

27th

ANNUAL REPORT

2013-2014

AASHEE **I**NFOTECH **L**IMITED

(Formerly known as S.R. Oils & Fats Limited)

AASHEE INFOTECH LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS : Mr. Inder Kumar Bansal Chairman & MD
: Mr. Anil Kumar Jain Director
: Mr. Arun Kumar Jain Director
: Mr. Rajesh Girotra Director
: Mr. Subhash Jain Director

COMPANY SECRETARY : Mr. Anand Parkash Sharma

STATUTORY AUDITORS : M/s. UBS & Company
Chartered Accountants
203, Shree Ganesh Complex,
32B, Vir Sawarker Block,
Shakarpur, Delhi-110092

REGISTRAR AND TRANSFER AGENT :

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor,
99, Mandangir, Behind Local Shopping Centre,
New Delhi-110062

BANKERS : Bank of India
UCO Bank

REGISTERED OFFICE : A-48/40, DLF Phase-1,
Gurgaon, Haryana-122002

CORPORATE OFFICE : 308, Lusa Tower, Azadpur,
Delhi-110033.
Ph. No. 011-40424242;
Fax: 011-42424200

EMAIL : info@asheefotech.com

INVESTORS HELPDESK : Ph. No. 011-40424242
Email : investors@asheefotech.com

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NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Company will be held on Friday, the 5th Day of September, 2014 at 2:00 P.M at HUDA Gymkhana Club, Sector 4, Gurgaon, Haryana -122001, to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:
"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2014 and Statement of Profit and Loss for the year ended on that date, together with the Directors' Report and Auditors' Report thereon as presented to the meeting, be and the same are hereby, approved and adopted".

2. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:
"RESOLVED THAT Mr. Anil Kumar Jain (holding DIN 00014601) , Director of the Company, retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company".

3. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:
"RESOLVED THAT pursuant to provisions to Section 139 of the Companies Act, 2013 and other applicable provisions, if any, of the act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), **M/s UBS & Co., Chartered Accountants**, New Delhi, having firm registration No. 012351N, be and are hereby appointed as Statutory Auditors of the company to hold the office from the conclusion of ensuing Annual General Meeting till conclusion of 31st Annual General Meeting, subject to ratification at every Annual General Meeting on such remuneration as may be fixed in this behalf by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, the following resolution as a ordinary resolution:
"RESOLVED THAT Mr. Subhash Jain (holding DIN 03513693) appointed as an Additional Director of the Company by the Board of Directors w.e.f. 6th February, 2014, and holds office upto the date of this meeting under section 161 of the Companies Act, 2013, and in respect of whom the Company has received a Notice in writing from a Member pursuant to section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.
RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all the acts, things and e-filling which are necessary to give effect to the above said resolution."

5. To consider and if thought fit, to pass with or without modification, the following resolution as a Ordinary resolution:
"RESOLVED THAT Mr. Rajesh Girotra (holding DIN 00188982) appointed as an Additional Director of the Company by the Board of Directors w.e.f. 22nd October, 2013 and holds office upto the date of this meeting under section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member pursuant to section 160 of the Companies Act, 2013 proposing his candidature for the office of Director , be and is hereby appointed as Director of the Company, who shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, including any amendment, modification, variation or re- enactment thereof read with Schedule IV of the Companies Act, 2013, for the time in being in force, Mr. Rajesh Girotra (holding DIN 00188982) be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of five

consecutive years, with effect from the date of this meeting."

6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution:

"RESOLVED THAT Pursuant to Section 149 and 152 of the Companies Act, 2013 [corresponding to Section 256 of the Companies Act, 1956] and in accordance with the Articles of Association of the Company, Ms. Ankita Kabra be and is hereby appointed as Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director who shall be liable to retire by rotation.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all the acts, things and e-filling which are necessary to give effect to the above said resolution."

