



[An ISO 9001:2008 Company]

# **Annual Report 2010-2011**

**MRS KIRTI LAKHOTIA, CMD**  
**MR SIDHARTH LAKHOTIA, Director, Chief Executive Officer**  
**MR PRATIK LAKHOTIA, Director Finance**  
**MR PRAVEEN JAIN**  
**MR G K GUPTA**  
**MR KAMALJIT SINGH**

**COMPANY SECRETARY**  
MR P. N. ROY CHOUDHURY

**AUDITORS**  
BUDHIA & CO.  
Chartered Accountant

**CONSULTANT**  
A. K. LABH & COMPANY  
Company Secretaries

**REGISTRAR AND SHARE TRANSFER AGENT**  
M/S S. K. COMPUTERS  
34/1A, SUDHIR CHATTERJEE STREET  
KOLKATA 700 006

**BANKERS**  
UNITED BANK OF INDIA  
STATE BANK OF INDIA  
AXIS BANK

**REGISTERED OFFICE**  
P-16, CIT ROAD, KOLKATA 700 014  
PHONE: (033) 2227 7906

**CORPORATE OFFICE**  
2/5A SARAT BOSE ROAD, KOLKATA 700 020  
PHONE: (033) 40033636 / 37  
FAX: (033) 2485 2932

Website: <http://www.lccinfotech.co.in>  
E-mail: [corporate@lccinfotech.co.in](mailto:corporate@lccinfotech.co.in)

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## **LCC INFOTECH LIMITED**

### **NOTICE**

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of **LCC Infotech Limited** will be held at "Tapan Theater" at 37A & B Sadananda Road, Kolkata-700026 on Wednesday, the 28<sup>th</sup> September, 2011 at 11.00 A.M. to transact the following business:

#### **Ordinary Business:**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2011 and the Profit and Loss Account for the year ended on that date along with the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Pratik Lakhota who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Praveen Jain who retires by rotation and being eligible, offers himself for re-appointment
4. To appoint auditors of the company and to fix their remuneration.

#### **Special Business:**

5. To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** subject to the approval of the Company at a General Meeting and in accordance with the provisions of section 269 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification and reenactment thereof for the time being in force) the consent of the company be and is hereby accorded to the re-appointment of Mr. Pratik Lakhota as whole time Director designated as Director –finance of the Company for a period of 5 (five) years with effect from 1.1.2011 on the terms and conditions including remuneration provided such remuneration is also to be Rs.25000/- per month and as are set out in the agreement to be entered into minimum remuneration payable to Mr. Pratik Lakhota. A draft agreement of which is placed before the meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (herein after referred to as "The Board" which term shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by the resolution) to alter and vary the terms and conditions of the said agreement and / or remuneration including and / or agreement in such manner as the Board may deem fit and acceptable to Mr. Pratik Lakhota.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to decide from time to time for the payment of perquisites as defined in the schedule XIII of the Companies Act, 1956 to Mr. Pratik Lakhota, Director-Finance of the Company, the aggregate value of which shall be equivalent to the salary being paid to Mr. Pratik Lakhota during the period.

**RESOLVED FURTHER THAT** the Director-finance shall not be entitled to any sitting fee for attending meetings of the Board and / or Committee(s) thereof.

**RESOLVED FURTHER THAT** to give effect to the above resolution, Board of Directors of the Company be and hereby authorised to do all such acts, deeds or things and to take all such steps as may be required or considered necessary or incidental thereto."

By Order of the Board  
For LCC Infotech Limited

Kolkata  
26th August, 2011

**P. N. Roychoudhury**  
Company Secretary

**Notes:**

1. The Register of Members and Share Transfer Books of the Company shall remain closed from 21<sup>st</sup> day of September, 2011 to 28th day of September, 2011 (both days inclusive).
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY THE MEETING**
3. *Proxies in order to be effective must be received by the Company at its Registered Office/ Corporate Office not less than 48 hours before the meeting.*
4. Members of the company holding more than one Share Certificate in the same name under different Ledger Folios, are requested to apply for consolidation of such Folios and send the relevant Equity Share Certificates to the Company's Registrar & Share Transfer Agent M/s. S. K. Computers, situated at 34/1A, Sudhir Chatterjee Street, Kolkata 700 006.
5. Please note that as per the notification of SEBI, the Company's Equity shares have been under compulsory Demat trading for all the investors. You are, therefore, requested to Demat your share holdings, to avoid inconvenience in future.
6. Information pursuant to clause 49 of the listing agreement in connection with the Directors retiring by rotation / confirming their appointment in the Annual General Meeting and given in the report on corporate governance as Annexed with the Director's report.
7. Members are requested to:
  - (a) Notify change of address, if any.
  - (b) Send query(ies), if any, regarding audited accounts at least 10 days before the meeting.
  - (c) Bring with them copy of the annual report and attendance slip at the meeting.
  - (d) Carry their identity proof to produce at the venue for security reasons.

