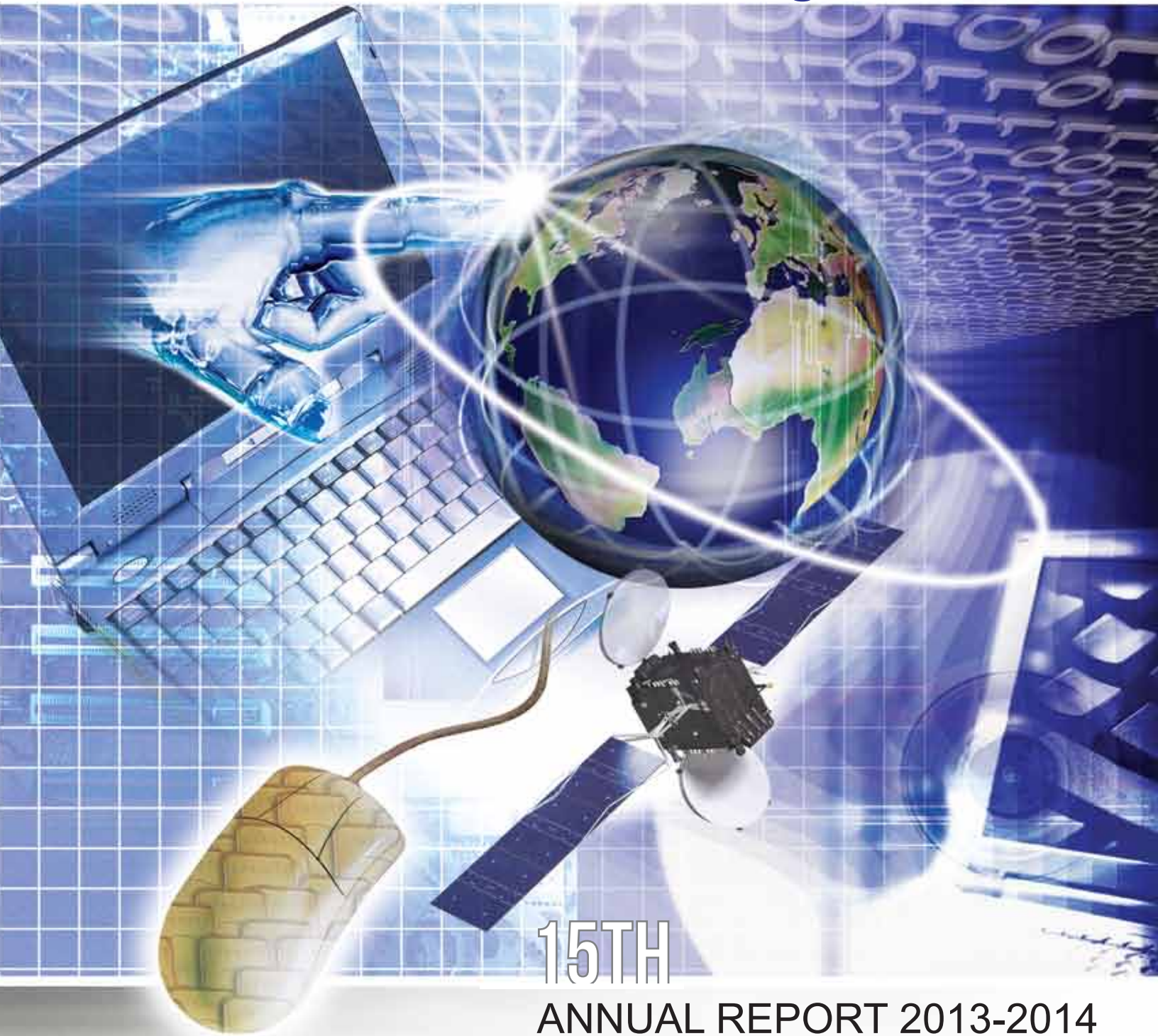




IKF Technologies Limited



15TH

ANNUAL REPORT 2013-2014

BOARD OF DIRECTORS



N.V. Simhadri, *Chairman*

Mr. Simhadri, is an LL.B. and M.Com from Nagpur University. He is an expert in various fields like legal, financial and taxation.