By Order of the Board of Directors
For Aashee Infotech Limited

Place: Delhi

Date: 6th August, 2014

Sd/-
Company Secretary
Name- Anand Parkash Sharma
Membership No. F- 2836

Notes:

1. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. Pursuant to section 105 of the Companies act, 2013 read with the Companies (Management and Administration) rules, 2014 a person shall not act as proxy for more than fifty (50) members and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
2. A blank proxy form is sent herewith.
3. The instrument appointing proxy, duly stamped completed and signed, should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
4. Details of Directors seeking appointment / re-appointment in Annual General Meeting pursuant to Clause 49 (IV)(G)(i) of listing agreement is given herein.
5. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is given herein.
6. All documents referred to in the accompanying Notice and the Explanatory Statement are open to inspection by the members at the registered office of the Company on all working days up to the date of Annual General Meeting between 11:00 AM to 2:00 PM.
7. Members are requested to notify change in address (if any) immediately, at the registered office of the Company.
8. The Register of members and Share Transfer books of the Company will remain closed from 28th August, 2014 to 4th September, 2014 (both days inclusive), in terms of the provisions of the Companies Act, 2013, and the listing agreement with the stock exchanges where the shares of the Company are listed for the purpose of Annual General Meeting.

Voting through electronics means

In compliance with the provisions of clause 35B of the Equity Listing Agreements, Section 108 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to all its Members to enable them to exercise their right to vote on all matters listed in this Notice by electronics means.

For this purpose, the Company has entered into an agreement with CDSL for facilitating e-voting.

The instructions for members for voting electronically are as under:-**In case of members receiving e-mail:**

- (i) Log on to the e-voting website www.evotingindia.com

- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" 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:

	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 8 digits of the sequence number in the PAN field. In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.
DOB#	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.
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 member id/folio number 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 <Company Name> 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.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

General Instructions:

- The e-voting period will commence on Saturday, 30th August, 2014 (10.00 a.m.) and ends on Monday, 1st September, 2014 (5.00 p.m.) (both days inclusive). During this period, Members holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL thereafter. Please note that once the vote on a resolution has been cast, Members cannot change it subsequently.
- The voting rights of Members shall be in proportion of their shares in the total paid-up equity share capital of the Company as on 7th August, 2014.
- Rakesh Bisht & Co., Practising Company Secretaries has been appointed by the Company to act as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- The Scrutinizer shall within a period of three working days from the conclusion of the e-voting period submit his report in respect of the votes cast in favour or against each of the resolutions as set out in this Notice, to the Chairman of the Company.
- The Results shall be declared by the Chairman at the meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website viz., www.aasheefotech.com and on the website of CDSL on or before Monday, 8th September, 2014.
- In terms of clause 35B of the Equity Listing Agreements, the Company in order to enable its Members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, is enclosing a Ballot Form along with this Notice.
- A Member desiring to exercise his/her vote by Postal Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the enclosed self addressed pre-paid postage Business Reply Envelope. Postage charges will be borne and paid by the Company. However, in case a Member sends the Ballot Form by courier or registered post or delivers it in person at his expense, such Ballot Forms will also be accepted.
- The Ballot Form, duly completed and signed by the Member(s) should be returned in the enclosed self addressed pre-paid postage Business Reply Envelope directly to the Scrutinizer so as to reach the Scrutinizer before the close of working hours on Thursday, 4th September, 2014. Any Ballot Form received after the said date shall be treated as if the reply from the Member(s) has not been received.
- All documents referred to in this Notice and Statement setting out material facts and other statutory registers are open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. to 12.00 noon on all working days except Saturdays, Sundays and National Holidays, from the date hereof upto Thursday, 4th September, 2014.
- For security reasons and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by the Attendance Slip, which is

annexed to the Proxy Form. Members / Proxies are requested to bring their Attendance Slip complete in all respects and signed at the place provided there at and hand it over at the entrance of the Meeting venue.

MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 4

Mr. Subhash Jain (holding DIN 03513693) was appointed as an Additional Director of the Company by the Board of Director in accordance with the provisions of the section 260 of the Companies Act, 1956. Pursuant to section 260 of the Companies Act, 1956, the above Director holds office up to the date of ensuing Annual General Meeting. In this regard the Company has received request in writing from a member proposing his candidature for appointment as Director of the Company in accordance with provisions of and all other applicable provisions of the Companies Act, 2013.

Mr. Subhash Jain is a post graduate from the Science stream with Agriculture from Hisar University. He is having more than 35 years of experience in the filed of Metal and Stainless Industry.

He is ambitious, optimistic and resourceful business executive with proven abilities of sowing and managing large businesses and team to carry out organisational goals.

The Board feels that presence of Mr. Subhash Jain on the Board would be beneficial to the Company and hence recommend passing the resolution as an Ordinary Resolution.

None of the Directors are concerned or interested, directly or indirectly, except Mr. Subhash Jain in the resolution.

Your Directors recommend the resolution for approval.

ITEM NO. 5

Mr. Rajesh Girotra (holding DIN 00188982) was appointed as an Additional Director by the Board of Director in accordance with the provisions of the section 260 of the Companies Act, 1956. Pursuant to section 260 of the Companies Act, 1956, the above Director holds office up to the date of ensuing Annual General Meeting. In this regard the Company has received request in writing from member proposing his candidature for appointment as Independent Director of the Company in accordance with provisions of and all other applicable provisions of the Companies Act, 2013.

The Board feels that presence of Mr. Rajesh Girotra on the Board would be beneficial to the Company and hence recommend passing the resolution as an Ordinary Resolution.

In the opinion of the Board Mr. Rajesh Girotra fulfills the conditions specified in the Act and Rules made thereunder, for such appointment.

Upon the confirmation of the appointment of Mr. Rajesh Girotra as Independent Director by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said Director.

None of the Directors are concerned or interested, directly or indirectly, except Mr. Rajesh Girotra in the resolution.

Your Directors recommend the resolution for approval.

ITEM NO. 6:

The Board of Directors of the Company has decided to appoint Ms. Ankita Kabra as a Director of the Company, in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director whose period of office shall be liable to determination by retirement of directors by rotation.

Ms. Ankita Kabra is a Commerce Graduate from Accounts Honors and Associate Member of the Institute of Company Secretaries of India (ICSI) since December 2013. She is Company Secretary by profession.

She is having two years of experience of Company laws and other Corporate Laws. She has handled the matters relating to Secretarial, Legal and Compliances of Stock Exchanges.

None of the Directors are concerned or interested, directly or indirectly, except Ms. Ankita Kabra in the resolution.

Your Directors recommend the resolution for approval.

By Order of the Board of Directors
For **Aashee Infotech Limited**

Place: Delhi

Date: 6th August, 2014

Sd/-

Company Secretary
Name- Anand Parkash Sharma
Membership No. F- 2836

DIRECTORS' REPORT

Dear Members,

Aashee Infotech Limited

On behalf of the Board of Directors of your Company, it is my privilege to present the 27th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2014 and Auditor's Report thereon.

Financial Highlights:

The Profit & Loss Account of your Company on standalone basis shows a loss of Rs. 0.071 Lacs. The brief financial highlights are as below:

(Rs. In Lacs)

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Total Income	704.43	8108.41
Profit before depreciation	1.43	14.34
Depreciation	0.32	0.05
Profit after Depreciation	1.400	14.29
Profit before tax	1.400	14.29
Provision for Taxation (Current & Deferred)	0.46	3.55
Profit After Taxation	(0.07)	10.74

Operational Performance:

During the financial year 2013-14, the Company has recorded revenue of Rs.704.43 Lacs. The Company has earned net loss of Rs.0.071 Lacs during the year as compared to profit Rs.10.74 Lacs in the last year. The Directors are optimistic about future performance of the Company.