By Order of the Board  
For LCC Infotech Limited

Kolkata  
26th August, 2011

**P. N. Roychoudhury**  
Company Secretary

## **ANNEXURE TO THE NOTICE**

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

#### **Item : 5**

Mr. Pratik Lakhota was reappointed as Director- Finance of the Company at the meeting of the Board of Directors of the Company held on 31.12.2010 for a period of 5 (five) years with effect from 1.1.2011 subject to the approval of the members.

The agreement entered into by the company with Mr. Pratik Lakhota in respect of his appointment, inter alia, contains the following terms and conditions:

Salary 25,000/- per month

Perquisites 25,000/- per month

He shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses or allowances for utilization of gas, electricity, water, furnishing and repairs, medical insurance and such other perquisites and / or allowances upto the amounts specified above, subject to overall ceiling of remuneration stipulated in section 198 and 309 read with schedule XIII of the Companies Act, 1956. The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any other rules there under (including any statutory modification(s) or re-enactment thereof, for the time being in force). However, Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, and gratuity payable and encashment of leave at the end of the tenure, as per the rules of the Company, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

The terms and conditions set out for appointment and payment of remuneration herein and / or in the Agreement may be altered and varied from time to time by the Board of Directors of the Company as it may, at its discretion deem fit so as not to exceed the limits specified in the Schedule XIII of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) or any amendments made thereto.

The agreement may be terminated by either party (Company or whole time Director) by giving the other three months prior notice of termination in writing.

The Agreement entered into between the Company and Mr. Pratik Lakhota is available for inspection at the Registered Office of the Company on any working day excluding Saturdays and holidays, upto the date of the ensuing Annual General Meeting between 11.00 a.m. to 1.00 p.m.

Yours Directors commend the resolution for your approval.

None of the Directors of the Company except Mr. Pratik Lakhota in his personal capacity Mrs. Kirti Lakhota and Mr. Sidharth Lakhota being the relatives of Mr. Pratik Lakhota is interested or deemed to be interested in the proposed resolution.

By Order of the Board  
For LCC Infotech Limited

Kolkata  
26th August, 2011

**P. N. Roychoudhury**  
Company Secretary

## **LCC INFOTECH LTD.**

### **DIRECTORS' REPORT**

To the Members,

Your Directors hereby present the 25<sup>th</sup> Annual Report together with the Audited Accounts for the year ended 31st March, 2011.

#### **1. Financial Results:**

The performance of the Company for the financial year ended March 31, 2011 is summarised below:

*(Amount in Lakh)*

	FOR THE YEAR ENDED 31ST MARCH 2011	FOR THE YEAR ENDED 31ST MARCH 2010
Profit/(Loss) for the year	13.95	3.26
Less: Tax Provision for the year	-	-
Less: Deferred Tax Provision for the year	-	-
Profit/(Loss) after Taxation	13.95	3.26
Less: Transfer from Reserve	—	—
Sales Return	—	—
	13.95	3.26
Add: Balance (Dr.) brought forward	(523.12)	(526.38)
	(509.17)	(523.12)
Less: Deferred Tax	—	—
Balance carried forward to Balance Sheet	(509.17)	(523.12)

#### **2. Dividend:**

During the year 2010-11 your company posted profit after tax (PAT) of Rs. 13.95 lakh and looking at increasing this number in coming year. However due to inadequate profit the Board of Directors express their inability to declare dividend for the current year.

#### **3. Current year and Future Prospect**

During the year 2010-11 company's total income was 20.16 crores. The total expenditure 20.02 crores. After necessary appropriations/adjustment there was a profit of Rs. 13.95 Lakhs. During the year company has earned operational profit before depreciation of Rs. 43.17 Lakhs.

Your company has complied with the standard of MGMT.SYS., RvAC 216 (certification body for QM system) and has been granted ISO 9001:2008 to design, develop and provide value added services in the field of Information Technology. This certificate has been a reassuring factor about the quality of services provided by your company.

Over the last 26 years your company has gained significant reputations and experience in the field of education and has trained millions of students that have made a career for themselves. In continuation of this objective your company is conducting expansion activities by opening new training centers under 3 separate heads and each having its own target segment. Centers are being opened under the LCC banner that offer multi vertical courses such as Software, Hardware & Networking,

Financial Accounting and Multimedia. The other focus group is towards opening of new centers in collaboration with a National Development Agency under Govt. of India that offers courses approved and certified by the Govt. Agency and the third area of expansion is under the new 'UMANG' division that is opening centers in remote corners of the country. This shall enable the availability of quality education at an affordable price to the masses. This division shall ensure large student volumes in areas that do not pose much competition to our business model. The addition of new products that are customized as per the industry need will create more enrollments and also new job opportunities for the youth of this country.