Mr. Simhadri has held senior positions for over 26 years in the Companies like SAIL, Ballarpur, Karvy, TCS, Aditya Birla group. He is also associated with Institute of Company Secretaries of India, Institute of Cost and Work Accountants of India and Institute of Bankers.

Sunil Kumar Goyal, *WTD & CEO*

Mr. Sunil Kumar Goyal is a Commerce Graduate. He possesses much knowledge and expertise in field of finance.

Mr. Sunil has vast experience in E-Governance project and portfolio Management. His experience compasses areas of creation of strategic alliance, business development and strategic planning. His incalculable career achievements cannot be limited in few lines.



Pradeep Dutta, *Director*

Mr. Pradeep Dutta, age 64 years, holds a Masters of Economics with specialization in Industrial Economics. Mr. Dutta had started his career in the year 1972 as a Research Assistant with Monopoly Restrictive Trade Practices under Department of Company Law, Govt. of India.

Mr. Dutta, with his deep insight and varied experience provides guidance in the overall activities of the Company. He plays a major role in formulating the business policies and decision making of the Company.

Umesh Govind Bhat, *Director*

Mr. Bhat is a Commerce Graduate and holds Diploma in Business Management. He has 20 years working experience with reputed Companies of India and Abroad.

Mr. Bhat, today is having excellent experience in Sales promotion activities, Launching of new products, Management and networking related with distribution etc. Mr. Bhat is a man of perfection and his vision is well defined towards the growth and success of the Company.



Nidhi Sharma, *Director*

Ms. Nidhi Sharma is M.C.A., has vast exposure in Telecom, IT/Software Industry. Ms. Nidhi has expertise and huge knowledge in developing training and education programme.

Ms. Nidhi has worked with various National & International clients like India, UK, USA, Netherlands, Germany and Finland. She is also associated with 'BLOSSOM', a Corporate Social Responsibility wing, which works towards the objective of 'Championing Child Education and Healthcare'.

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospect and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on the Management's plans and assumptions. We have tried where ever possible to identify such statements by using words such as 'anticipates, estimates, expects, projects, intends, plans, believes' and words of similar substance in connection with any discussion or future performance.

We cannot guarantee that these forward looking statements will be realized, although we believe that we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even in an inaccurate assumption. Should known or unknown risks or uncertainties materialise or should underline assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future event or otherwise.

IKF TECHNOLOGIES LIMITED



From 2000 to 2014

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Intro of Global Economy

“The going got tough but we continued with our steady and consistent growth in the light of challenges”

The Global economic uncertainty continued to translate into slowdown in Indian markets.

It may compel our clients to postpone their decisions to acquire newer technology and reduce their IT & BPO operations cost. In turn such scenario may affect our revenue and profitability. The Indian IT market has become a focused market for several large Indian IT & BPO firms & various global IT giants. But highly competitive scenario creates pricing pressure in the market, which may affect gross margin of the Company in long run. The sector is facing several challenges, including low visibility, delayed decisions, different growth rates among various verticals.

The going got tough but we continued with our steady and consistent growth in the light of challenges.

Despite the challenges, we continued to look inwards and utilized the adversities to further strengthen and expand our operations, crystallized our growth plans and pursued excellence in terms of training & development, quality of services and customer satisfaction.





Our Vision

We at IKF Technologies Limited understand the value of customer service in the competitive contemporary world and the zeal to flourish as the best in the business by offering the best of services to the privileged customers of our esteemed clients.

We help our clients effectively serve their customers through our range of services from Customer Acquisition, Maintenance, Hand Holding, Complaint Management, Enabling Services and Retention.