Your Company has incurred the above stated loss due to falling margins and intense competition in the products dealt with by the Company. The company took note of the same and constituted Strategic Review Committee to review the marketing strategy and to suggest changes in the product mix. On the basis of the Report of Committee slow moving and/or non-selling products have been phased out for the efficient and smooth running of business. This has resulted in steep fall in Income which is being reflected in the annual Accounts of the Company for the year ended 31st March, 2014. It is, however, expected that the change in policy of product mix shall have positive effects in the operations of the company in the years to come.

Public Deposits:

During the year, the Company has not invited/accepted any deposits under Section 58A of the Companies Act, 1956.

Dividend:

In view of the inadequacy of profits, your Directors do not recommend any Dividend for the Financial Year ended on 31st March, 2014.

Updates on Proposed Merger:

In the Board Meeting held on June 28, 2013, the Board of Directors of the Company had approved the Scheme of Amalgamation which consists of Merger of Jatalia Global Ventures Ltd (JGVL), Jatalia Industrial Park Pvt Ltd (JIPL), Lusa Private Ltd (Lusa) and Surya Soft-Tech Ltd (Surya) **[Transferor Companies]** with Aashee Infotech Ltd. (AIL) **[Transferee Company]**. The Application under clause 24(f) of the listing agreement had already been submitted to the Designated and Regional Stock Exchange(s) where the shares of Aashee Infotech Limited are listed. The petition under section 391-394 of the Companies Act, 1956 has been submitted to Hon'ble High Court of Punjab and Haryana at Chandigarh. The Meeting of Shareholders of the Transferee Company for the Scheme of Amalgamation shall be convened on September 5, 2014 vide order dated 25th July, 2014 of Hon'ble High Court of Punjab and Haryana at Chandigarh.

Change in Registered office:

During the year under review, the Company has filed e-form 18 under section 17 of the Companies Act, 1956 to the Registrar of Companies, NCT of Delhi

and Haryana, for shifting of Registered Office of your Company within the local limits of Gurgaon and Haryana without change in the Jurisdiction of the Registrar of Companies, NCT of Delhi and Haryana from ANM House, SCO 11-12, 2nd Floor, Part-II, Sector-15, Gurgaon Haryana-122001 to **A-48/40, DLF Phase-1, Gurgaon-122002, Haryana w.e.f. 22.10.2013**

Directors:

Articles of Association of the Company provide that at least two-third of our Directors shall be subject to retirement by rotation. One-third of these retiring Directors must retire from office at each Annual General Meeting of the Shareholders. The Retiring Directors are eligible for re-election.

Mr. Anil Kumar Jain, Director retires by rotation and being eligible offer himself for re-appointment at the ensuing Annual General Meeting.

Company Secretary:

Mr. Chandra Kishor Jha who was appointed as Company Secretary of the Company with effect from 1st November, 2011 had resigned and his resignation was accepted with effect from 28th December, 2013.

Mr. Anand Parkash Sharma a fellow member of the ICSI, Delhi has been appointed, by the Board of Directors of the Company, as Company Secretary of the Company with effect from 31st July, 2014.

Statutory Auditors:

M/s. UBS & Co. Chartered Accountants (Firm Registration No. 012351N), Delhi, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and is recommended for re-appointment. A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under section 139 of the Companies Act, 2013 and that they are not disqualified for re-appointment within the meaning of section 141 of the said Act.

Auditors Observations:

The observations made by Auditors with reference to notes to account are self explanatory and need no comments.

Compliance certificate:

The Company has obtained a Compliance Certificate under Section 383A of the Companies Act, 1956 from a Whole Time Company Secretary in Practice and same has been attached with the Report.

Directors' Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibilities Statement, it is hereby confirmed:

- (i) that in the presentation of the annual accounts for the financial year ended March 31, 2014, the applicable accounting standards have been followed;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are made 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 of the company for that period;
- (iii). that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) that the Directors had prepared the annual accounts for the financial year ended March 31, 2014 on a going concern basis.

Personnel:

Your Company has talented and dedicated professional employees to help the Company achieve its goal. To retain and develop these employees, human resources group has been working with an objective to enhance employee competence through various initiatives and maximizing employee contribution towards the organizational goals.

