

# INDIAN INFOTECH & SOFTWARE LIMITED

30<sup>th</sup> Annual Report for the Year Ended

31<sup>st</sup> March, 2012

Indian Infotech and Software Ltd.

*Pichiy*  
Authorised Signatory/Director

<b>DIRECTORS</b>	:	RUCHIR MOHUNTA, Managing Director  KAMAL NAYAN SHARMA  DEEPA DALMIA  VARSHA MURARKA
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	:	NITESH CHOUDHARY
<b>BANKERS</b>	:	HDFC BANK LTD. FORT BRANCH, MUMBAI
<b>AUDITORS</b>	:	M/S SANJAY N. SHAH & CO. CHARTERED ACCOUNTANTS MUMBAI
<b>REGISTERED OFF.</b>	:	D-114, CRYSTAL PLAZA, LINK ROAD, OPP. INFINITY MALL, ANDHERI (W), MUMBAI - 400 053. Tel. No. 022 - 42956833 E-mail Id :- <a href="mailto:Indianinfotechsoftware@yahoo.com">Indianinfotechsoftware@yahoo.com</a>
<b>SHARE TRANSFER AGENT :</b>		SHAREX DYNAMIC (INDIA) PVT. LTD. Unit -1, Luthra Ind Premises, 1 <sup>st</sup> floor, 4E, M Vasanti Marg, Andheri kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072 Tel. no. 022 - 28515606/28515644 Email id- <a href="mailto:investor@sharexindia.com">investor@sharexindia.com</a>

**NOTICE OF THIRTIETH ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **THIRTIETH ANNUAL GENERAL MEETING** of the Members of the **INDIAN INFOTECH & SOFTWARE LTD.** will be held at the Registered office of the Company at D-114, Crystal Plaza, Link Road, Opp. Infinity Mall, Andheri (W), Mumbai – 400 053 on Friday, 28<sup>th</sup> September 2012 at 4.30 p.m. to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31<sup>st</sup> March, 2012 and Balance Sheet as at that date, Cash Flow statement for the year ended 31<sup>st</sup> March, 2012 and Report of the Directors and Auditors thereon.
2. To appoint M/s. Sanjay N. Shah & Co., Chartered Accountants, as Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors or Audit Committee thereof to fix their remuneration.

**“RESOLVED FURTHER THAT** M/s. Sanjay N. Shah & Co., Chartered Accountants, Mumbai be and is hereby re-appointed as the statutory auditors of the Company, to hold the office from the conclusion of this meeting, until the conclusion of the next Annual General Meeting on such remuneration as may be mutually agreed to between the Statutory Auditors and the Board.”

**SPECIAL BUSINESS:**

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** Shri Ruchir Mohunta, who was appointed on 25/10/2011 as an Additional Director of the Company in terms of Section 260 of the Companies Act, 1956 and whose term of Office expires at this Annual General Meeting and in respect of him the Company has received a notice in writing along with the requisite deposit of Rs. 500 from a Member under Section 257 of the Companies Act, 1956, to proposing Shri Ruchir Mohunta, as a candidate for the Office of Directors of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** Shri Ruchir Mohunta who was appointed on 25/10/2011 as an Managing Director of the Company and whose terms of Office expires at this Annual General Meeting.

**RESOLVED FURTHER THAT** pursuant to provisions of Section 269 read with Schedule XIII of the companies Act, 1956 and sub to provisions of Sections 198, 309, 314 and other applicable provisions, if any of the Companies Act, 1956 and subject to provisions of article of association of the Company, Shri Ruchir Mohunta, be and is here by appointed as Managing Director of the Company for a further period of 28<sup>th</sup> September, 2012 to 30<sup>th</sup> September, 2015.

**RESOLVED FURTHER THAT** his terms and conditions of appointment as Managing Director and remuneration will be decided by the Board in accordance with Section 198 of the Companies Act, 1956.

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

Indian Infotech and Software Ltd.



Authorised Signatory/Director

Indian Infotech and Software Ltd.



Authorised Signatory/Director

Indian Infotech and Software Ltd.



Authorised Signatory/Director

**"RESOLVED THAT** Shri Kamal Nayan Sharma, who was appointed on 25/10/2011 as an Additional Director of the Company in terms of Section 260 of the Companies Act, 1956 and whose term of Office expires at this Annual General Meeting and in respect of him the Company has received a notice in writing along with the requisite deposit of Rs. 500 from a Member under Section 257 of the Companies Act, 1956, to proposing Shri Kamal Nayan Sharma as a candidate for the Office of Directors of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

6. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** Ms. Deepa Dalmia, who was appointed on 17/12/2011 as an Additional Director of the Company in terms of Section 260 of the Companies Act, 1956 and whose term of Office expires at this Annual General Meeting and in respect of her the Company has received a notice in writing along with the requisite deposit of Rs. 500 from a Member under Section 257 of the Companies Act, 1956, to proposing Ms. Deepa Dalmia as a candidate for the Office of the Directors of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** Ms. Varsha Murarka, who was appointed on 14/02/2012 as an Additional Director of the Company in terms of Section 260 of the Companies Act, 1956 and whose term of Office expires at this Annual General Meeting and in respect of her the Company has received a notice in writing along with the requisite deposit of Rs. 500 from a Member under Section 257 of the Companies Act, 1956, to proposing Ms. Varsha Murarka as a candidate for the Office of the Directors of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."

Registered office:  
D - 114, Crystal Plaza,  
New Link Road,  
Opp. Infinity Mall,  
Andheri (W) Mumbai- 400 053

By Order of the Board of Directors  
For Indian Infotech & Software Ltd

Sd/-  
Ruchir Mohunta  
Managing Director  
Date: Aug 27, 2012  
Place: Mumbai

#### **NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and to vote on a poll instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not later 48 hours before the meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
3. Members are requested to notify immediately any change in their addresses.
4. Members desiring to submit mandates, to lodge transfer deed for shares are requested to forward the same so as to reach the Company's Registrars, M/s Sharex Dynamic (India) Pvt. Ltd., Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East) Mumbai-400072 on or before 24<sup>th</sup> September, 2012. The Company will not be in a position to act upon any document, which is incomplete or received after 24<sup>th</sup> September, 2012.

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*Deepa Dalmia*

Authorised Signatory/Director

*Ruchir Mohunta*

Authorised Signatory/Director

*K. Nayan*

Authorised Signatory/Director

5. The Register of Members and the Share Transfer Book of the Company will remain closed from 24<sup>th</sup> September, 2012 to 28<sup>th</sup> September, 2012 (both days inclusive).
6. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
7. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.

**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out all material facts relating to special business:**

**ITEM NO. 3**

Shri Ruchir Mohunta, who was appointed on 25/10/2011 as an Additional Director and as per section 260 of the Companies Act, 1956 holds office up to the date of the this Annual General Meeting of the Company. In terms of Section 257 of the Companies Act, 1956, the Company has received notice in writing along with a deposit of Rs. 500/- from one of its Members signifying his intention to propose the candidature of Shri Ruchir Mohunta, for the office of Director.

Accordingly, your Directors recommend the resolution for appointing Shri Ruchir Mohunta, as a Director of the Company, for the approval of the Members.

Save and except Shri Ruchir Mohunta, none of the Directors is interested or concerned in the above resolution.

**ITEM NO. 4**

Shri Ruchir Mohunta who was appointed on 25/10/2012 as an Managing Director of the Company and whose terms of Office expires at this Annual General Meeting and in respect of him Shri Kamal nayan Sharma proposed the name of Shri Ruchir Mohunta, as a candidature for the appointment as Managing Director of the Company in terms of Section 269 read with Schedule XIII of the companies Act, 1956 and sub to provisions of Sections 198, 309, 314 and other applicable provisions, if any of the Companies Act, 1956 and subject to provisions of article of association of the Company, signifying his intention to propose Shri Ruchir Mohunta, as a candidature for the post of Managing Director of the Company for the period of 3 year from this Annual General Meeting of the Company.

And his terms and conditions of appointment as Managing Director and remuneration will be decided by the Board in accordance with Section 198 of the Companies Act, 1956.

Accordingly, your Directors recommend the resolution for appointing Shri Ruchir Mohunta, as a Managing Director of the Company, for the approval of the Members:

Save and except Shri Ruchir Mohunta, none of the Directors is interested or concerned in the above resolution.

**ITEM NO. 5**

Shri Kamal Nayan Sharma, who was appointed on 25/10/2011 as an Additional Director and as per section 260 of the Companies Act, 1956 holds office up to the date of the forth coming Annual General Meeting of the Company. In terms of Section 257 of the Companies Act, 1956, the Company has received notice in writing along with a deposit of Rs. 500/- from one of its Members signifying his intention to propose the candidature of Shri Kamal Nayan Sharma, for the office of Director.

Accordingly, your Directors recommend the resolution for appointing Shri Kamal Nayan Sharma, as a Director of the Company, for the approval of the Members.

Save and except Shri Kamal Nayan Sharma, none of the Directors is interested or concerned in the above resolution.

#### ITEM NO. 6

Ms. Deepa Dalmia, who was appointed on 17/12/2011 as an Additional Director and as per section 260 of the Companies Act, 1956 holds office up to the date of the forth coming Annual General Meeting of the Company. In terms of Section 257 of the Companies Act, 1956, the Company has received notice in writing along with a deposit of Rs. 500/- from one of its Members signifying his intention to propose the candidature of Ms. Deepa Dalmia, for the office of Director.

Accordingly, your Directors recommend the resolution for appointing Ms. Deepa Dalmia, as a Director of the Company, for the approval of the Members.

Save and except Ms. Deepa Dalmia, none of the Directors is interested or concerned in the above resolution.

#### ITEM NO. 7

Ms. Varsha Murarka, who was appointed on 14/02/2011 as an Additional Director and as per section 260 of the Companies Act, 1956 holds office up to the date of the forth coming Annual General Meeting of the Company. In terms of Section 257 of the Companies Act, 1956, the Company has received notice in writing along with a deposit of Rs. 500/- from one of its Members signifying his intention to propose the candidature of Ms. Varsha Murarka, for the office of Director.

Accordingly, your Directors recommend the resolution for appointing Ms. Varsha Murarka, as a Director of the Company, for the approval of the Members.

Save and except Ms. Varsha Murarka, none of the Directors is interested or concerned in the above resolution.

The information required to be provided under clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges regarding the Directors who are proposed to be reappointed is given hereunder:

#### Profile of the Directors:

##### (I)

1. **Name of the Director:** Ruchir Mohunta
2. **Age:** 33 Years, DOB - 03/11/1979.
3. **Qualifications:** B.Com (Honours) graduate from St. Xavier's College, Calcutta University.
4. **Experience:** 10 years Experience in Administration & Finance.
5. **Shareholding in the Company:** NIL
6. **Other Directorships:**
7. **Committee Details:**  
No membership in any Committee.