#### **4. Directors:**

In accordance with the provisions of the Companies Act, 1956 and the Articles & Association of the company, Mr. Pratik Lakhotia and Mr. Praveen Jain retire from office by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

The resolution for confirmation of re-appointment of Mrs. Pratik Lakhotia as Whole Time Director - Finance of the company is also proposed for your approval.

#### **5. Auditors:**

The Auditors M/s Budhia & Co. Chartered Accountant will retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The company has received a certificate from them to the effect that their reappointment, if made, will be within the limits prescribed under Section 224(1) of the Companies Act, 1956.

#### **6. Auditor Observations:**

The observations of the Auditors are duly dealt in Notes of Accounts attached to the Balance Sheet and are self explanatory in nature.

#### **7. Subsidiary Company:**

The Audited Annual Accounts for the Financial Year ending 31st March, 2011 along with the Auditors' and Directors' Report thereon of eLCC.Info.com Ltd., a Subsidiary of your Company are annexed to this report as required under Section 212 of the Companies Act, 1956.

#### **8. Fixed Deposits:**

The Company has not accepted or invited any deposits from the Public and as such no amount of principal or interest was outstanding during the year 2010-11.

#### **9. Particulars of Employees:**

None of the employees of the Company is covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975.

#### **10. Particulars pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:**

The Company does not have any manufacturing activity and hence the provision 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 does not apply to the Company.

#### **11. Directors' Responsibility Statement:**

The Directors confirm pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956,

- \* that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- \* that the Directors have selected such accounting policies and applied them consistently and made judgments 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 31st March 2011 and of the profit or loss of the Company for that period;
- \* that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of companies Act, 1956 for safeguarding



the assets of the Company and for preventing and detecting fraud and other irregularities;

- \* that the Directors have prepared the annual accounts on a going concern basis.

## **12. Corporate Governance:**

In terms of Listing Agreements, a report on Corporate Governance along with the Auditors' Report on its compliance is annexed, forming part of the Annual Report.

## **13. Listing Status**

The company's shares are listed at Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Listing fee has been paid till March 31st 2006 to Bombay Stock Exchange Limited and upto March 31st 2012 to National Stock Exchange of India Limited.

## **14. Acknowledgement:**

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the members, bankers, business associates, various Govt. Authorities in all the endeavors of the Company during the year under review. Your Directors also place on record their deep sense of appreciation for the committed services of the Executives, Staffs and Workers of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: KOLKATA

**SIDHARTH LAKHOTIA**

**KIRTI LAKHOTIA**

DATE: 26th August, 2011

DIRECTOR & C.E.O

MANAGING DIRECTOR

## ANNEXURE "A" TO DIRECTORS' REPORT

### REPORT ON CORPORATE GOVERNANCE

#### 1. Company's philosophy:

At LCC Infotech Limited, we believe good corporate governance, which results in corporate excellence by practicing and attaining maximum level of transparency, disclosures accountability and equity in all its interaction with its shareholders. Thus all the business transactions are ensures high degree of legal compliance and ethical standard. Further we believe that effective corporate governance must balance individual interest with corporate goals and operate within accepted norms of proprietary, equity, fair play and sense of justice. Report as required by the listing agreement on corporate Governance is given below:

#### 2. BOARD OF DIRECTORS

##### A. Composition of the Board:

The board consists of six directors consisting of three executive directors and three non-executive directors. There are three independent directors in the board fulfilling the criteria as stipulated vide clause 49.1.A.III of the listing agreement. Mrs. Kirti Lakhotia, Mr. Sidharth Lakhotia and Mr. Pratik Lakhotia, being relative and related with each other. All the directors are above 21 years of age.

Name of Directors	Category of Directors	Member of Boards of other public limited Company	Total number of committee(s) membership in other Public Limited Company (ies)**	
			Chairman	Member
Mrs. Kirti Lakhotia* (Managing Director)	Executive Director	2	NIL	NIL
Mr. Sidharth Lakhotia* (Chief Executive Officer)	Executive Director	2	NIL	NIL
Mr. Pratik Lakhotia* (Director Finance)	Executive Director	2	NIL	NIL
Mr. Kamaljit Singh	Independent & Non Executive Director	NIL	NIL	NIL
Mr. G. K. Gupta	Independent & Non Executive Director	NIL	NIL	NIL
Mr. Praveen Jain	Independent & Non Executive Director	NIL	NIL	NIL

\* Promoters of the company.

\*\* Only the two committees viz, the audit committee and share holders grievance committee are considered.