KEY CLIENTS

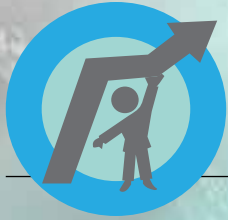


QUALITY CERTIFICATIONS

ISO 27001:2005 Certificate for ensuring Information Security Management System.

ISO 9001:2008 Certificate for ensuring Quality Management Standard System.





Growth & Challenges

The domestic IT-BPO market has been experiencing a gradual upswing since 2003, and now occupies an important place on the radars of both large and smaller IT-BPO organizations. While initially, it was small and Medium-sized Businesses (SMBs) that focused on the domestic sector, over the last few years, especially during the phase of the global slowdown, the larger players have also begun addressing the untapped opportunity being presented by the domestic IT-BPOs. The domestic market is getting catalyzed by factors such as a spurt in e-Governance projects by both the central and state governments, and greater use of IT by corporate and public sector agencies. The result is that large and SME IT-BPOs are engaging actively with Indian market customers and bagging prestigious and large deals in this sector.

1. Improving Training Strategy:

By creating and conducting interactive, enjoyable and educational training experiences our Company improve the effectiveness of training program. Company's success is based on the improvement of job behavior, job performance, service quality, lower absenteeism, customer satisfaction. Employee development is one of the most important investment.

2. Improving Quality of Services:

The right time to build the roof is while the sun shines. At IKF, we have always believed that improvement in quality of services has to be continuous and persistent, not momentary or occasionally. Our zeal to improve and lead the change enabled us in betterment of the quality of services we offer, in line with the best standards.

3. Facing Future Challenges:

In the year ahead, the IT-BPO industry will have to address a host of concerns that can impede its journey towards its vision. The sector will have to focus on issues related to security – both physical and data related in service delivery, to ensure that India continues to maintain its status as a secure sourcing destination.

4. Currency Fluctuation:

As the rupee remains volatile; it will impact the operating margins of IT-BPO organizations as well as their net profit. The industry may need support if the currency fluctuations are too volatile. Since currency fluctuations have somewhat dented India's competitiveness, steps will need to be taken to address this situation.

5. Expanding our Presence:

Change is inevitable and is constant. To partner change is nonetheless demanding but far more rewarding in the long-run. The need to change with the times was evident for us and we prepare well. In the last 5 years, we have consciously focused on expanding our presence – both in terms of domestic as well as international geographies.

The Company is operating in various parts of the country such as Kolkata, Shillong, Jaipur & Udaipur and has International subsidiaries in South Africa, USA, UAE, India.

6. Workforce Development:

Enhancing employability and access to a skilled talent pool is a critical enabler for India's competitiveness. The Company is engaged across a broad spectrum of academia, industry and governments to devise policies, curriculum and assessments to achieve the above objective.

Use of technology and business services is gaining increased adoption across governments, corporate and small and medium businesses (SMBs). The focus is to engage with these stakeholders and build initiatives that promote public private partnerships and standards and recognize excellence in IT adoption.

7. Fortifying Service Portfolio:

It is harder to stay at the top than to reach at the top. For the process demanding continuous excellence, which in turn involves learning, unlearning and relearning. At IKF, we believe that the secret to sustainable leadership is to constantly achieve new standards – be it in offering new services, improving quality and covering new sectors.



Human Resources Management

“Human Resources have always been the most valuable assets of our organisation”

For an Organisation of over 6500 employees, opportunity is diverse. In order to give better results, we have adopted a differentiated approach to growth.

Our Human Resources is the single largest factor that has contributed to our growth since inception. At IKF, Human Resources have always been the most valuable assets of our organisation.

Our Company nurtures our talent with confidence and we focus on competency development, role and career progression and benchmarked benefits to attract and retain the best talent of the Industry as well as build a pipeline of leaders to meet the future requirements. Our Organisation provide our people transparent and level-playing working environment that improves the culture of team working. We have taken pro-active measures to employ, guide and train local talent, thereby contributing to the economy of our nation. Training and development are the most vital factors of our Company's growth. The Company offers the right ingredients to encourage individual as well as team level achievement.