##### (II)

1. **Name of the Director:** Shri Kamal Nayan Sharma
2. **Age:** 39 year, DOB - 03/09/1973.
3. **Qualifications:** B.Com (Honours) graduate.
4. **Experience:** 13 years Experience in Investment & Finance.
5. **Shareholding in the Company:** NIL
6. **Other Directorships:** No other Directorship.
7. **Committee Details:**  
1. Member of Shareholders'/Investors' Grievance Committee of Indian Infotech & Software Limited; and

Indian Infotech and Software Ltd.

*Deepa Dalmia*

Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Ruchir*

Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. Nayan*

Authorised Signatory/Director



2. Member of Audit Committee of Indian Infotech & Software Limited.

## (III)

1. **Name of the Director:** Ms. Deepa Dalmia,
2. **Age:** 26 Years DOB – 18/05/1986.
3. **Qualification:** B. Com graduate.
4. **Experience:** 7 years Experience in the field Administration & Finance.
5. **Share Holding in the Company:** NIL
6. **Other Directorship:** NIL
7. **Committee Details:**
  1. Member of the Audit Committee of Indian Infotech & Software Limited
  2. Member of the Shareholders'/Investors' Grievance Committee of Indian Infotech & Software Limited

## (IV)

1. **Name of the Director:** Ms. Varsha Murarka
2. **Age:** 27 Years, DOB – 06/08/1985.
3. **Qualification:**  
**Chartered Accountant (C.A).**  
The Institute of Chartered Accountants of India  
B. Com graduate from Shri Shikshayatan College, in 2007 Calcutta University.
4. **Experience:** 7 years Experience in the field of *Finance & Ac.*
5. **Shareholding in the Company:** NIL
6. **Other Directorship:** M/s. Acs Insurance Broking Limited
7. **Committee Details:**
  1. Chairman of the **Audit** Committee of Indian Infotech and Software Limited
  2. Chairman of the Shareholders'/Investors' Grievance Committee of Indian Infotech & Software Limited.

Registered office:  
D – 114, Crystal Plaza,  
New Link Road,  
Opp. Infinity Mall,  
Andheri (W) Mumbai- 400 053

For and on behalf of the Board  
For Indian Infotech & Software Ltd

Sd/-  
Ruchir Mohunta  
Managing Director  
Date: Aug 27, 2012  
Place: Mumbai

Indian Infotech and Software Ltd.

*Deepa Dalmia*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Ruchir*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. Nanyan*  
Authorised Signatory/Director

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management of INDIAN INFOTECH & SOFTWARE LIMITED in its Analysis Report has highlighted the performance and outlook of the Company in order to comply with the requirement of Corporate Governance as laid down in Clause 49 of the Listing Agreement. However, investors and readers are cautioned that this discussion contains certain forward looking statements that involve risk and uncertainties.

### **OVERVIEW**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by Securities and Exchange Board of India (SEBI) and Generally Accepted Accounting Principles (GAAP) in India. Our management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Company is a registered NBFC and it has been periodically filing all the returns as required under the NBFC regulations. Further, the Company has not accepted any deposits from the public.

The certificate of registration as an NBFC is prevalent on the date of signing this report and the Company has not received any notice in this regard from any other statutory authority.

The Company has invested into share and securities and the funds deployed so far is out of its own account and the Share Capital Reserves and Share Premium Account.

India is a leading Country in development of Software which are used for different applications. Being a sunrise sector there is vast scope for computer education. The Company is providing consultancy services in this field. The management is exploring new areas of business opportunities to expand its business.

Changing economic and business conditions and rapid technological innovation are creating an increasingly competitive market environment that is driving corporations to transform their operations. Consumers of products and services are increasingly demanding accelerated delivery times and lower prices. Companies are focusing on their core competencies and are using outsourced technology service providers to adequately address their needs.

The role of technology has evolved from supporting corporations to transforming them. There is an increasing need for highly skilled technology professionals in the markets in which we operate. India is a leading Country in development of Software which are used for different applications. Being a sunrise sector there is vast scope for computer education. The Company is providing consultancy services in these field. The management is exploring new areas of business opportunities to expand its business.

### **OPPORTUNITIES AND THREATS**

We believe our competitive strengths include:

- Leadership in sophisticated solutions that enable our clients to optimize the efficiency of their business.
- Commitment to superior quality and process execution.
- Strong brand and long-standing client relationships.
- Status as an employer of choice.
- Ability to scale.
- Innovation and leadership.

Indian Infotech and Software Ltd.



Authorised Signatory/Director

Indian Infotech and Software Ltd.



Authorised Signatory/Director

Indian Infotech and Software Ltd.



Authorised Signatory/Director



The management looks with optimism about the growth in its business. There are no perceived threats to the business of the Company.

### OUTLOOK, RISKS AND CONCERNS

This section contains forward – looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements.

As the industrial and economic growth of the country is showing steady improvement. There is no perceived risk and concern in this area of business and there is an ample scope for growth in India itself.

Forward looking statements are based on certain assumptions and expectations of the future events that are subject to risks and uncertainties. Actual future results and trend may differ materially from historical results, depending on variety of factors. There risk and concerns faced by the Company are similar to those faced by any growing organization in today dynamic industrial and economic scenario.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company ensures adherence to all Internal Control policies and procedures as well as compliance with all regulatory guidelines. The adequacy of internal controls is reviewed by the Audit Committee of the Board of Directors.

The Company's internal control systems are adequate, considering size and nature of operation of the Company, to meet regulatory/statutory requirements assure recording of all transactions and report reliable and timely financial information. Additionally, it also provides protection against misuse or loss of any of the company assets.

### FINANCIAL PERFORMANCE

During the year under Report the Company has earned an income of Rs. 42,73,564/- as against Rs. 12,65,960/- in the previous year ended 31<sup>st</sup> March, 2011. The profit/(Loss) before tax was Rs. 5,38,417/- as against the loss of Rs. (Rs. 1,60,75,782/-) in the previous year ended 31<sup>st</sup> March, 2011. The net Profit/(Loss) after tax during the year was Rs. 3,63,417/- as against loss of Rs. (Rs. 1,60,75,782/-) in the previous year ended 31<sup>st</sup> March, 2011.


### DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATION FRONT

With the integration of markets and application of IT on wider scale, there has been a sea-change in the way the businesses are conducted today. The industry needs to update itself with such changing requirements. One of the ways of meeting this task is to equip the personnel working in the industry with the skills and knowledge of the latest. The Company is endeavoring to strengthen its man power.

### CAUTIONARY STATEMENTS

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward - looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on this forward looking statements that speak only as of their dates.

Indian Infotech and Software Ltd.

  
Authorised Signatory/Director

PLACE: MUMBAI Indian Infotech and Software Ltd.



Authorised Signatory/Director

FOR AND ON BEHALF OF THE BOARD,  
Indian Infotech and Software Ltd.

  
RUCHIR MOHUNTA  
Authorised Signatory/Director

DATE : August 27<sup>th</sup>, 2012

MANAGING DIRECTOR

**DIRECTORS' REPORT**

The Directors have pleasure in presenting their **THIRTIETH ANNUAL REPORT** on the business and operations of the Company for the year ended 31<sup>st</sup> March, 2012.

**1. FINANCIAL RESULTS:**

	<b>(Rs. In Lacs)</b>	
	31 <sup>st</sup> March, 2012	31 <sup>st</sup> March, 2011
Income from sales & Other Sources	42.74	12.66
Depreciation	0.45	0.27
Net Profit/ (Loss) before Taxation	5.38	(160.76)
Provision for Taxation	1.64	-
Excess Provision for Income Tax ( written back)		-
Deferred Taxation Assets	0.11	0.12
Profit/ (Loss) after Taxation.	3.63	(160.88)
Add: balance b/f from previous year	(146.53)	14.34
Balance carried to Balance Sheet	(138.15)	(146.53)

**2. OPERATIONS:**

During the year under Report the Company has earned an income of Rs. 42,73,564 as against Rs. 12,65,960/- in the previous year ended 31<sup>st</sup> March, 2011. The profit/(Loss) before tax was Rs. 5,38,417 as against the loss of (Rs. 1,60,75,782/-) in the previous year ended 31<sup>st</sup> March, 2011. The net Profit/(Loss) after tax during the year was Rs. 3,63,417 as against loss of (Rs. 1,60,87,528/-) in the previous year ended 31<sup>st</sup> March, 2011.

3. **CHANGE OF MANGEMNET :** During the year previous promoters of the Company, M/s Chemo Pharma Laboratories Limited and M/s Shree Consultation & Services Private Limited (Collectively referred as 'promoter group') and collectively holding 26,17,050 fully paid up equity shares of Rs. 10/- each, representing 60.46% of the total paid-up equity/voting share capital, of the Company has entered into a Share Purchase Agreement (SPA) on May 20, 2011 with the present promoter Group to acquire 26,17,050 fully paid up equity shares of Rs. 10/- each, representing 60.46% of the total paid-up equity/voting share capital and acquired the management control of the Company . The Present Management pursuant to SEBI takeover Code, 2011 gave a Public announcement for Acquisition of shares of the Company from the public on May 24<sup>th</sup>, 2011. The Open Offer closed on September 29<sup>th</sup>, 2011 and on October 25<sup>th</sup>, 2011 management of the Company has been changed and new management came in to force.

The Present promoters of the company consist of M/s Jayanti Prime Software Advisory Pvt. Ltd., Dhanvarsha Advisory Services Pvt. Ltd., Generosity Share Trading Pvt. Ltd., Mahamaya Financial Consultants Pvt. Ltd. and controlled by Mr Ruchir Mohunta and Mr Kamal Nayan Sharma (Directors)

**4. DIRECTORS:**

During the year under review the following director's due to preoccupation and because of the change of management resigned from the Board of the company:

Shri Surendra Rao, Director of the Company, Shri G.K. Joshi, Director of the Company and Shri R. M. Khandelwal, Director of the Company resigned from the Board on 25/10/2011, Shri N. K. Pareek, director of the Company resigned from the Board on 02/12/2011, Shri Shyam Sundar Sharma, Director of the Company resigned from the Board on 17/12/2011 and Shri Suresh Chandra Sharma, Director of the Company resigned from the Board on 14/02/2012.

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Indian Infotech and Software Ltd.



Authorised Signatory/Director



Authorised Signatory/Director



Authorised Signatory/Director

The Board appointed to Shri Ruchir Mohunta, as an Additional Director of the /Company, Shri Kamal Nayan Sharma as an Additional Director of the Company and Shri Suresh Chandra Sharma as an Additional Director of the Company on 25/10/2011, Shri Shyam Sundar Sharma as an Additional Director on 02/12/2012, Ms. Deepa Dalmia, as an Additional Director of the Company on 17/12/2011 & Ms. Varsha Murarka as an additional Director of the Company on 14/02/2012.

Shri RUCHIR MOHUNTA appointed as Managing Director of the company with effect from 25/10/2011.

5. **DIVIDEND:**

Due to inadequate Profits the Board of Directors do not recommend any dividend for the year under review.

6. **SUBDIVISION OF SHARES:**

During the year under review the stock of the company was split into face value of Rs 1/- each to give adequate liquidity in the market and allow the small shareholders to hold the shares in small denomination.