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not applicable to the Company since there is no such employee who fulfills the requirement of that section.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo:

Pursuant to 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

	Particulars	Current Year 2013-14	Previous Year 2012-2013
A.	Conservation of Energy	Nil	Nil
B.	Technology Absorption	Nil	Nil
C.	Foreign Exchange Earnings & Outgo	Nil	Nil

Corporate Governance:

The report of Corporate Governance and Management Discussion and Analysis Report has been annexed to this report and forms part of the Director's Report

Cessation

During the year Mr. Varun Sharma expressed his inability to continue as a Director due to other commitments and submitted his resignation. The Board of Directors has accepted the same and placed on record its appreciation for the services rendered by Mr. Varun Sharma during his tenure as Director of the Company.

Employees

The Company has taken a number of initiatives to attract, retain and develop talent in the organization. Some of them include HR (HR query management system), the employee referral scheme, increments every three months, training & development programs, medical insurance, social functions etc.

The Managing Director has been addressing the employees on periodic basis to provide information on development of the Company and to understand the concerns of the employees.

Your Company understands that the employees are the main assets of the company and it is necessary that they feel challenged to use their intellectual skills to the best of their abilities and add value to themselves even as they add value to the Company.

Acknowledgement

The Directors are thankful to the Bankers, Customers, Dealers, and Vendors for their valuable support and assistance.

The Directors wish to place on record their appreciation of the commendable work done, dedication and sincerity by all the employees of the Company at all levels during the year under review.

The Company will make every effort to meet the aspirations of its shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

For and on behalf of the Board
For **Aashee Infotech Limited**

Place: Delhi

Sd/-
Chairman & Managing Director
Name- Inder Bansal
DIN- 00005426

Date: 6th August, 2014

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

COMPANY OVERVIEW

The Company's financial statements have been made out in accordance with the Companies Act 1956, SEBI Guidelines, and generally accepted accounting principles (GAAP) in India on prudent and reasonable basis. These financial statements present in a true and fair manner the substance of transactions and reasonably present the state of affairs, profits and cash flows for the year.

The Management of your company does accept the reliability and objectivity of these financial statements.

CONSTITUTION OF STRATEGIC REVIEW COMMITTEE

The Management of the Company has constituted a review committee named as Strategic Review Committee for review of the financial as well as other activities of the company. The Committee is comprised of three

Directors having knowledge in Management and Finance.

The Main objective of the Committee is to critically analyse all aspects of various business transaction and all business activities carried on by the Company. The Committee had analysed all the critical areas and activities of the business carrying profit/loss of the Company.

NOTING OF THE STRATEGIC REVIEW COMMITTEE

The Committee has overviewed the performance of the Company by analyzing the business activities carried on by the Company. After analyzing and discussions the Committee has been able to pin point out the hurdles adversely affecting the income generated from operations.

In the light of the recommendations of the Committee the Management has decided to discontinue dealing with the slow moving or non-selling products for the efficient and smooth running of business. The Management has drawn out a list of non-profit making products and the trading in the same has been discontinued. The effect of the same is being reflected in the Annual Accounts of the Company for the year ended 31st March, 2014.

PROPOSED MERGER

The Board of Directors of your Company had in its Meeting held on June 28, 2013, approved the Scheme of Amalgamation consisting of Merger of Jatalia Global Ventures Ltd (JGVL), Jatalia Industrial Park Pvt Ltd (JIPL), Lusa Private Ltd (Lusa) & Surya Soft-Tech Ltd (Surya) [**Transferor Companies**] with Aashee Infotech Ltd. (AIL) [**Transferee Company**]. The Application under clause 24(f) of the listing agreement had already been submitted to the Designated and Regional Stock Exchange(s) where the shares of Aashee Infotech Limited are listed. The petition under section 391-394 of the Companies Act, 1956 has been submitted to Hon'ble High Court of Punjab and Haryana, Chandigarh. The Meeting of Shareholders of the Transferee Company for the Scheme of Amalgamation will be convened on September 5, 2014, vide order dated 25th July, 2014 of Hon'ble High Court of Punjab and Haryana at Chandigarh.

