneration or incremental remuneration shall be within the ceilings stipulated in Schedule XIII of the Companies Act, 1956.

"RESOLVED FURTHER THAT Directors of the Company including Company Secretary of the Company be and are hereby severally authorized on behalf of the Company to do all such acts, deeds, matters, things as are considered necessary and expedient to give effect to this resolution including issuing notices to the members of the Company and filing necessary forms with the Office of Registrar of Companies."

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 AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.



2. Pursuant to Clause 49 of the Listing Agreement additional information on directors seeking appointment / re-appointment at the annual general meeting is provided in the Annual Report.
3. Members / proxies are requested to bring the attendance slips duly filled in for attending the meeting and bring their copies of the Annual Report to the meeting.
4. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
6. 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 date of holding of AGM
7. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. The registers of members and share transfer books of the Company will remain closed from 16/09/2013 to 23/09/2013 (both days inclusive).
9. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective depository participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
10. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agent, Alankit Assignments Limited, 2E/21, Alankit House, Jhandewalan Extension, New Delhi-110055.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.

Brief particulars of Directors proposed to be re-appointed:

1. **Name** : **Sarabjit Singh Saini**
Age : 41
Qualification : B.Com
Shareholding : 2800
Brief 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 23th October, 2005
Other Directorship : 1. All Time Consultancy Private Limited.
2. Saini Polymers Private Limited.
3. Saini Brakes system Private Limited.

2. **Name** : **Jaideep Kumar Bhola**
Age : 47
Qualification : L.L.B., M.Sc
Shareholding : NIL
Brief Profile : Mr. J.K. Bhola is an advocate by profession, practicing before Hon'ble Supreme Court of India, High Courts, District Courts of various stated 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 over 20 years. His expertise is in handling industrial and labour cases.
Director of the Company : 4th January, 2008
Other Directorship : NIL

3.	**Name**	:	**Ramesh Lal Gupta**
	Age	:	76
	Qualification	:	B.A. L.L.B.
	Shareholding	:	2255595
	Brief Profile	:	He is the Promoter Director in the Company. Promoter Director has been a visionary with a social cause. A lawyer of repute for years has remained very active and involved in their group's attempts to impart education and training to large number of public through the IEC brand.. It was his vision of his look beyond and adapts latest technology, IEC under aegis of Vocational Educational Foundation (VEF) set up IEC College of Engineering and Technology (IEC-CET) in 1999 at Greater Noida. Recently Mr. Gupta was conferred with prestigious Edupreneur award by one of the leading Engineering Magazine, Engineering Watch for IEC University being selected as one amongst the Top 100 Engineering Colleges in India.
	Director of the Company	:	23rd August, 1994
	Other Directorship	:	R.L.N.G Infrastructure Private Limited VEF Housing Developers Private Limited IEC Education And Infrastructure Limited LEC Learning And Management Limited IEC Leasing And Capital Management Limited Sai Infracon Private Limited

Explanatory Statement to Special Resolution

Item No. 5

Dr. Naveen Gupta was appointed as Managing Director of the Company for the period of five years commencing from 27th June, 2008 by the Company at the 14th AGM of the Company Held on August 6th, 2008. The term of office of Dr. Naveen Gupta expired on 26th June, 2013.

Your Directors in their meeting held on 30th May, 2013, re-appointed Dr. Naveen Gupta as a Managing Director of the Company designated as "Director and CEO" w.e.f. 27th June, 2013 on the terms and conditions as detailed by Board of Directors subject to approval of share holders in their meeting.

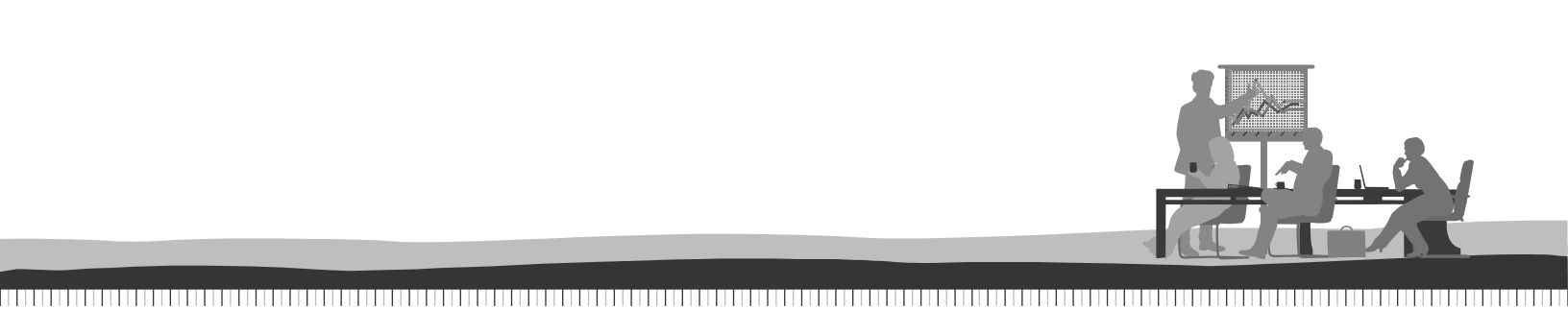
Dr. Naveen Gupta is associated with the Company since its foundation. He was director in the company since incorporation till year 2006. He returned in the company in year 2007 as Vice President later promoted to CEO and then Additional Director and Managing director in the year 2008. It was his visionary that takes the company out of the half decade of losses and regain on the track of profits. Dr. Naveen Gupta holds 22 years of rich experience in the field of Marketing, Advertising, Corporate Planning, Franchise operations, Administration and Strategy.