7. **SCHEME OF ARRANGEMENT OF COMPANY:**

The Directors are glad to inform that as per section 391 & 393 of the companies Act, 1956 entered into a scheme of arrangement i.e. scheme of merger of M/s. Niki Metal Co. Limited and M/s. Lambodar Nirmal Limited with Indian Infotech and Software Limited and preferential allotment of shares to specified investors. The Hon'ble High Court Bombay sanctioned the scheme of arrangement on 04/05/2012.

8. **AUDITORS:**

M/s Sanjay N. Shah & Co., Chartered Accountants, Mumbai, are to be re-appointed as Statutory Auditors of the Company to hold office until the conclusion of next Annual General Meeting, to act as Statutory Auditor of the Company. The Company has received confirmation from them that the appointment, if made, would be within the limits prescribed U/s. 224(1B) of the Companies Act, 1956.

9. **AUDITOR'S REPORT:**

The observations made in the Auditor's Report are dealt with separately by Notes on Accounts. These are self explanatory and do not call for any further comments.

10. **DEPOSITS:**

During the year under report the company has neither invited nor accepted any public fixed deposits within the meaning of Section 58A of the Companies Act, 1956 and rules made there under.

11. **PARTICULARS OF EMPLOYEES:**

The Company has no employees in the category specified under Section 217(2A) of the Companies Act, 1956.

12. **ADDITIONAL INFORMATION REQUIRED UNDER THE NON-BANKING FINANCIAL COMPANIES (RESERVE BANK) DIRECTIVES, 1998.**

The relevant provisions, for disclosure in the Director's Report, of Non-Banking Financial Companies (Reserve Bank) Directions, 1998 issued by the Reserve Bank of India are not applicable, as the Company is not holding any public deposits.

Indian Infotech and Software Ltd.

*Deepa Dalmia*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Ruchir*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. N. Nair*  
Authorised Signatory/Director

**13. ADDITIONAL INFORMATION:**

Part A and part B of the Particulars required to be furnished under the companies (disclosure of particulars in the report of Board of Directors) Rules, 1988 are Nil. There were no foreign exchange earnings and out go during the year.

**14. DIRECTOR'S RESPONSIBILITY STATEMENT:**

- a) Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:  
in the presentation of the Annual Accounts, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
- b) the Directors had selected such Accounting policies and applied them consistently and 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 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 the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and,
- d) The Directors had prepared the Annual Accounts on a going concern basis.

FOR AND ON BEHALF OF THE BOARD,

PLACE; MUMBAI

DATE : AUGUST 27<sup>TH</sup>, 2012

  
RUCHIR MOHUNTA  
MANAGING DIRECTOR

**ANNEXURE TO THE DIRECTOR'S REPORT**

Statements of Particulars under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A.	CONSERVATION OF ENERGY	Not Applicable.
B.	TECHNOLOGY ABSORPTION	Not Applicable.
C.	FOREIGN EXCHANGE EARNING AND OUTGO	Rs. NIL

FOR AND ON BEHALF OF THE BOARD,  
Indian Infotech and Software Ltd.

PLACE ; MUMBAI

DATE : AUGUST 27<sup>TH</sup>, 2012

  
RUCHIR MOHUNTA  
MANAGING DIRECTOR

Indian Infotech and Software Ltd.



Authorised Signatory/Director

Indian Infotech and Software Ltd.

  
K. N. Danyal  
Authorised Signatory/Director



**REPORT ON CORPORATE GOVERNANCE****1. Company's Philosophy on Code of Governance:**

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavours to review strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

Your Board of Directors present the Corporate Governance Report for the year 2011-12 based on the disclosure requirement under Clause 49 of the Listing Agreement existing as on 31<sup>st</sup> March, 2012.

**2. Board of Directors:**

The board of directors was properly constituted as per clause 49 I(A) of the Listing Agreement. During the year under report there were four directors upto October 25<sup>th</sup>, 2011, Shri N. K. Pareek was Executive Director and Shri R. M. Khandelwal was the non executive director and Shri G. K. Joshi and Shri. Surendra Rao were Independent Directors.

On October 25<sup>th</sup>, 2011 Shri R. M. Khandelwal non executive director, Shri G. K. Joshi - Independent Director and Shri. Surendra Rao - Independent Director resigned from the Board.

Three New Director namely Shri Kamal Nayan Sharma and Shri Suresh Chandra Sharma were appointed as Add. Director.

Shri Shyam Sundar Sharma appointed as an additional Director on 02/12/2012, Ms. Deepa Dalmia, as an Additional Director of the Company on 17/12/2011 & Ms.Varsha Murarka as an additional Director of the Company on 14/02/2012.

Shri Shyam Sundar Sharma, Director of the Company resigned from the Board on 17/12/2011 and Shri Suresh Chandra Sharma, Director of the Company resigned from the Board on 14/02/2012.

Shri Ruchir Mohunta was appointed as Add. Director/Managing Director on 25/10/2011.

The Composition of Board of Directors is as under:

Name of Director	Category	No. of Board Meetings attended during 2011-12	Whether attended last AGM	No of other directorship	No of membership of audit committee and Share Holders & Investors Grievance Committee in other Companies	Chairmans hip of audit committee and Share Holders & Investors Grievance Committee in other Companies
Shri N. K. Pareek	Executive Director	4	Yes	2	1	Nil
Shri G. K. Joshi	Independent Director	4	Yes	4	1	2

Shri Surendra Rao	Independent Director	4	Yes	Nil	Nil	Nil
Shri R.M. Khandelwal	Non Excutive Director	4	Yes	2	2	Nil
Shri Ruchir Mohunta	Executive Director/ Managing director	5	No	Nil	Nil	Nil
Shri Kamal Nayan Sharma	Non-Executive Director	5	No	Nil	Nil	Nil
Shri Suresh Chandra Sharma	Non Executive Director	3	No	Nil	Nil	Nil
Shri Shyam Sundar Sharma	Independent Director	-	No	1	Nil	Nil
Ms. Deepa Dalmia	Independent Director	1	No	Nil	Nil	Nil
Ms. Varsha Murarka	Independent Director	1	No	1	Nil	Nil

(details are as on 31st March, 2012)

**Note :**

\* Excludes alternat directorship and Directorship and directorship in forgien companies and private companies which are neither a subsidiary nor a holding company of a public Company.

\* Excludes Committees other than Audit Committee and Shareholders'/ Investors' Grievance Committee and Companies other than public limited companies.

**DATES AND NUMBER OF BOARD MEETINGS HELD**

During the financial year ended 31<sup>st</sup> March, 2012, 8 (Eight) Meetings of the Board of Directors were held as on 29/04/2011, 06/06/2011, 29/07/2011, 25/10/2011, 27/10/2011, 02/12/2011, 17/12/2011 and 14/02/2012.

The Board periodically reviews compliance reports of all the laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliance, if any.

In terms of the provisions of Clause 49 of the Listing Agreement and contemporary practices of good Corporate Governance, the Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Board of Directors have also adopted Revised Code of Conduct in its Meeting held on 29<sup>th</sup> January, 2009 All the Board members and senior management personnel have affirmed compliance with the said Revised Code.

Indian Infotech and Software Ltd.

*Deepa Dalmia*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Ruchir*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. Nayan*  
Authorised Signatory/Director



**Board Committees**

The Board has constituted the following Committees of Directors:

**(a) Audit Committee:****i. Terms of Reference**

The role and terms of reference of Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

**ii. Composition**

The Audit Committee up to 25/10/2011 consists of as follows:

- |                            |          |
|----------------------------|----------|
| 1. Shri. G. K. Joshi,      | Chairman |
| 2. Shri. R. M. khandelwal, | Member   |
| 3. Shri. Surendra Rao,     | Member   |

From this particular date of 14/02/2012 the Audit Committee reconstituted as follows:

- |                             |          |
|-----------------------------|----------|
| 1. Ms. Varsha Murarka,      | Chairman |
| 2. Ms. Deepa Dalmia,        | Member   |
| 3. Shri Kamal Nayan Sharma, | Member   |

The Composition of Audit Committee is in conformity with Clause 49 II (A) of the Listing Agreement.

A brief description of the terms of reference of the Audit Committee is as follows:

To review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

During the 2011-12 under review 4(Four) meetings of the Audit Committee were held, on 29/04/2011, 27/07/2011, 25/10/2011 and 14/02/2012.

The attendances of members are as follows:

Name	Category	Meetings during the Year 2011-12	
		Held	Attended
Shri. G. K. Joshi,	Chairman	4	3
Shri. R. M. khandelwal,	Member	4	3
Shri. Surendra Rao,	Member	4	3
Ms. Varsha Murarka,	Chairman	4	1
Ms. Deepa Dalmia,	Member	4	1
Shri Kamal Nayan Sharma	Member	4	1

Indian Infotech and Software Ltd.

*Deepa Dalmia*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Ruchir*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. D. Dalmia*  
Authorised Signatory/Director

**(b) Share Transfer & Shareholders' / Investors' Grievance Committee:****(i) Terms of references**

- a) To scrutinize and approve registration of transfer of shares / debentures / warrants issued / to be issued by the company.
- b) To exercise all power conferred on the Board of Directors under Article 43 of the Article of Association.
- c) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- d) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost,
- e) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- f) To look into shareholders and investors complaints like transfer of shares, non-receipt of declared dividends, etc., and
- g) To delegate all or any of its power of Officers / Authorized Signatories of the Company.

**a. Composition**

The Share Transfer & Shareholders/Investors' Grievance Committee up to 25/10/2011 consists of as follows:

- |                            |          |
|----------------------------|----------|
| 1. Shri. G. K. Joshi,      | Chairman |
| 2. Shri. R. M. khandelwal, | Member   |
| 3. Shri. Surendra Rao,     | Member   |

From this particular date of 14/02/2012 the Share Transfer & Shareholders/Investors' Grievance Committee reconstituted as follows:

- |                             |          |
|-----------------------------|----------|
| 1. Ms. Varsha Murarka,      | Chairman |
| 2. Ms. Deepa Dalmia,        | Member   |
| 3. Shri Kamal Nayan Sharma, | Member   |

The constitution and terms of reference of the Share Transfer & Shareholders'/ Investors' Grievance Committee is in agreement with the guidelines prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

This committee (i) approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate Certificates by the Company; (ii) looks into various issues relating to shareholders, including the redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc.; and (iii) carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted in terms of Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Share Transfer & Shareholders' / Investors' Grievance Committee met 4(Four) times during the 2011-12 on 29/04/2011, 27/07/2011, 25/10/2011 and 14/02/2012. The attendances of the members are as follows:

Name	Category	Meetings during the year 2010-11	
		Held	Attended
Shri. G. K. Joshi,	Chairman	4	3
Shri. R. M. khandelwal,	Member	4	3
Shri. Surendra Rao,	Member	4	3
Ms. Varsha Murarka,	Chairman	4	1
Ms. Deepa Dalmia,	Member	4	1
Shri Kamal Nayan Sharma	Member	4	1

**Name and designation of Compliance officer:**

- CS Nitesh Choudhary

**Detail of Complaints:**

- No. of shareholders' complaints received during the year : 1
- No. of complaints not resolved to the satisfaction of shareholders : 1
- No. of pending share transfers : Nil

**3. General Body Meetings:**

Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Location
2010-2011	26/09/2011	3.30 P. M.	At Regd. Office, Mumbai
2009-2010	29/09/2010	3.30 P. M.	At Regd. Office, Mumbai
2008-2009	29/09/2009	3.30 P. M.	At Regd. Office, Mumbai

Whether Special Resolutions were put through postal ballot last year: No

Are votes proposed to be conducted through postal ballot this year: No

**4. Other disclosures:****(a) Related Party Transactions**

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large:

None of the transactions with any of the related parties were in conflict with the interest of the Company at large.

**(b) Disclosure of Accounting Treatment**

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable. The Company has not complied with Revised Accounting Standard AS-15 for Gratuity and Leave Encashment as the same are being accounted for on Cash Basis.

**(c) Disclosures on Risk Management**

During the year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures as required under Clause 49 of the Listing Agreement. The Company has framed the Risk Assessment and Minimization- Procedure which will be periodically reviewed by the Board.

**(d) Code of Conduct**

The Board of Directors has adopted the Code of Ethics and Business Principles for the Non-executive Directors as also for the employees including Executive Director. The said Code has been communicated to all the Directors.

- (e)** Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:  
None

**5. CEO/CFO Certification**

A certificate from Shri Ruchir Mohunta, Managing Director on the financial statements of the Company was placed before the Board, as required by Clause 49(V) of the Listing Agreement. There was no CEO/CFO in the Company.

**Means of communication:****(a) Quarterly results:**

The Unaudited quarterly results are announced within 45 days from the end of the quarter, as stipulated under the listing agreement with the Bombay Stock Exchange Limited & Ahmedabad Stock Exchange Ltd.

**(b)** Newspapers wherein normally published : Yes

**(c)** Any Website, wherein displayed: Yes

**(d)** Whether Website also displays official news releases: No

**(e)** Whether presentations made to institutional investors or to the analysts : No

**(f)** Whether Management Discussion & Analysis Report is a part of Annual Report: Yes

**6. General Shareholder information:****(a) AGM date, time and venue:**

Annual General Meeting will be held on Friday, the 28<sup>th</sup> September, 2012 at 4.30 P.M. at the Registered office of the Company – D- 114, Crystal Plaza, Opp. Infinity Mall, Andheri (W), Mumbai – 400 053.

**(b) Financial Year:** The Financial Year is from 1<sup>st</sup> April to 31<sup>st</sup> March.

**Tentative Schedule**

Unaudited Results for quarter ending June 30, 2012	:14 <sup>th</sup> Aug., 2012
Unaudited Results for quarter ending September 30, 2012	:14 <sup>th</sup> Nov., 2012
Unaudited Results for quarter ending December 31, 2012	:14 <sup>th</sup> Feb, 2013
Unaudited Results for year ending March 31, 2013	:15 <sup>th</sup> May, 2013

AGM for year ending March 31, 2013 :End September, 2013

**(c)** Book Closure period: Share Transfer Register will be closed from 24<sup>th</sup> September, 2012 to 28<sup>th</sup> September, 2012 (Both Days Inclusive)

Dividend payment date: Not Applicable

**(d) Stock Exchanges where securities are listed.**

The Company's securities are listed at:

**Bombay Stock Exchange Limited (BSE)**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

**Ahmedabad Stock Exchange Ltd. (Delisting is under Process)**

Kamdhenu Complex, Opp. Sahajanand College, Panjara Pole, Ambawadi, Ahmedabad – 380 015

Indian Infotech and Software Ltd.

*Deepak Dalu*

Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Ruchir*

Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. Nayyar*

Authorised Signatory/Director

**STOCK MARKET DATA:**

During the year the trading of the shares of the Company continues shares of the Company is regularly trading in B Group.

(g) **Stock code:** 509051

(h) **ISIN:** INE 300B01022

(g) **Registrar and Transfer Agent:**

**M/s Sharex Dynamic (India) Pvt. Ltd.**

Unit No. 1, Luthra Industrial Premises,  
Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400072  
Tel. No. 022 - 28515606/28515644  
Email id- [investor@sharexindia.com](mailto:investor@sharexindia.com)

(h) **Share transfer system with number of shares transferred:**

Share transfers in physical form are registered and returned within a period of 15-20 days from the date of receipt, in case documents are complete in all respects. The Share Transfer & Shareholders' / Investors' Grievance Committee meets at least every fortnight. The total number of shares transferred during the financial year under review were as below:

	No. of transfers	No. of Shares
Transfer:	101	3618800
Other cases (like; deletion, transmission, transposition etc.)	Nil	Nil
Total	101	3618800

(i) Dematerialization of shares and liquidity: 35839900 shares (82.80%)

(j) Outstanding GDRs/ Warrants, Convertible Bonds, conversion date and it impact on equity. Nil

(k) **Distribution of Shareholding and Shareholding Pattern as on 31st March, 2012.**

(i) **Distribution of Shareholding as on 31<sup>st</sup> March, 2012:**

No. of Shares	No. of Shares	%	No. of Shareholders	%
Upto 5000	9,60,770	0.22	291	15.74
5001-10000	48,38,330	1.12	488	26.39
10001-20000	70,88,680	1.64	372	20.12
20001-30000	38,15,430	0.88	134	7.25
30001-40000	30,43,260	0.7	78	4.22
40001-50000	81,84,150	1.89	165	8.92
50001-100000	1,37,63,600	3.18	161	8.71
100001-ABOVE	39,11,35,880	90.37	160	8.65
<b>Total</b>	<b>43,28,30,100</b>	<b>100</b>	<b>1849</b>	<b>100</b>

Indian Infotech and Software Ltd.

*Deepa Dalwadi*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Richy*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. D. Danysey*  
Authorised Signatory/Director



(ii) Shareholding pattern as on 31<sup>st</sup> March 2012:

	No. of Shares held	% to Total Shares
Promoter Group	26,405,500	61.007
Mutual Funds and UTI	10,6510	0.246
Banks & Financial institutions & Insurance Companies etc.	-	-
Venture Capital Funds	52500	0.121
Corporate Bodies	42,83,685	9.897
General Public	12,364,380	28.567
NRI's / OCBs	70,435	0.162
<b>TOTAL</b>	<b>43,28,3010</b>	<b>100.00</b>

After giving effect to the merger As per the Scheme of arrangement the following Companies amalgamated with our Company with effect From appointed date 01/04/2011.

M/s Lambodar Nirmal Limited (1st Transferor Company)

M/s Niki Metal Co. Limited (2<sup>nd</sup> Transferor Company)

The Balance Sheet and Profit and Loss has been prepared after giving effect to Assets and Liabilities of amalgamated Companies with our Company.

(i) Address for correspondence:

The Company's Registered Office is situated at –

**INDIAN INFOTECH & SOFTWARE LTD.**

D – 114, Crystal Plaza, Opp. Infinity Mall, Andheri (w), Mumbai – 400 053.

Tel. No. 022 - 42956833,

Email Id – indianinfotechsoftware@yahoo.com

Any Correspondence by the shareholders should be addressed either to Registered Office at above address or Registrar/ Share Transfer Agents.

**Non-Mandatory Requirements:**(a) **Office of the Chairman of the Board:**

The Company does not defray the secretarial expenses of the Chairman's office.

(b) **Remuneration Committee**

The Company has not constituted remuneration committee.

(c) **Shareholder rights- furnishing of half yearly results:**

The Company's Quarterly results are published in newspapers and are, therefore, not sent to the shareholders.

**Postal Ballot:**

The Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the shareholders by such process in terms of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Adoption of other non-mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.



**DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, this is to confirm that all the Members of the Board have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2012.

**FOR AND ON BEHALF OF THE BOARD,**

**PLACE ; MUMBAI**

**DATE : AUGUST 27<sup>TH</sup>, 2012**

  
**RUCHIR MOHUNTA**  
**MANAGING DIRECTOR**

**CFO CERTIFICATE**

I, Ruchir Mohunta, Managing Director of Indian Infotech & Software Ltd, to the best of my knowledge and belief certify that:

1. I have reviewed the balance sheet and profit and loss account, and all its schedules and notes to accounts, as well as the cash flow statement;
2. Based on my knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made;
3. Based on my knowledge, information and belief, the financial statements and other financial information included in this report present a true and fair view of the company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations;
4. To the best of my knowledge, information and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the Company's Code of Conduct;
5. I am responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
6. I have disclosed, based on my most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps taken or proposed to be to rectify the deficiencies;

I have indicated to the Auditors and the Audit Committee:

- a) Significant changes in the Company's internal control over the financial reporting during the year;
- b) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
- c) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

**FOR AND ON BEHALF OF THE BOARD,**

**Indian Infotech and Software Ltd.**

**PLACE ; MUMBAI**

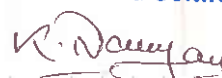
**DATE : AUGUST 27<sup>TH</sup>, 2012**

**Indian Infotech and Software Ltd.**

 **Ruchir Mohunta**  
**Managing Director**

  
**RUCHIR MOHUNTA**  
**Authorized Signatory/Director**  
**Managing Director**

**Indian Infotech and Software Ltd.**





**CERTIFICATE OF CORPORATE GOVERNANCE REPORT**

To,

The Members of

**INDIAN INFOTECH AND SOFTWARE LIMITED**

D - 114, CRYSTAL PLAZA, LINK ROAD,  
OPPOSITE INFINITY MALL, ANDHERI (WEST)  
MUMBAI - 400053

I have examined the Compliance of conditions of Corporate Governance by **INDIAN INFOTECH AND SOFTWARE LIMITED**, for the year ended 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with Stock Exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I report as under:

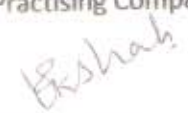
I certify that the Company has complied with the conditions of corporate Governance as stipulated in the above mentioned Listing Agreement(s) except that the Company has not complied with Clause 49(V) of the Listing Agreement as certificate on Financial reporting and Internal controls to the Board of Directors has been given by Mr. Ruchir Mohunta, Managing Director.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai

Date: 27/08/2012

For Vinesh K. Shah & Associates  
Practising Company Secretaries,

  
(Vinesh K. Shah)  
C.P.No.7000





# Sanjay N. Shah & Co

## CHARTERED ACCOUNTANTS

Auditor's Report to the Members of **INDIAN INFOTECH AND SOFTWARE LIMITED**

1. We have audited the attached Balance Sheet of **INDIAN INFOTECH AND SOFTWARE LIMITED**, as at **31st March, 2012**, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of subsection (4A) of section 227 of the Companies Act., 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 of the said Order :
4. Further to our comments on the Annexure referred to above, we report that :
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books of accounts;
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards as referred in Sub-Section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable;
  - (e) On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the directors of the company are disqualified from being appointed as a director under clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956;
  - (f) In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with Significant Accounting Policies and Notes forming part of Accounts, give the information required by the Companies Act, 1956 in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India,
    - (i) in case of Balance Sheet, of the state of the affairs of the company as at 31<sup>st</sup> March 2012,
    - (ii) in case of the Statement of Profit and Loss Account, of the Profit for the year ended on that date,
    - (iii) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Date: August 27, 2012**  
**Place: Mumbai**

For **Sanjay N. Shah & Co.**  
**Chartered Accountants**  
**FRN : 124897W**

  
**CA. Sanjay Shah, Proprietor**  
**M. No. 116251**





# Sanjay N. Shah & Co

## CHARTERED ACCOUNTANTS

### ANNEXURE TO THE AUDITORS' REPORT

1. **In respect of Fixed assets:**

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As informed to us, the assets have been physically verified by the management during the year, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There was no disposal of a substantial part of fixed assets during the year.

2. **In respect of Inventories**

As the Company is an service provider, it does not have any inventory.

3. (a) In our opinion and according to the information and explanation given to us the rate of interest and other terms and conditions on which the loan have been granted are not prima facie prejudicial to the interest of the company.

(b) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest. The parties had repaid principal and interest amounts wherever stipulated.

(c) There is no overdue amount of loan granted to companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

(d) The Company has not taken any loan from the companies, Firm, Party. covered in the register maintained under section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, the Company has adequate internal control procedure commensurate with the size of the Company and nature of its Business with regard to Fixed assets. We have not come across any major weakness in internal control.

5. **In respect of Transaction**

- (a) According to the information and explanations provided by the management, we are of the opinion that the particular of contract or arrangement referred to in section 301 of the Companies Act, 1956, that need to be entered into the register maintained under section 301 have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding rupees five lakhs each have been made at prices, which are reasonable having regard to prevailing market prices at the relevant time.

6. The Company has not accepted / invited any deposits falling within the preview of Section 58A / 58AA of the Companies Act, 1956 and rules framed there under.

7. The company does not have an internal audit system.







# Sanjay N. Shah & Co

## CHARTERED ACCOUNTANTS

8. We have broadly reviewed the books of accounts maintained by the company pursuant to the Made by the central government for the maintenance of cost record under section 209(1) (d) Of the companies act 1956, and are of the opinion that prima facie, the prescribed accounts And records have been made maintained.
9. **In respect of statutory dues**
  - (a) As informed to us the Provident fund and Employees' State Insurance Act are not applicable to the Company.
  - (b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as of 31<sup>st</sup> March, 2012 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanation given to us, there are no dues of Income Tax, Customs duty, Wealth Tax, Excise duty and Cess which have not deposited on Account of any dispute.
10. The Company has accumulated losses at the end of the financial year and it has not incurred cash losses in the current financial year.
11. Based on the audit procedures and as per the information and explanations given to us we are of the opinion that the Company has not defaulted in repayment of dues to financial Institutions, Banks or debenture holders.
12. According to the information and explanations given to us, the Company has not granted any loans and advance on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not chit fund or a *nidhi* / Mutual benefit fund / Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. The Company has maintained proper records with regards to its transactions and contracts in respects of investments in shares and other securities and timely entries have been made therein. All these shares and other securities have been held by the company in its own name, except to the extent of exemption granted under Section 49 of the Companies Act, 1956 and for certain shares which are lodged for transfer or held with valid transfer forms.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from Bank or financial institutions.
16. According to the information and explanations given to us, the Company has not taken any term loans during the year;
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short – term basis have been used for long-term investment.



# Sanjay N. Shah & Co.

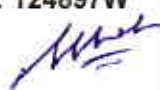
## CHARTERED ACCOUNTANTS

18. According to the information and explanations given to us, the Company had not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. The Company has not issued any debentures during the year and therefore the question of creating security in respect thereof does not arise.
20. The Company has not made any Public Issue during the year and therefore the question of disclosing the end use of money does not arise.
21. According to the information and explanations given to us, based upon the audit procedures performed and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our Audit.

**Date: August 27, 2012**

**Place : Mumbai**

For **Sanjay N. Shah & Co.**  
**Chartered Accountants**  
**FRN : 124897W**

  
**CA. Sanjay Shah, Proprietor**  
**M. No. 116251**







# Sanjay N. Shah & Co

## CHARTERED ACCOUNTANTS

To,  
The Board of Directors,  
Indian Infotech And Software Limited

1. We have audited the Balance Sheet of INDIAN INFOTECH AND SOFTWARE LIMITED ('the Company') as at March 31, 2012 and also Statement of Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto and issued our audit opinion dated April 25, 2012 thereon. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. Our audit was conducted in the manner specified in paragraph 2 of the audit report.
2. As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2008" issued by Reserve Bank of India (the Bank) and amended from time to time ('the Directions'), and based on our audit referred to in paragraph 1 above and on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder on the matters specified in paragraphs 3 and 4 of the Directions:
  - a). The Company is engaged in the business of Non-Banking Finance Institution ('NBFI') as defined in section 45-I(a) of the Reserve Bank of India Act, 1934 ('the Act') during the year ended March 31, 2012 and it has obtained Certificate of Registration No. B-13.00221 dated March 4, 1998 from Reserve Bank of India.
  - b) Based on the asset / income pattern as on March 31, 2012 determined by the Management in accordance with the audited financial statements for the year ended as on that date, and with reference to paragraph 15 of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company is entitled to continue to hold such Certificate of Registration;
  - c) Based on the criteria set forth by the Reserve Bank of India vide Circular No. DNBS.PD. CC No. 85 / 03.02.089 /2006-07 dated December 6, 2006 for classification of NBFC's as Asset Finance Company (AFC) and as per the information and explanations given to us and as appears from the books of accounts of the Company, the Company is not an Asset Finance Company (AFC) as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 with reference to the business carried on by it during financial year 2011-12.
  - d) The Board of Directors in their meeting held on April 27, 2011 has passed a resolution for non-acceptance of any public deposits;
  - e) The Company has not accepted any public deposit during the financial year 2011-12;
  - f) In our opinion and as per the information and explanations given to us, the Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 for the year ended on March 31, 2012;
  - g) In our opinion and as per the examination of books of account and relevant records, the capital adequacy ratio as disclosed in the return submitted to the Bank in Form NBS- 7, has been correctly arrived at and such ratio is in compliance with the minimum CRAR prescribed by the Bank.
  - h) The Company has furnished to the Bank, the annual statement of capital funds, risk assets / exposures and risk asset ratio (Form NBS-7) within the stipulated period.



# Sanjay N. Shah & Co

## CHARTERED ACCOUNTANTS

3. We have no responsibility to update this report for events and circumstances occurring after the date of our audit opinion mentioned in paragraph 1.
4. This report is issued solely for reporting on the matters specified in paragraphs 3 and 4 of the Directions, to the Board of Directors and is not to be used or distributed for any other purpose.

**Date: August 27, 2012**

**Place : Mumbai**

**For Sanjay N. Shah & Co.  
Chartered Accountants  
FRN : 124897W**

**CA. Sanjay Shah, Proprietor  
M. No. 116251**



# INDIAN INFOTECH AND SOFTWARE LIMITED

BALANCE SHEET AS AT 31st March, 2012

Particulars	Note No.	Figure as at 31st March, 2012	Figure as at 31st March, 2011
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' funds			
(a) Share Capital	4	43,283,010	43,283,010
(b) Reserves and Surplus	5	1,603,739,848	(13,257,454)
		1,647,022,858	30,025,556
(2) Current liabilities			
(a) Short-term borrowings	6	1,800,000	
(b) Trade payables		26,748	
(c) Other Current liabilities	7	1,621,780	22,125
(d) Short-term provisions	8	161,309	
		3,609,837	22,125
<b>TOTAL</b>		<b>1,650,632,695</b>	<b>30,047,681</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	9	162,627	56,407
(b) Non-current investments	10	92,708	92,708
(c) Deferred tax assets (net)		51,174	63,653
(d) Long-term loans and advances	11	18,030,196	11,492,003
(e) Other non-current assets	12	1,395,200	
		19,731,905	11,704,771
(2) Current assets			
(a) Current investments	10	1,624,775,000	
(b) Cash and cash equivalents	13	6,125,790	18,342,910
		1,630,900,790	18,342,910
<b>TOTAL</b>		<b>1,650,632,695</b>	<b>30,047,681</b>
Significant Accounting Policies	3		

The accompanying notes are integral part of the financial statements

As per our report attached  
For **SANJAY N SHAH & CO.**  
Chartered Accountants  
Firm Regn. No. : 124897W

CA Sanjay N Shah  
PROPRIETOR  
Membership No. : 116251  
Mumbai ;  
Dated 22th August, 2012



Indian Infotech and Software Ltd.  
D. Deepa Salunke  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

Ruchiy  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

V. N. Danyal  
Director Authorised Signatory/Director

Mumbai ;  
Dated 22th August, 2012

# INDIAN INFOTECH AND SOFTWARE LIMITED

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED : 31st March, 2012

	Particulars	Note No.	Figures for the year ended 31st March, 2012	Figures for the year ended 31st March, 2011
I.	Revenue from operations	14	150,000	600,000
II.	Other income	15	4,123,564	665,960
III.	<b>Total Revenue (I + II)</b>		<b>4,273,564</b>	<b>1,265,960</b>
IV.	Expenses:			
	Employee benefits expense	16	502,686	280,500
	Depreciation and amortization expense		45,064	26,521
	Other expenses	16	2,758,235	17,033,885
	Finance costs	17	429,162	835
	<b>Total expenses</b>		<b>3,735,147</b>	<b>17,341,741</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>538,417</b>	<b>(16,075,781)</b>
VI.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>538,417</b>	<b>(16,075,781)</b>
VIII.	Extraordinary Items		-	-
IX.	<b>Profit before tax (VII- VIII)</b>		<b>538,417</b>	<b>(16,075,781)</b>
X	Tax expense:			
	Current Tax	161,309	-	-
	Earlier year	2,564	-	-
	Deferred Tax	11,127	11,746	11,746
			175,000	11,746
XI	<b>Profit (Loss) for the period from continuing operations (IX-X-XIV)</b>		<b>363,417</b>	<b>(16,087,527)</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>363,417</b>	<b>(16,087,527)</b>
XVI	Earnings per equity share:			
	(1) Basic		0.01	(3.72)
	(2) Diluted		0.01	(3.72)
	Significant Accounting Policies	3		

The accompanying notes are integral part of the financial statements

Indian Infotech and Software Ltd.

As per our report attached  
For SANJAY N SHAH & CO.

Chartered Accountants

Firm Regn. No. : 124897W

**Sanjay N Shah**  
**PROPRIETOR**

Membership No. : 116251

Mumbai :

Dated 29th August, 2012

Indian Infotech and Software Ltd.

**Deep Dalvi**  
Authorised Signatory/Director

**Pucky**  
Authorised Signatory/Director  
Chairman

Indian Infotech and Software Ltd.

**K. N. Nayyar**  
Director Authorised Signatory/Director

Mumbai :

Dated 29th August, 2012



**INDIAN INFOTECH AND SOFTWARE LIMITED**

**Cash flow statement pursuant to Clause 32 of the Listing Agreement for the year ended 31st March, 2012**

Particulars		Year Ended 31st March 2012	Year Ended 31st March 2011
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before Taxes and Extra ordinary item		538,417	(16,075,781)
<b>Adjustments:</b>			
Depreciation		45,064	26,521
Loss on sale of long term Capital Gains			15,969,478
Write-off Misc. Expenditure			
Audit Fees			
Preliminary expense w/off		428,000	-
Roc fees			-
Professional fees			-
Finance Costs			-
Interest Paid		429,162	-
Interest Income		(497,423)	(638,631)
Operating Profit before Working Capital Changes		943,220	(718,413)
<b>Adjustments For</b>			
(Increase) / Decrease in Inventory		-	-
(Increase) / Decrease in Other Current Assets		(1,393,848)	-
(Increase) / Decrease in Loan & Advances (current & non current)		(6,538,193)	6,124,889
Increase / (Decrease) in Trade Payables & other liabilities (current & non current)		3,426,403	(552,522)
<b>Total (A)</b>		<b>(3,562,418)</b>	<b>4,853,954</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets		(151,284)	
Payment of Capital Work In Progress			
Sale of Capital Work In Progress			
Misc Exp w/off		(428,000)	
Sale of Investments			24,608,526
Long Term Capital Gains			(15,969,478)
Interest Received			
Purchase of Investment		(1,624,775,000)	
<b>Total (B)</b>		<b>(1,625,354,284)</b>	<b>8,639,048</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase in Long Term borrowing			
Increase in Short Term borrowing			
Proceeds from Issue of Share Capital		1,616,631,323	
Gains/(Loss) in Forex			
Unpaid Calls received			3,376,882
Interest Received		497,423	638,631
Interest Paid		(429,162)	
<b>Total (C)</b>		<b>1,616,699,584</b>	<b>4,015,513</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENT (A+B+C)</b>		<b>(12,217,117)</b>	<b>17,508,515</b>
<b>CASH AND CASH EQUIVALENT AS AT BEGINNING OF YEAR</b>		<b>18,342,908</b>	<b>834,393</b>
<b>CASH AND CASH EQUIVALENT AS AT END OF THE YEAR</b>		<b>6,125,791</b>	<b>18,342,908</b>
1. The above cash Flow Statement has been prepared under the "indirect method" as set out in Accounting Standard-3 Cash Flow Statements. 2. Figures in bracket indicate outflows 3. Cash and Cash Equivalent is cash and bank balance as per balance sheet			

For SANJAY N SHAH & CO.  
CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO.: 124897W

CA Sanjay N Shah

PROPRIETOR

MEMBERSHIP NO.: 116251

PLACE: MUMBAI

DATE: 27th, August, 2012.



FOR AND ON BEHALF OF THE BOARD OF  
DIRECTORS

Indian Infotech and Software Ltd.

Director

Authorised Signatory/Director

Director

Indian Infotech and Software Ltd.

PLACE: MUMBAI

DATE: 27 August, 2012

Indian Infotech and Software Ltd.

Authorised Signatory/Director

Authorised Signatory/Director

# INDIAN INFOTECH AND SOFTWARE LIMITED

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2012

Note No. 7 : FIXED ASSETS - TANGIBLE ASSETS

Particular	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	As at 1st April, 2011	Additions	Deductions due to merger	As at 31st March, 2012	Up to 31st March, 2011	For the year ended 31st March, 2012	Up to 31st March, 2012	As at 31st March, 2012
Furniture & Fixtures	161025		57600	218625	143237	11758	173075	45550
Office Equipments	9490			9490	3239	870	4109	5381
Computers	2902777	76990	45200	3024967	2870409	32436	2913271	111696
Total Rs.	3073292	76990	102800	3253082	3016885	45064	3090455	162627
Previous Year	3073292	0	0	3073292	2990362	26521	3016883	56407
								82930



Indian Infotech and Software Ltd.

*Deepak Kumar*

Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Deepak Kumar*

Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. N. Dey*

Authorised Signatory/Director



# CALCULATION OF DEPRECIATION AS PER INCOME TAX ACT, 1961

Sr. No.	Name of Asset	Rate %	W.D.V as on 04/01/2010	Addition due to merger	Additions During 1st Half	Additions During 2nd Half	Deduction During the year	Total upto 31/03/2011	Depreciation During the year	W.D.V as on 31/03/2011
1	Computer	60%	1,573	18,080	-	76,990	-	96,643	34,889	61,754
2	Furniture & Fixture	10%	19,421	51,840	-	-	-	71,261	7,126	64,135
3	Office Equipment	15%	859	-	-	-	-	859	129	730
	<b>TOTAL</b>		21,852	69,920	-	76,990	-	168,762	42,144	126,619



Indian Infotech and Software Ltd.

*T. Deepa Salvi*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Ricky*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. Nayyar*  
Authorised Signatory/Director

# INDIAN INFOTECH AND SOFTWARE LIMITED

## NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2012

Particular	No. of Share	Figure as at 31st March, 2012	No. of Share	Figure as at 31st March, 2011
------------	--------------	----------------------------------	--------------	----------------------------------

### Note No. 4 : SHARE CAPITAL

#### (a) Authorised Share Capital

5,25,00,000 Equity Shares of Rs.1 each :

(Previous year 52,50,000 Equity Shares of Rs.10/- each)

52,500,000

52,500,000

52,500,000

52,500,000

#### (b) Issued

5,00,80,000 Equity Shares of Rs. 1/- each

(Previous Year 50,08,000 Equity Shares of Rs.10/- each)

50,080,000

50,080,000

50,080,000

50,080,000

#### (c) Subscribed Capital

4,73,38,000 Equity Shares of Rs. 1/- each

(Previous Year 4,73,38,000 Equity Shares of Rs.10/- each)

47,338,000

47,338,000

#### Forfeited Shares

405499 Equity shares

47,338,000

47,338,000

#### (d) Paid up Capital

4,32,83,010 Equity Shares of Rs. 1/- each

(Previous Year 43,28,301 Equity Shares of Rs.10/- each)

43,283,010

43,283,010

43,283,010

43,283,010

#### (e) Reconciliation of number of shares

Shares at the beginning of the year

4,328,301

43,283,010

4,733,800

47,338,000

Add : New Shares of FV Re. 1 issued due to stock split

43,283,010

279,115,000

Less: Old share of FV Rs. 10 cancelled due to stock split

4,328,301

(279,115,000)

Less : Buy back of shares/Reduction in share capital

Less : Forfeited shares (405499 )

405,499

4,054,990

Outstanding shares at the year end

43,283,010

43,283,010

4,328,301

43,283,010

#### (f) Shares held by holding company or ultimate holding company or subsidiary company or associates of holding company or ultimate holding company

Equity shares held by

##### (i) Holding company/Ultimate holding company

Jayanti Prime software Advisory pvt Ltd

26,405,500

26,405,500

#### (g) Shares held by each shareholder holding more than 5% of the shares

Jayanti Prime software Advisory pvt Ltd

26,405,500

26,405,500

Chemo Pharma Laboratories Ltd.

2,188,300

21,883,000

Shree Consultancy Service pvt Ltd

428,750

4,287,500



Indian Infotech and Software Ltd.

*Deepak Dalvi*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Richy*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. N. Danyay*  
Authorised Signatory/Director

**INDIAN INFOTECH AND SOFTWARE LIMITED**  
**NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2012**

Particular	Figure as at 31st March, 2012	Figure as at 31st March, 2011
<b>Note No. 5 : RESERVES &amp; SURPLUS</b>		
(a) <b>General Reserve</b>		
Opening Balance	-	347,212
Add : Current Year Transfer	-	-
Less : Written Back in Current Year	-	(347,212)
Closing Balance	-	-
(b) <b>Special Reserve</b>		
Opening Balance	35,000	35,000
Add : Current Year Transfer	-	-
Less : Written Back in Current Year	-	-
Closing Balance	35,000	35,000
(c) <b>Securities Premium Reserve</b>		
Opening Balance	-	-
Add : Current Year Transfer	-	-
Add : Transfer - Merged Companies	1,337,391,000	-
Less : Written Back in Current Year	-	-
Closing Balance	1,337,391,000	-
(a) <b>Surplus - Profit &amp; Loss account</b>		
Opening balance	(14,178,317)	-
Add : Net Profit/(Net Loss) for the current year	363,417	-
Add : Trf of P & L - Merged companies	127,885	-
Add : Transfer from Reserves	-	-
Less : Proposed Dividends	-	-
Less : Interim Dividends	-	-
Less : Transfer to Reserves	-	-
Less : Bonus Shares	-	-
Closing Balance	(13,814,900)	-
Total		
(e) <b>Share Forfeiture capital</b>		
Opening Balance	1,013,748	-
Add : Current Year Transfer	-	1,013,748
Less : Written Back in Current Year	-	-
Closing Balance	1,013,748	1,013,748
(b) <b>Amalgamation Adjustment Account</b>		
(Pending for Allotment of shares)	279,115,000	-
<b>TOTAL RESERVES AND SURPLUS</b>	<b>1,603,739,848</b>	<b>(13,257,454)</b>



Indian Infotech and Software Ltd.

*Deepa Dalvi*  
 Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Lucky*  
 Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. D. Nayyar*  
 Authorised Signatory/Director

# INDIAN INFOTECH AND SOFTWARE LIMITED

## NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2012

### Note No. 6 : SHORT TERM BORROWINGS

Unsecured	
(i) From Other Party	1,800,000
	<u>1,800,000</u>

### Note No. 7 : OTHER CURRENT LIABILITIES

(a) Other payables	-	
(a) Trade Payables	26,748	22,125
(b) Others	1,621,780	
	<u>1,648,528</u>	<u>22,125</u>

### Note No. 8 : SHORT TERM PROVISIONS

(a) Others	
Income Tax AY 11-12	161,309
	<u>161,309</u>

### Note No. 11 : LONG TERM LOANS AND ADVANCES

(Secured or Unsecured, Considered Good or Doubtful)

(a) Capital Advances	-	11,406,624
(b) Security Deposits	150,000	-
(c) Loans and Advances to related parties (give details)	17,880,196	-
(d) Other Loans and Advances	-	85,379
	<u>18,030,196</u>	<u>11,492,003</u>

### Note No. 12 : OTHER NON-CURRENT ASSETS

(a) Others	1,395,200	-
	<u>1,395,200</u>	

### Note No. 13 : CASH AND CASH EQUIVALENTS

(a) Cash and Cash Equivalent		
(i) Balances with Banks	5,866,941	18,294,068
(ii) Cheques on hand	3,548	-
(iii) Cash on hand	255,301	48,842
	<u>6,125,790</u>	<u>18,342,910</u>



Indian Infotech and Software Ltd.

*Deepa Salunke*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Ruchy*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. N. Nayyar*  
Authorised Signatory/Director

**INDIAN INFOTECH AND SOFTWARE LIMITED**  
**FOR THE PERIOD ENDED AS ON 31ST MARCH, 2012**

Particular	Face Value	No of Shares	Figure as at 31st March, 2012	Figure as at 31st March, 2011
------------	------------	--------------	-------------------------------	-------------------------------

**Note No. 10 : Investments**

**Non Current Investment**

Quoted

Novartis india Ltd	10	30	8,280	8,280
			8,280	8,280

Unquoted

Lloyd Finance Ltd(OECD - RS 50 Partly Paid up)	190	1000	50,000	50,000
Elchem Sales Corp Pvt Ltd	10	6820	34,428	34,428
			84,428	84,428

Total

92,708      92,708

**Current Investment**

Unquoted

Kaushalya infrastructure dev corp ltd	2.75	1500000	4,125,000	-
UNICON TIE-UP PVT.LTD	10.00	10000.00	10,000,000	-
NEWEDGE VINIMAY PVT. LTD.	10.00	10000.00	10,000,000	-
VEDANT COMMOMDEAL PVT.LTD.	10.00	10000.00	10,000,000	-
UNIGLORY DEVELOPERS PVT.LTD.	10.00	10000.00	10,000,000	-
Logic investment consultant pvt ltd	10.00	16000.00	160,000,000	-
nartan infrastructure pvt ltd	1.00	100000.00	100,000,000	-
Passion fin consultant pvt ltd	10.00	7500.00	75,000,000	-
Pathik infraprojects pvt ltd	1.00	50000.00	50,000,000	-
Right visual trading pvt ltd	1.00	100000.00	100,000,000	-
Round link multitrading pvt ltd	1.00	100000.00	100,000,000	-
shirly real estate pvt ltd	1.00	108150.00	108,150,000	-
DESERVE FINANCIAL CONSULTANTS PVT LTD	10.00	20000.00	200,000,000	-
Logic Investment Consultants Pvt. Ltd.	10.00	18550.00	185,500,000	-
Passion Financial Consultants Pvt Ltd	10.00	21450.00	214,500,000	-
Pathik infraprojects pvt ltd	1.00	50000.00	50,000,000	-
Shirly real estate pvt ltd	1.00	30500.00	30,500,000	-
STARGOLD FINANCIAL ADVISORS PVT LTD	10.00	20000.00	200,000,000	-
			1,617,775,000	-
Share Application BHAWARAVALI FINANCIAL			7,000,000	-

**1,624,775,000**



Indian Infotech and Software Ltd.

*Deepa Deshpande*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Pooja*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. N. Nayyar*  
Authorised Signatory/Director



# INDIAN INFOTECH AND SOFTWARE LIMITED

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particular	Figure as at 31st March, 2012	Figure as at 31st March, 2011
------------	-------------------------------------	----------------------------------

## Note no. 14 : REVENUE FROM OPERATIONS

(a) Other operating revenues	150,000	600,000
	<b>150,000</b>	<b>600,000</b>

## Note no. 15 : OTHER INCOME

(a) Interest Income	502,607	665,960
(b) Dividend Income	287	-
(c) Commodity Trading Profit	3,620,670	-
	<b>4,123,564</b>	<b>665,960</b>

## Note no. 16 : ADDITIONAL INFORMATION

(i) (a) <b>Employee Benefits Expense</b>		
Salaries and Wages	469,168	-
Staff Welfare Expenses	33,518	-
	<b>502,686</b>	<b>280,500</b>

(c) Payments to Auditors as Auditor	55,000	13,788
	<b>55,000</b>	<b>13,788</b>

(vi) <b>Expenditure incurred on</b>		
(a) Power and Fuel	11,770	-
(b) Rent	218,000	-
(c) Miscellaneous Expenses	2,473,465	17,020,097
	<b>2,758,235</b>	<b>17,033,885</b>

## TOTAL OF OTHER EXPENSES

## Note no. 17 : FINANCE COSTS

(a) Interest expense	429,162	835
	<b>429,162</b>	<b>835</b>

As per our report attached  
For : SANJAY N SHAH & CO.

Chartered Accountants  
Firm Regn. No. : 124897W

CA Sanjay N Shah  
PROPRIETOR

Membership No. : 116251

Mumbai :

Dated 29th August, 2012

Chairman

Director

Director

Indian Infotech and Software Ltd.

Deepest Dalvi  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

Richy  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

K. Nayyar  
Authorised Signatory/Director

**INDIAN INFOTECH AND SOFTWARE LIMITED**  
**FOR THE PERIOD ENDED AS ON 31ST MARCH, 2012**

Particular	Figure as at 31st March, 2012	Figure as at 31st March, 2011
------------	-------------------------------------	-------------------------------------

**LIABILITIES**

**Sundry Creditors**

**Creditors for Expenses**

Central Depository Servces Ltd	14,075	-
Sanjay n shah & co.	3,500	11,030
Sharex Dynamic India Pvt Ltd	6,967	-
Creditors	-	11,095
National securities	2,206	-
	<b>26,748</b>	<b>22,125</b>

**Other Loans & Advances:**

Gaurav Fashion Pvt Ltd-DRS	1,800,000	-
	<b>1,800,000</b>	<b>-</b>

**Other Pyables**

TDS on proff charge	55,150	-
Audit fees payable	80,000	-
Preliminay Expense Payabler	1,467,130	-
tds on salaries	19,500	-
	<b>1,621,780</b>	<b>-</b>

**ASSESTS**

**Details of Current Asset :**

**Deposit**

Office deposit-nimmi garkel	150,000	-
	<b>150,000</b>	<b>-</b>

**Loan & Advances**

Advance Against Purchases of Land	500,000	500,000
ALUDECOR LAMINATIONS PVT LTD	4,168,657	-
Arun Sales Corporation	2,538,631	2,538,631
CHEMAGE LIMITED	4,804,595	5,057,468
G.D.SOMANI MEMORIAL SCHOOL	1,329,643	1,329,643
M/S SANJAY & CO	1,881,838	1,980,882
Redrose Synthetics Pvt Ltd	2,608,812	-
Tds on Interest Recd AY 12-13	40,286	-
T.D.S ON RECEIPTS	7,734	7,733
Tds on Interest Recd AY 10-11	-	77,646
	<b>17,880,196</b>	<b>11,492,003</b>

**Details of Cash & Bank :**

**Cash & Bank Balances**

Cash	255,301	48,842
Axis BANK	-	18,281,098
HDFC BANK LTD	4,646,115	-
UNION BANK OF INDIA	12,970	12,970
ING Bank	1,207,857	-
Cheque in hand	3,548	-
	<b>6,125,790</b>	<b>18,342,910</b>

**Other Non Current Assets**

Miscellaneous expenses(not w\off)	1,395,200	-
	<b>1,395,200</b>	<b>-</b>



Indian Infotech and Software Ltd.

*Deepa Sharma*  
 Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Lucky*  
 Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. D. Nayyar*  
 Authorised Signatory/Director

**INDIAN INFOTECH AND SOFTWARE LIMITED**  
**FOR THE PERIOD ENDED AS ON 31ST MARCH, 2012**

Particular	Figure as at 31st March, 2012	Figure as at 31st March, 2011
<b>Other income</b>		
Commodities profit	3,620,670.27	-
	<b>3,620,670.27</b>	-
<b>Interest Income</b>		
Interest Received	497,423.00	638,631.00
Interest On Refund Of I.T	5,044.00	27,329.00
	<b>502,467.00</b>	<b>665,960.00</b>
<b>MISCELLANEOUS EXPENDITURE</b>		
ADVERTISING & PUBLICITY	134,836.41	12,225.94
ANNUAL LISTING FEES	58,394.00	43,302.00
Bank Charges	7,393.73	1,520.00
Bad debts w/off	351,917.00	370,440.00
COMPUTER EXP	6,991.00	-
CONVEYANCE EXPENSES	2,539.00	-
Bse penalty	-	360,453.00
Corporate Action Processing Fees	48,020.00	-
Dp Charges	4,412.00	-
FILING FEES	13,590.00	-
GENERAL MEETING EXPENSES	14,784.00	-
General expenses	57,413.00	-
GRATUITY PAID	148,703.00	-
Preliminary expense w\ off	428,000.00	-
Merger Fees	110,300.00	-
Office Exp	4,227.00	-
POSTAGE & TELEGRAM CHARGES	36,325.00	9,422.00
PRINTING & STATIONARY	81,313.00	20,720.00
PROFESSIONAL CHARGES	840,637.00	67,306.00
PROFESSION TAX EMPLOYEES	10.00	-
PROFESSION TAX-FIRM	2,500.00	2,500.00
Share Certificate Exp	20,906.00	-
SHARE TRANSFER EXPENSES	54,807.00	-
Sundry Balance W/off	(11,095.00)	83,574.00
TELEPHONE & TRUNKCALL CHARGES	19,002.47	3,003.00
TRAVELLING EXP	9,423.00	-
WEB DESIGNING CHARGES	12,000.00	-
Web Registration Charges	3,225.00	-
Profit or loss on sale of investment	-	15,969,478.00
GENERAL CHARGES	-	1,100.00
Penalty on Service Tax	-	12,000.00
Service tax paid	12,891.20	11,530.00
RATES & TAXES	-	10,081.00
	<b>6418822.81</b>	<b>17,020,096.94</b>
<b>Interest Expense</b>		
Interest paid	-	765.00
Interest on ROC Fees	429,162.00	-
Interest on service tax	-	70.00
	<b>429,162.00</b>	<b>835.00</b>

Indian Infotech and Software Ltd.

*Deepak Lalwani*  
 Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Rachin*  
 Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. N. Nayyar*  
 Authorised Signatory/Director



## INDIAN INFOTECH AND SOFTWARE LIMITED

Significant Accounting Policies to Financial statements for the year ended 31 March 2012

### 1. Corporate Information

INDIAN INFOTECH AND SOFTWARE LIMITED (the Company) is a Public Company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company is engaged in providing finance assistance and consultancy for various business activities.

### 2. Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the companies Act 1956. The Financial statements have been prepared on an accrual basis. The accounting policies adopted in the preparation of financial statements are considered with those of previous year, except for the change in accounting policy explained below.

### 3. Summary of significant accounting policies

#### a. Change in accounting policy.

##### Presentation and disclosure of financial statements

During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. However it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

#### b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### c. Tangible fixed assets

Fixed assets, except land and buildings are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Other expense on existing fixed assets including day-to-day repair and



Indian Infotech and Software Ltd.

*Deepa Salunke*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Ruchiy*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. Narayan*  
Authorised Signatory/Director

## INDIAN INFOTECH AND SOFTWARE LIMITED

Significant Accounting Policies to Financial statements for the year ended 31 March 2012

maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period.

### d. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a WDV method using the rates specified under the Schedule XIV to the Companies Act, 1956 arrived on the basis of the useful lives estimated by the management

### e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognizing of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### f. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a Substantial period of time to get ready for its Intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.



Indian Infotech and Software Ltd.

*D. S. Deshmukh*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Lucky*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. N. Nayyar*  
Authorised Signatory/Director



## INDIAN INFOTECH AND SOFTWARE LIMITED

Significant Accounting Policies to Financial statements for the year ended 31 March 2012

### g. Impairment of tangible and intangible assets

Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use i.e. the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognized.

### h. Leases

#### Where the Company is the lessee

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are classified as finance leases and are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as assets acquired on finance lease. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges on account of finance leases are charged to statement of profit and loss.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

### i. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments – Non Current Investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

### j. Revenue Recognition

- (a) Revenue is being recognised as and when there is reasonable certainty of ultimate Realization.
- (b) Dividend income is accounted on cash basis.
- (c) Interest income is recognised on a time proportionate basis.



Indian Infotech and Software Ltd.

*Deepa Dalvi*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Richy*  
Authorised Signatory/Director

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*K. Danyay*  
Authorised Signatory/Director

## INDIAN INFOTECH AND SOFTWARE LIMITED

Significant Accounting Policies to Financial statements for the year ended 31 March 2012

### k. Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Income taxes reflect the impact of timing differences between taxable income and accounting Income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

**Minimum alternate tax (MAT)** paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period. i.e the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the *Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax* under the *Income-tax Act, 1961*, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.



Indian Infotech and Software Ltd.

*Deepa Dalvi*  
Authorised Signatory/Director

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*Richy*  
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*K. D. Danyani*  
Authorised Signatory/Director

## INDIAN INFOTECH AND SOFTWARE LIMITED

Significant Accounting Policies to Financial statements for the year ended 31 March 2012

### **l. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **m. Provisions**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### **n. Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence/ non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize the contingent liability but discloses its existence in the financial statements.

### **o. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and fixed deposits with an original maturity of three months or less with banks.

### **p. Segment reporting policies**

The Company has only one business segment, i.e. Finance software development / IT enabled services. Accordingly the amounts appearing in the financial statements relate to this primary business segment. Further, the Company renders services in India only, and accordingly the disclosures under secondary segment are not applicable.



Indian Infotech and Software Ltd.

*Deepa Dalvi*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Lucky*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. R. Danyal*  
Authorised Signatory/Director

**INDIAN INFOTECH AND SOFTWARE LIMITED**

Significant Accounting Policies to Financial statements for the year ended 31 March 2012

**18) Payment to Auditors (inclusive of service tax)**

Particulars	March 31, 2012	March 31, 2011
As Auditors		
Audit fees	55000	13788
<b>Total</b>	<b>55000</b>	<b>13788</b>

**19) Dues to Micro and Small enterprises**

There are no suppliers who are registered with the Company as micro or small enterprise as defined under "The Micro, Small and Medium Enterprise Development Act, 2006". The information regarding the status of suppliers as micro or small enterprise have been determined on the basis of information available with the Company. This has been relied upon by the auditors.

**20) Related Party Transactions****List of related parties & Relationship**

Name of related parties	Nature of relationship
RUCHIR MOHUNTA (Appointed on 25th October, 2011)	Key Managerial Personnel
KAMAL NAYAN SHARMA (Appointed on 25th October, 2011)	
NANDKUMAR R. PAREEK (Resigned on 02nd December, 2011)	
RAMMANOHAR KAHNDELWAL (Resigned on 25th October, 2011)	
SURENDRA RAO (Resigned on 25th October, 2011)	
GHANSHYAM KAMAL SHANKER JOSHI (Resigned on 25th October, 2011)	
DEEPA DALMIA (Appointed on 17th December, 2011)	
VARSHA MURARKA (Appointed on 13th February, 2012)	
JAYANTI PRIME SOFTWARE ADVISORY PRIVATE LIMITED	Holding Company
SHREE GANESH STAR LAND ADVISORS PRIVATE LIMITED	Associate companies
HARSHA PRIME LAND AND BUILDING ADVISORS PRIVATE LIMITED	
BHAWARAWALI PRIME POWER ADVISORY PRIVATE LIMITED	
HARSHA PRIME HOUSING MANAGEMENT PRIVATE LIMITED	
MANGLA STAR MARKETING PRIVATE LIMITED	
MAHASHAKTI STAR POWER-BUILD CONSULTANTS PRIVATE LIMITED	
GOURI PRIME FINANCE CONSULTANTS PRIVATE LIMITED	
MAHASHAKTI STAR MARKETING PRIVATE LIMITED	
BHAWARAWALI STAR BUILD-UP ADVISORS PRIVATE LIMITED	
JEEN MATA PRIME PROPERTIES DEVELOPERS PRIVATE LIMITED	
QUINCE BLOSSOM MULTITRADING PRIVATE LIMITED	
JAHNU MULTITRADING PRIVATE LIMITED	
AMBITION TIE-UP PVT LTD	
EVERGREEN TRAFIN PVT LTD	
MAHAMAYA FINANCIAL CONSULTANTS PRIVATE LIMITED	

Indian Infotech and Software Ltd.

*Deepak Dalvia*  
 Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Lucky*  
 Authorised Signatory/Director

Indian Infotech and Software Ltd.

*K. Ramraj*  
 Authorised Signatory/Director



**INDIAN INFOTECH AND SOFTWARE LIMITED**

Significant Accounting Policies to Financial statements for the year ended 31 March 2012

DHANVARSHA ADVISORY SERVICES PRIVATE LIMITED	
GENEROSITY SHARE TRADING PRIVATE LIMITED	
ACS INSURANCE BROKING LIMITED	

**21) Earnings per share****Calculation of Earning Per Share :**

		<b>2012-13</b>	<b>2011-12</b>
i	Profit/(Loss)after tax	363417	(16087528)
ii	Profit/(Loss) attributable to Ordinary Share-Holders	363417	(16087528)
iii	Weighted Avg. no. of Ordinary Shares for Basic / Diluted EPS	43283010	4328301
iv	Nominal value of Ordinary Shares	43283010	4328301
v	Basic / Diluted Earnings per Ordinary Share	0.01	(3.72)

**22) Scheme of Arrangement**

- (i) A Composite Scheme of Arrangement ("the Scheme") between Indian Infotech and Software Limited ("IISL") and Niki Metal Company Limited ("NMCL") and Lambodar Nimit Limited ("LNL") under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of NMCL and LNL with the Company into the Company has been sanctioned by the High Court of Maharashtra at Mumbai on 4th May 2012. The Scheme has become effective from the appointed date 1st April 2011.
- (ii) Pursuant to the Scheme, all the assets, liability and reserves of NMCL & LNL have transferred to and vested in the Company as a going concern with effect from the appointed date 1st April 2011.
- a. The amalgamation has been accounted for under the "Pooling of Interest Method" as per AS 14. Accordingly, as on appointed date, all the assets and liabilities have been taken at their book value and all the reserves identity has been preserved and added to identical reserves of IISL. The liabilities have been accounted for on their book value basis of accrual and certainty as decided by the management. However, as per the scheme the difference between Net asset value and equity shares issued to shareholders of transferor companies shall be recorded as Capital Reserve or goodwill.



Indian Infotech and Software Ltd.

*Deepa Salunke*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

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Authorised Signatory/Director

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*K. D. Danyay*  
Authorised Signatory/Director



## INDIAN INFOTECH AND SOFTWARE LIMITED

Significant Accounting Policies to Financial statements for the year ended 31 March 2012

- b. As consideration for the amalgamation, the Company has subsequent to the date of the balance sheet on 31<sup>st</sup> May, 2012 issued and allotted 32,13,02,000 Equity Shares of Rs 1/- each fully paid up in the ratio of 2 (Two) Equity Share of 1/- each of IISL for every 1 (One) Equity Shares of Rs 1/- each of LNL in the Capital of the Company, and 47,38,56,000 Equity Shares of Rs 1/- each fully paid up in the ratio of 4 (Four) Equity Share of 1/- each of IISL for every 1 (One) Equity Shares of Rs 1/- each of NMCL in the Capital of the Company.
- c. The difference between the net asset value i.e Book value of Assets minus liabilities (including reserves) of the transferor companies as on the appointed date and equity shares issued to the shareholders of transferor companies on amalgamation by the transferee company of Rs. 51.60 crores shall be credited to goodwill account at the time of allotment of shares.
- d. Since the allotment of shares to the transferor company has happened after the end of the financial year, the net asset value i.e Book value of Assets minus liabilities (including reserves) of the transferor companies as on the appointed date of Rs. 27,91,15,000 has been reflected under the head Reserves & Surplus as "Amalgamation Adjustment Account". This Account will become Zero on allotment of shares to the shareholders of the transferor company.

### 23) Previous year comparatives:

Till the year ended March 31, 2011, the Company was using pre-revised Schedule VI to the Act, for preparation and presentation of its financial statements. During the year ended March 31, 2012, the revised Schedule VI notified under the Act has become applicable to the Company. The Company has reclassified previous year figures to conform to this year's classification.

As per our report of even date.

For INDIAN INFOTECH AND SOFTWARE  
LIMITED

Indian Infotech and Software Ltd.

*Pichay*  
CHAIRMAN  
Authorised Signatory/Director

DIRECTOR

DIRECTOR

Place : Mumbai

Date : 27<sup>th</sup> August, 2012

Indian Infotech and Software Ltd.

*K. Narayan*  
Authorised Signatory/Director

Indian Infotech and Software Ltd.

*Deepak Dahiya*  
Authorised Signatory/Director

For SANJAY N SHAH & CO.

Chartered Accountants

FRN : 124897W

CA SANJAY N SHAH

PROPRIETOR

M.No.116251



INDIAN INFOTECH AND SOFTWARE LIMITED

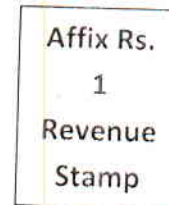
D-114, Crystal Plaza, Opposite Infinity Mall, Link Road, Andheri (W), Mumbai – 400053

PROXY FORM

I/We.....of.....in the  
district of ..... Being member/members of above named Company hereby appoint  
..... in the district of ..... or failing  
him.....in the district of ..... as my/our proxy to vote for  
me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, 28<sup>th</sup> September, 2012 at  
4:30 P.M. and at any adjournment thereof.

Signed this.....day of .....2012

Folio No.



NOTE: THE PROXY DULY COMPLETED MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

.....TEAR HERE.....

INDIAN INFOTECH AND SOFTWARE LIMITED

D-114, Crystal Plaza, Opposite Infinity Mall, Link Road, Andheri (W), Mumbai – 400053

ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full name of the shareholder ..... Full name of the First  
Joint Holder ..... (To be filled in if first named joint holder does  
not attend the meeting)

Name of proxy ..... (To be filled in if Proxy  
Form has been duly deposited with the Company)

I, hereby record my presence at the Meeting of the Share Holders of the Company held at the Registered Office of the  
Company on Friday, 28<sup>th</sup> September, 2012 at 4:30 p.m.

Registered Folio No. -----

Share Holders/Proxy's Signature

(To be signed at the time of handing over the slip)

No. of Shares held -----