One of the main objectives of the above stated Merger is diversification of the Business of the Company and to tap the international market. In order to achieve growth and value for the shareholders, the company needs to explore international market for its products. The proposed merger with a Trading Major would result in increase in top line as well as intrinsic worth for the stakeholders. In view of the same the Management has decided for the Merger of your company with such a Company which has already international presence.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Economy of India is likely to grow at a good pace. The present competitive environment requires review of the strategies of companies in all the sectors. Your Company shall also explore international market for growth and development. The Management is of the opinion that international market shall provide immense opportunities for its growth of your Company.

OPPORTUNITIES AND THREATS

With the continuous technological advancements there shall be enormous opportunities in the hardware sector; it is poised to grow at much larger rate in the coming years.

RISKS AND CONCERNS

As the competition has grown among manufacturers of computer hardware there has been acute pressure on sales and margins are being eroded, your Company has already reviewed the product mix and shall explore new and international markets for its products. The performance of the company is further dependent on the performance of the economy as a whole.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has established internal control systems which is adequate commensurate with its size and nature of operations so as to ensure smoothness of operations and compliance with applicable legislation.

HUMAN RESOURCE

The Company keeps developing its organizational structure consistently over time. Efforts are made to follow excellent Human Resource practices.

Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices. The objective of your Company is to create a workplace where every person can achieve his or her full potential. The employees are encouraged to put in their best. Lot of hard work is put in to ensure that new and innovative ideas are given due consideration to achieve the short and long term objectives of your company.

RISK MANAGEMENT

The IT Industry is subject to stringent customer requirements on information and data security, impact of rapid technological changes, financial exposures due to rapid exchange fluctuations and ever increasing regulatory compliance requirements. These factors demand for a robust risk management practice to be adopted by IT service providers.

As a prudent business practice, your company has established a robust risk management framework comprising of practices related to developing risk strategy, identification, assessment and monitoring of risks to our business objectives. The Company's Risk Management framework focuses on minimizing impact of risks on our business objective and enables us to leverage on the opportunities effectively. Our risks objectives address risks associated with the economy, regulatory environment, business environment, competition, interest rates, operations, etc.

FUTURE OUTLOOK

In view of the company's strategy of changing the product mix and tapping of international market there are immense opportunities likely to come up. However, due to lower margins in the business of trading the achievement of real growth, in terms of profit, may take a longer time.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The employees are satisfied and having good relationship with the Management.

LISTING OF SHARES

Company's equity shares are listed at Bombay Stock Exchange Limited (BSE), Delhi Stock Exchange Limited (DSE), Ludhiana Stock Exchange Limited (LSE), and Ahmedabad Stock Exchange Limited (ASE). BSE has nation-wide trading terminal and therefore providing full liquidity to investors of the Company.

REPORT ON CORPORATE GOVERNANCE

A good Corporate Governance is a system by which Companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness transparency and integrity of the Management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Companies. The Company is practicing the principles of Good Corporate Governance over the years.

The Company has a mission to provide sustainable advanced solution and services to our customers, long term partnership with its investors, maximizing value to our stakeholders, clients, suppliers and its employees.

This has been articulated through the Company's Code of Business Conduct and Ethics, Corporate Governance guidelines, charters of various sub-committees of the Company's Disclosure policies. These policies seek to focus on enhancement of long term stakeholder's value without comprising on Ethical Standards and Corporate Social Responsibilities.

1. COMPANY'S PHILOSOPHY

Company Philosophy on Corporate Governance is founded upon a rich

legacy of fair ethical and transparent Governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Company believes in adopting best practices in the area of corporate governance and follows the principles of full transparency and accountability by providing information on various issues concerning the Company's business and financial performance to its shareholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. It is firmly believed that good governance practices would ensure efficient conduct of the affairs of the Company and help the Company achieve its goal of maximizing value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming leader in Internet Software & Services.