The approval of members is hereby sought for the proposed re-appointment of Dr. Naveen Gupta as a Managing Director of the Company designated as Director and CEO for a period of five years commencing from 27th June, 2013 for a composite remuneration of Rs. 1,50,000 (Rupees One Lakh Fifty Thousand Only) plus Provident Fund and Gratuity as per the existing Policy of the Company. Board of Directors shall have the power to alter & change the salary structure of his appointment as per the limits prescribed under Schedule XIII of the Companies Act, 1956.

Considering his rich experience in various diversified fields with an experience of over two decades, it would be in the interest of the Company to re-appoint Dr. Naveen Gupta as Managing Director of the Company.

The proposed remuneration is already approved by the Remuneration Committee and Board of Directors of your Company.

The Board of Directors based on the recommendation of the Remuneration Committee shall have the liberty to revise the remuneration subject to the limits of Schedule XIII of the Companies Act, 1956 based on the performance of Dr. Naveen Gupta.



Your Directors recommend the resolution as at Item No. 6 for your approval.

Statement in terms of Section II (B) (iv) of part II of Schedule XIII of the Companies Act, 1956 is given as under:-

I. General Information:

a) **Nature of Industry:** Education Services and other Vocational Education.

b) **Date of Commencement of Business:** August 23, 1994.

c) **In case of new companies, expected date of commencement of activities:** Not Applicable.

d) **Financial Performance:** During the period of 12 Months ended on 31.03.2013, the Company recorded a turnover of ` 452.89 Lacs and made a profit of ` 33.10 Lacs. The Company is a Profit MakIng Concern for the Past Six Years. The Prior period losses of the Company is written off from the Profits of the Company.Export performance: There were no exports or dealing in Foreign Exchange by the Company.

e) **Foreign Investments:** The Company do not have any Investment outside India as on date.

f) **Information about the appointee:**

a. **Background details:** Dr. Naveen Gupta is Bachelor in Arts from University of Delhi. An alumni of St. Stephen's College, Dr. Naveen Gupta is conferred with Honorary Doctorate Degree by Luhansk Tara Schevchenko National University (LTSNU), Ukraine, Doctorate of Science and Doctorate of Tourism and Information Technology for his contribution to these sectors. He is among the promoters of the Company and is Instrumental in its success. He is also CEO of IEC Group of Institutions.

b. **Past Remuneration:** IEC Education Limited ` 1,50,000 per month including perquisite excluding Provident Fund and Gratuity as per the policy of the Company.

c. **Recognition or Awards:**

1. Was conferred with Honorable Doctorate in Information Technology and Sciences by Luhansk Tara Schevchenko National University (LTSNU), Ukraine.
2. Nominated for conferring of Honorable Doctorate by UCLAN, UK.
3. Was conferred the BHARAT SHIROMANI PURASKAR by His Excellency Mr. Korn Dabrasansi Prime Minister of Thailand for providing quality education to International and National Students.
4. Received Honors when CSR ranked IEC as no. 1 Emerging College of Excellence and IEC was ranked as No. 2 state wise amongst Top Engineering Colleges.
5. Awarded with INTERNATIONAL ACHIEVER'S AWARD for EDUCATION EXCELLENCE and providing GLOBAL BUSINESS OPPURTUNITIES in Singapore by AIAC (Singapore and Thailand).

d. **Job profile and his suitability:** Dr. Naveen Gupta is designated as CEO and Managing Director and looking after whole of the affairs of the Company subject to the control and superintendence of Board of Directors of the Company. He has over 22 years of rich experience in Education & Training Industry and in overall management of Companies.

e. **Remuneration Proposed:** ` 1,50,000 per month (Rupees one lakh and fifty thousand only) as proposed by Remuneration Committee and approved by the Board of Directors, excluding Provident Fund and Gratuity as per the policy of the Company.

f. **Comparative profile w.r.t. Industry size of the Company profile of the position and person:** in line with the Industry.

g. **Pecuniary relationship:** He is amongst the Promoters of the Company and is son of Non Executive Director, Mr. Ramesh Lal Gupta.

g. **Other Information**

a. **Reasons of Loss or inadequate profits:** Factors due to which the performance of the Company has affected negatively are manifold including fierce competition in the Industry, high Government Control, volumes and gross margins declining. Company had incurred huge losses in past years, and since the last 6 years the company is under profit.

b. **Steps taken or proposed to be taken for improvement:** Apart from merger of VEF Information Systems Pvt. Ltd. With the Company, there are equity contributions from promoters and non promoters and different venture into other Education field from Software education.

c. **Expected increase in productivity and volumes:** As per the current and last few years trend.

I) **Disclosures:**

a. **Remuneration package of managerial person:** The remuneration package of Dr. Naveen Gupta is disclosed above in the explanatory Statement attached to the Notice to the members.

No Director of the Company other than Dr. Naveen Gupta and Mr. R.L. Gupta, relative is concerned or interested n the said resolution.

A Copy of the relevant documents relating to the aforesaid resolution is available for inspection at the Companies' Office i.e. 5, Sant Nagar, East of Kailash, New Delhi 110065 from 10.00 AM to 1.00 PM upto the date of Annual General Meeting.

The Board of Directors, therefore, commends the resolution for your approval.

Place: Delhi

Date: 10th August, 2013

By Order of the Board.

Sd/-
Naveen Gupta
(CEO & MD)