



**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 Directors 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 at least 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 up to 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 these Directors as Independent Directors from September 29, 2014 up to 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 Real Estate 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	(2,71,307)	(3,17,687)
Total	5,80,071	7,66,791
Add.: Amount Brought Forward	83,50,195	75,83,404
Balance Carried to Balance Sheet	<u>89,30,266</u>	<u>83,50,195</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

INDO-CITY INFOTECH LIMITED

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

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