A well defined process to review the HR policies & processes ensures that the Company has complied with the regulatory requirements.



Corporate Social Responsibility

Being a responsible Organisation, it is our integral targets to take part in sustainable development in whatever we do.

Our commitment to sustainable development is reflected with our ambitious targets to reduce consumption footprints in energy, water and waste.

At IKF, we believe that the Education System in India must improve to deliver high quality equitable education to all. As a responsible organisation, we have resolved to make our contribution by initiating Educational Programs & improving the quality of education.

1. R2R Seva:

IKF, in collaboration with M/s. R2R Seva is engaged in business of providing services relating to collection of utility bills (electricity/water/telephone) and government levies, citizen information services & other related activities and has mainly been providing Government to Citizen (G2C) and Business to Citizen (B2C) services.

2. Vocational Education & Training:

Our Company, in order to encourage Vocational Education & Training, we got associated with Government of Madhya Pradesh with proposed investment of Rs.100 Crores and to impart training to 25000 students per year with reference to setting up of Industrial Training Institute and Skill Development Councils Projects.

3. Skill Development Programme:

- MOU entered into with the Virtual Global Education Limited for providing the on-site and off-site training through virtual platform and training centres. The main motto of this programme is to train, develop and create the employment opportunities for the unemployed youth in the rural areas of Rajasthan.
- MOU entered into with the Government of Chhattisgarh, with proposed investment of Rs. 150 Crores intended to promote the employment opportunities in accordance with the rules and regulations of the State Govt. of Chhattisgarh.

4. E – Siksha:

In India about millions of children are out of school, mainly in rural areas. IKF, in partnership with Kommunity Futures, has taken an initiative to promote education to rural areas, at scale with main essence of supplementing formal education system and stimulating brain development. Here we target children in two groups i.e., upto 3years and 3-5 years.

5. E-Governance & Software:

The Company, in association with the Government of Chhattisgarh, with proposed investment of Rs. 300 Crores intended to promote education and develop and create opportunities (Direct: 500 & Indirect: 700) for training the youth in the rural areas of Chhattisgarh.





Go Green

Go Green Initiative

“As a responsible corporate citizen, your Company welcomes and supports the Green Initiative”



Dear Members,

The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011 permitting service of notice/ documents by Companies to its members through electronic mode in compliance of Section 53 of the Companies Act, 1956.

As a responsible corporate citizen, your Company welcomes and supports the Green Initiative taken by the MCA, as this will reduce paper consumption to a great extent and allow the members to contribute towards a greener environment. This will also ensure prompt receipt of communication and avoid loss in postal transit.

In view of above, we are proposing to provide an option to our members for receiving all documents and communications including notices, abstract, Annual Report, documents etc., via e-mail.

1. For Members holding shares in electronic form, the e-mail address provided by them by writing at Company’s registered office address or by sending an e-mail at info@ikftech.in mentioning their Name, DP Id & Client id No. and e-mail made available to us by the depositories will be used for sending such documents. Members are thus requested to register / update their email address with their depositories.
2. Members holding shares in physical form are requested to register their valid email address with the Company by writing at Company’s registered office address or by sending an e-mail at info@ikftech.in mentioning their name & folio no. Alternatively, a ‘IKF Technologies Limited - Go Green Form’ is also available at the bottom of this page to enable the Members holding shares in physical form to register their e-mail address.

However, even if you opt for electronic mode, as a member of the Company, you will be entitled to be furnished, free of cost, with a physical copy of the Balance Sheet of the Company and all other documents required by law to be attached thereto and all other communication that may be sent to you, upon receipt of requisition from your side to this effect.

We seek your co-operation in helping the Company to implement the ‘Green initiative’ of the Government as your support will go a long way in saving trees and also result in substantial cost savings.