The Company has adopted a Code of Conduct for Directors & Senior Management. This Code is available on the Company's website.

The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges.

The Board considers itself as the Trustee of its Shareholders. During the period under review, the Board continued its pursuit by adopting and monitoring of corporate strategies, prudent business plans, major risks and ensuring that the Company pursues policies and procedures to satisfy its social, legal and ethical responsibilities.

2. BOARD OF DIRECTORS

Composition of Board:

The Board of Directors has an optimum combination of Executive and Non-Executive Directors. As on 31st March 2014, the Board comprises of 5 Directors. The Company is professionally managed and its Board of Directors comprised of professionally qualified Directors, who have rich experience in diversified fields.

Non-Executive Directors' compensation and disclosures:

No remuneration or sitting fees was being paid to the Non Executive Directors'. No stock options were granted to Non Executive Directors or Independent Directors during the year under review.

Meeting of Board of Directors

There were 12 (Twelve) Board Meetings held during the year ended March 31, 2014. These were on 02.04.2013, 10.04.2013, 13.04.2013, 10.05.2013, 24.05.2013, 28.06.2013, 09.08.2013, 27.08.2013, 22.10.2013, 12.11.2013, 28.12.2013, 06.02.2014

The periodicity between two Board Meetings was within the maximum time gap as prescribed in the Listing Agreement / Companies Act, 1956.

The composition of the Board of Directors, their attendance at Board Meetings and last Annual General Meeting is as under:

Name of Director	Number of Board Meetings under tenure		Last AGM attended
	Held	Attended	
Mr. Anil Kumar Jain	12	12	Yes
Mr. Inder Bansal	12	12	Yes
Mr. Arun Kumar Jain*	9	7	Yes
Mr. Varun Sharma**	3	3	No
Mr. Subhash Jain***	1	1	No

* Ceased to be Director w.e.f 22.10.2013

** Appointed as Director w.e.f 22.10.2013

*** Appointed as Director w.e.f. 06.02.2014

The last Annual General Meeting (AGM) was held on September 24, 2013.

None of the Directors of the Board serve as Members of more than 10 committees nor do they Chairman more than 5 committees as per the requirements of the Listing Agreement.

Code of Conduct

- The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to the Executive Directors (including Senior Management of the Company) and Non-Executive Directors have been

sent to all the Directors and Senior Management Personnel.

- The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2014.

Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee is broadly as under:

- ✓ Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- ✓ Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- ✓ Reviewing the financial statements and draft audit report, including quarterly / half yearly financial information.
- ✓ Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices;
 - Major accounting entries based on exercise of judgment by management;
 - Qualifications in draft audit report;
 - Significant adjustments arising out of audit;
 - Compliance with accounting standards;
 - Compliance with stock exchange and legal requirements concerning financial statements;
 - Any related party transactions as per Accounting Standard 18.
 - Reviewing the Company's financial and risk management policies.
 - Disclosure of contingent liabilities.
 - Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
 - Discussion with internal auditors of any significant findings and follow-up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - Reviewing compliance as regards the Company's Whistle Blower Policy.
 - Mandatory review of following information:
 - ❖ Management discussion and analysis of financial condition and results of operations;
 - ❖ Statement of significant related party transactions, submitted by management;
 - ❖ Management letters / letters of internal control weaknesses issued by Statutory Auditors and;
 - ❖ Appointment, removal and terms of remuneration of Internal Auditor.

During the year ended March 31, 2014, 8 (Eight) Audit Committee Meetings were held on 2.04.2013, 10.05.2013, 28.06.2013, 09.08.2013, 27.08.2013, 22.10.2013, 12.11.2013, 06.02.2014. Mr. Arun Kumar Jain, Chairman of the Audit Committee was present at the last Annual General Meeting held on September 24, 2013.

The composition of the Audit Committee and the attendance of the Members in the meetings are as under: