

**BOARD OF DIRECTORS**

Deepak Gupta	<i>Managing Director</i>
Poonam Gupta	<i>Director (Operations)</i>
Ravi Gupta	<i>Director</i>
Pramil Garg	<i>Director</i>

***Company Secretary***

Prakriti Wason

**COMMITTEES OF THE BOARD  
OF DIRECTORS**

***Audit Committee***

Ravi Gupta	Chairman
Pramil Garg	Member
Poonam Gupta	Member

***Auditors***  
M/s Kailash Sushil & Associates  
Chartered Accountants  
1-A, (K-429/135), Adarsh Nagar Extn.,  
G.T. Karnal Road, Delhi - 110033

***Investors' Grievances Committee***

Poonam Gupta	Member
Ravi Gupta	Member
Pramil Garg	Chairman

***Registered Office :***  
M-78, Connaught Place,  
New Delhi- 110 001  
Phones : 49356000, 49356023  
E-mail : kccdeepak@yahoo.co.in

***Nomination and Remuneration Committee***

Poonam Gupta	Member
Pramil Garg	Member
Ravi Gupta	Chairman

***Registrar & Share Transfer Agents***

Alankit Assignments Limited,  
2E/8, First Floor,  
Jhandewalan Extension,  
New Delhi - 110055.  
Phones : 42541234

***Share Transfer Committee***

Deepak Gupta	Chairman
Pramil Garg	Member



# Directors' Report

## Dear Members,

Your Directors have immense pleasure in presenting their Twentieth Annual Report on the business and operations of the company together with the Audited Financial statements and Accounts for the year ended 31st March, 2014.

## INFORMATION TECHNOLOGY INDUSTRY IN INDIA

### FINANCIAL PERFORMANCE

(Rupees in lacs)

Particulars	Financial Year 2013-2014	Financial Year 2012-2013
Gross Revenue	110.00	110.50
Profit before Tax	113.20	179.33
Profit after Tax	87.74	141.30

### OPERATIONS

During the period under review your company has registered a turnover of Rs. 110.00 lacs against Rs.110.50 lacs in year 2012- 2013. A profit before Tax of Rs. 113.20 lacs has been made during this period as against a profit of Rs. 179.33 in the previous period. Profit for the period 2013-14 is 87.74 lacs. The Reserves and surplus in the current year 2014 is Rs. 934.34 lacs as compared to the previous year it was 846.60 lacs.

### PERFORMANCE REVIEW:

Your Company's gross revenue has slightly declined due to the global recession which has affected the business on macroeconomic level. The Board of Directors are very hopeful of the economic recovery and are expecting a turnaround in the subsequent years. The Company has shown its strength in sustaining the recessionary impact.

### FUTURE PROSPECTS:

Your Company continues to live its passion and work towards making business impact simpler, accessible and beneficial to all. Your Directors continue to be motivated and get encouraged by the relentless hard work of people, business associates, shareholders, customers and all those who unite with you all in realizing your dream of transforming the Future with our solutions.

### DIVIDEND

The Board considering prudent to conserve resources for investment in business regrets its inability to recommend any dividend for the year ended 31st March 2014.

### PUBLIC FIXED DEPOSIT

The company has not accepted deposits from Public under section 58A of the Companies Act, 1956 during the year.

## **DIRECTORS**

In accordance with the provisions of section 255 of the Companies Act, 1956 and Article of Association of the company, Ms. Poonam Gupta, Director of the company, retire by rotation at the ensuing Annual General Meeting and be eligible, offer herself for re-appointment. Their brief profile has been stated in the Corporate Governance Report.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Your directors confirm that:

- i) In the preparation of the Annual Accounts for the period ended 31st March, 2014, the applicable Accounting Standards had been followed along with the proper explanation relating to material departure;
- ii) The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the company at the end of financial year 2013-2014 and of the profit/ loss of the company for the year ended as on that date;
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate Accounting Records in the accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the Annual Accounts on a going concern basis.
- v) The Directors, in the case of a listed Company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **LISTING ON STOCK EXCHANGES**

Your Company's shares are listed on Ahmadabad Stock Exchange and Delhi Stock Exchange. Annual Listing Fee has been paid for the F.Y in time.

## **CASH FLOW STATEMENT**

In conformity with the provisions of Clause 34 of the Listing agreement (ASE-DSE) and requirements of Companies Act, the Cash flow Statement for the year ended 31.03.2014 is forming a part of Annual Report.

## **SECRETARY**

Mr. Prateek jain had resigned from the post of Company Secretary in place of whom Ms. Prakriti Wason was appointed as a Company Secretary w.e.f 18th August, 2013.

## **AUDITORS**

M/S Kailash Sushil & Associates, Chartered Accountants, the Statutory Auditors of your company expressed their willingness to continue auditors, if re- appointed at the Annual General Meeting to hold the office until the conclusion of the next Annual General Meeting. The company has received from the Auditors a certificate to this effect that their appointment, if made, would be within the prescribed limit under section 224(1B) of the Companies Act, 1956.

## **AUDITORS REPORT AND CERTIFICATION**

The notes to the accounts in Auditors' Report are self explanatory.

## **PARTICULARS OF EMPLOYEES**

In compliance with provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rule 1975, statement of particulars of employees has not been given as none of employee during the financial year drew remuneration more than Rs. 5 Lacs per month or Rs. 60 Lacs per annum.



## INDUSTRIAL RELATIONS

Relation with the Employees remain cordial and your Directors wish to place on record their appreciation of the co-operation and contribution made by the employees at all levels.

## DISCLOSURES

Particulars under the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules 1988 on Conservation of Energy and Technology absorption are not applicable to your company.

During the year under review the Company has neither earned any foreign exchange nor used any foreign exchange.

## CORPORATE GOVERNANCE

A Report on Corporate Governance as required under Clause 49 of the Listing Agreement, as applicable, form the part of this report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A report on Management Discussion and Analysis as required under clause 49 of the Listing Agreement, as applicable, form the part of this report.

## COMPOSITION OF AUDIT COMMITTEE

Disclosure pursuant to the provisions of section 292 A of the Companies Act, 1956, the Audit Committee of the company consists of:

Mr. Ravi Gupta	-	Chairman & Non Executive Director
Mr. Pramil Kumar Garg	-	Non Executive Director & Member
Ms. Poonam Gupta	-	Executive Director & Member

## ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the co-operation received from bankers, Central and State Government Departments, Local Authorities and Customer for their continued guidance and support and also to the Shareholders, Statutory Auditors and Employees of the company for their commitment and support which has contributed to the growth and success of the company.

On Behalf of the Board of Directors of  
**KCC SOFTWARE LIMITED**

Place : New Delhi  
Date : 26.08.2014

**Sd/-**  
**DEEPAK GUPTA**  
Managing Director  
DIN- 01033043

# Report on Corporate Governance

## GOVERNANCE PHILOSOPHY

Corporate governance is about maintaining an appropriate balance of accountability between three key players: the corporation's owners, the directors whom the owners elect, and the managers whom the directors select. Accountability requires not only good transparency, but also an effective means to take action for poor performance or bad decisions."

The Company aims not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the Company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations.

## I BOARD OF DIRECTORS

### 1. COMPOSITION OF BOARD OF DIRECTORS

In compliance with clause 49 (1) (A) of the Listing Agreement, the Board comprises of optimum combination of both Executive and Non Executive Directors i.e. two Executive and two Non executive directors of whom one is an independent Director. The Chairman of the Board is an Executive Director and in compliance with the said clause more than half of the Board comprises of Independent Directors. All the members of the Board are highly experienced professionals drawn from the field of business and finance.

Name of the Director	Category	Designation	Number of Directorship held in other Companies	Number of Chairmanships in Committees of the Board of other Companies
Mr. Deepak Gupta	Executive Director	Managing Director & Chairman	-	-
Ms. Poonam Gupta	Executive Director	Director (Operations)	-	-
Mr. Ravi Gupta	NED & Independent Director	Director	-	-
Mr. Pramil Kumar Garg	NED & Independent Director	Director	-	-

### 2. NON- EXECUTIVE DIRECTORS COMPENSATION AND DISCLOSURES

The Company does not pay any other remuneration to them besides sitting fees. Appropriate records are maintained in respect of the payment made to them.

### 3. BOARD MEETINGS

- During the financial year 2013-2014, the Board met six times in the following dates in compliance with section 285 of the Companies Act, 1956 and Clause 49 of the Listing Agreement:

- 1st July, 2013
- 18th August, 2013
- 21st October, 2013
- 8th November, 2013
- 24th January, 2014
- 29th January, 2014

**ATTENDANCE OF EACH DIRECTOR AT BOARD MEETING AND LAST ANNUAL GENERAL MEETING**

Name of the Director	Number of Board Meetings Attended	Presence at the 20th AGM on 30 <sup>th</sup> , September, 2014 at M-78, Connaught Place, New Delhi- 110001
Deepak Gupta	4	Yes
Ravi Gupta	4	Yes
Poonam Gupta	4	Yes
Pramil Garg	4	Yes

- In accordance with Clause 49 of the Listing Agreement, the requisite information was placed before the Board and was also made a part of the minutes of the meeting of the Board.
- All the pecuniary relationship or transaction of the Non Executive Directors vis-a-vis the Company, if any, have been disclosed in the Financial Statements of the company for the year ended 31st March, 2014.

**4. BOARD PROCESS**

It has always been a dry run on the part of the company's management that all the major decisions pertaining to the business are been handled through Board Meetings and with the approvals of the Members of the Board.

All important decisions including quarterly results of the company, financial restructuring, capital expenditure proposals, collaboration, material investment proposals in promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations etc are regularly placed before the Board.

**5. CODE OF CONDUCT**

A revised model of Code of Conduct has been approved and adopted by the board, to maintain highest standards of Corporate Governance.

Pursuant to Clause 49 of the Listing Agreement, the Board Members and Senior Management Executives of the company have confirmed compliance with the Code of Conduct for the period ended 31st March, 2014. The CEO of the Company asserts the compliances of the Code of Conduct of the Company.

SEBI (Prohibition of Insider Trading) Amendment Regulation 2011 has been confirmed. The compliances of the Code of Conduct for prevention of Insider Trading are strictly adhered to; CEO of the Company has also pronounced the compliance of the Board Members and Senior Management Executives.

**6. CEO & CFO CERTIFICATION**

**CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) .**

We, hereby certify and affirm that as on & upto the date of this certificate, there has been due compliance of Accounting Standards and other related functions as laid down by the company, under Clause 49 V of the Listing Agreement, honest and ethically.

We heading & discharging the finance function hereby certify to the Board that:

- I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
  - these statements do not contain any materially untrue statements or might fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control system of the company and have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of internal controls, if any, of which were aware and the steps I have taken or proposed to take to rectify these deficiencies.

- (d) I have indicated to the Auditors and the Audit committee:
- (i) Significant change in internal controls over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

This certificate is given by the undersigned & full reliance can be placed for what has been stated above.

**Date: 26.08.2014**  
**Place: New Delhi**

**Sd/-**  
**DEEPAK GUPTA**  
**CEO/MD**

**Sd/-**  
**ANJU SHARMA**  
**CFO**

## II DIRECTORS' COMMITTEES

In compliance with clause 49 of the Listing Agreement, the Board has constituted the following committees:

- Audit committees
- Shareholder Investor Grievance Committees
- Remuneration Committees

### AUDIT COMMITTEE

#### 1. COMPOSITION OF AUDIT COMMITTEE

The Committee comprises of two Non Executive Directors of whom both are Independent Directors. The Chairman of the Committee is an independent Director. All the members are well versed with Accounting and Financial Knowledge.

Name of the Member	Category	Designation
Mr. Ravi Gupta	Non Executive & Independent Director	Chairman
Ms. Poonam Gupta	Executive Director	Member
Mr. Pramil Kumar Garg	Non Executive & Independent Director	Member

#### 2. AUDIT COMMITTEE MEETINGS

During the financial year 2013-2014, the Committee met four times on the following dates:

1. 1st July, 2013
2. 18th August, 2013
3. 21st October, 2013
4. 8th November, 2013
5. 24th January, 2014
6. 29th January, 2014

#### ATTENDANCE OF EACH MEMBER AT THE AUDIT COMMITTEE MEETING HELD DURING THE YEAR 2013-2014

Name of the Member	Number of Meetings Attended
Mr. Ravi Gupta	4
Ms. Poonam Gupta	4
Mr. Pramil Kumar Garg	4

The Chairman, Mr. Ravi Gupta having the requisite qualification as required under Clause 49 (II) of the Listing Agreement attended the last AGM to answer the queries of shareholders.

### **PRIMARY OBJECTIVES AND POWERS OF THE AUDIT COMMITTEE**

The Role and Powers of the Audit Committee are as per provisions of Section 292A of the Companies Act, 1956 and guidelines set out in the listing Agreement.

### **3. BRIEF DESCRIPTION OF THE TERMS OF REFERENCE**

The committee looks after the following matters:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and creditable.
2. Review major issues regarding accounting principles and financial statements presentation, including any significant changes in the company's selection or application of accounting principles, the effect of the regulatory and accounting initiatives as well as off balance sheet structures on this on the financial statement of the company.
3. Recommending to the Board, to appoint, re-appoint and oversee the work of the public accounting firm employed by the organization to conduct the statutory external audit and, if required, the replacement, or removal of the Statutory Auditor and fixation of audit fees.
4. Approval of payment of statutory audit for any other services rendered by the Statutory Auditors.
5. Reviewing with the management, the annual financial statement before submission to the board for approval with particular reference to:
  - Matters are required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with Listing and other legal requirements relating to financial statements.
  - Disclosure of related party transactions.
  - Qualification in the draft Audit Report
6. Reviewing with the management, the quarterly financial statement before submission to the approval. Such review will include scrutiny of earnings and the effects of any changes in accounting practice.
7. Reviewing with the management effectiveness of the company's the internal control systems.
8. Review with the management and the chief internal auditors, the charter, plans, activities, including the structure of the internal audit function, staffing and seniority of the officials heading the department, reporting structure coverage and frequency of internal audit.
9. Obtain and review a report by the independent Auditor describing the company's internal quality-control procedure, any material issues raised by the most recent internal quality-control review, or peer review of the firm and assess the auditor's independence.
10. Discussion with the management the company's major policies with respect to risk management.
11. Reviewing the company's procedure for detecting fraud and ensure the arrangement are in place by which staff may, in confidence, raised concerns about possible improprieties in matter of financial reporting, financial control or any other matters.
12. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern.
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### **4. REVIEW OF INFORMATION BY AUDIT COMMITTEE**

The Audit Committee shall mandatory review the following information:

- Management Discussion and Analysis of Financial condition and results of operations.
- Management letters/ letter of internal control weaknesses issued by the internal Auditors.



- Internal Audit Reports relating to internal control weaknesses, and
- The appointment, removal and terms of remuneration of the chief Internal Auditor shall be subject to review by the Audit Committee.

#### 5. SHAREHOLDER & INVESTOR GRIEVANCE COMMITTEE

The scope of the Shareholders' Grievances Committee is to review and address the grievances of the Members in respect of share transfers, transmission, dematerialization and rematerialization of shares and other share related activities.

#### COMPOSITION OF COMMITTEE

Mr. Pramil Kumar Garg, Non Executive Director is the Chairman of the Committee along with Ms. Poonam Gupta and Mr. Ravi Gupta who acts as the Members of the committee. :

Name of the Member	Category	Designation
Mr. Pramil Kumar Garg	Non Executive & Independent Director	Chairman & Member
Mr. Ravi Gupta	Non Executive & Independent Director	Member
Ms. Poonam Gupta	Executive Director	Member

#### DETAILS OF QUERIES/ COMPLAINTS RECEIVED AND SOLVED DURING THE FINANCIAL YEAR 2013-2014

Name of Queries/ complaints	Received (No.'s)	Solved (No.'s)	Pending (No.'s)
Non- receipt of Share Certificates	Nil	Nil	Nil
Number of request for change of address	Nil	Nil	Nil
Number of request for Transfer	Nil	Nil	Nil
Issue of Duplicate Share Certificates	Nil	Nil	Nil
Non receipt of Dividend Warrants	Nil	Nil	Nil
Revalidation of Dividend Warrants	Nil	Nil	Nil
Non-receipt of Annual Report	Nil	Nil	Nil
<b>Total</b>	<b>0</b>	<b>0</b>	<b>Nil</b>

#### BRIEF DESCRIPTION OF TERMS OF REFERENCE

The committee looks after the following matters:

- Redressal of shareholder and investor's complaints, etc. relating to transfer of shares, non receipt of annual report, non receipt of declared dividends, etc.
- The Number of shareholders complaints received during the year was nil and complaints pending was nil.
- The Company addresses all complaints, suggestions and grievances expeditiously and sent/ issues resolved usually within 15 days.

#### 6. NOMINATION AND REMUNERATION COMMITTEE

##### (I) COMPOSITION OF COMMITTEE

The committee comprises of two independent directors, the

Name of Member	Category	Designation
Mr. Ravi Gupta	Non Executive & Independent	Chairman
Ms. Poonam Gupta	Executive Director	Member
Mr. Pramil Kumar Garg	Non Executive & Independent Director	Member

No meeting was held during the year 2013-2014, regarding the revision of the remuneration of executives and employees of the Company.

**(II) TERMS OF REFERENCE**

The Committee looks after the following matters:

- To determine the company's policy on and approve the remuneration packages for Executive Directors and their relatives working in the Company including pension rights and compensation payment.
- To approve the remuneration payable to the managerial personnel under the companies Act, 1956, taking into account the financial position of the company, trend in the industry, the appointee's qualification, experience, past remuneration and performance.

**(III) NOMINATION AND REMUNERATION COMMITTEE POLICY:**

The Remuneration Policy as outlined by the committee aims at:-

- Recognizing and rewarding performance and achievements
- Motivating and including the concerned executives to put in their best.

Details of the Remuneration paid to the Directors during the year under review are given below:

Name Of the Director	Salary (Rs in lakhs )
Mr. Deepak Gupta	6.0
Mr. Ravi Gupta	NIL
Ms. Poonam Gupta	6.0
Mr. Pramil Kumar Garg	NIL

**7. DISCLOSURES**

- (A) Disclosures of Accounting Treatment: All the financial statements made are as per the Accounting Standards, given by the Institute of Chartered Accountants of India (ICAI). The financial statements present true and fair view of underlying business transactions.
- (B) Board Disclosure- Risk Management: The Company has laid down the various procedures to inform Board members about the risk involved in the business, its assessment and also its minimization. These procedures are being periodically reviewed and ensures that management controls risk through properly defined framework
- (C) Related party transactions- The Company do not have any related Party Transaction, which may have potential conflict with the interest of the Company at large.
- (D) Details of compliance with mandatory requirement and adoption of the non- mandatory requirement of Clause 49 of the Listing Agreement- The Company has stringently complied with all the mandatory requirements of this clause & the non- mandatory requirement were followed to the extent possible.
- (E) Compliance Certificate from the Practicing Company Secretary- Certificate from the practicing Company secretary confirming compliance with mandatory requirements under Regulation 55A of SEBI has also been forwarded to the Stock exchanges where the shares of the Company are listed.

**8. MANAGEMENT DISCUSSION AND ANALYSIS.**

A report on Management discussion analysis is enclosed herewith separately.

**9. GENERAL SHAREHOLDERS INFORMATION.**

**(A) ANNUAL GENERAL MEETING**

AGM	Year	Day & Date	Time	Venue
20th AGM	2014	30th September, 2014	11.30 A.M	M-78, Connaught Place, New Delhi- 110001

**(B) DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS**

AGM	Year	Day & Date	Time	Venue
<b>17th Annual General Meeting</b>	2011	30th September , 2011	10.30 A.M	E-79, 2ND FLOOR, SOUTH EXT. 1, NEW DELHI-110049
<b>18th Annual General Meeting</b>	2012	28th September, 2012	10.30 A.M	E-79, 2ND FLOOR, SOUTH EXT.1, NEW DELHI-110049
<b>19th Annual General Meeting</b>	2013	30th September, 2013	10.30 A.M	M-78, CONNAUGHT PLACE, NEW DELHI- 110001

**(C) SPECIAL RESOLUTION PASSED IN PREVIOUS THREE ANNUAL GENERAL MEETINGS**

There has been no special resolution passed in the previous three Annual General Meetings.

**(D) POSTAL BALLOT**

There has been no resolution passed through Postal Ballot during the year 1st April 2013 to 31st March 2014.

**10. FINANCIAL CALANDER**

The Company follows financial year from 1st April to 31st March each year.

**11. MEANS OF COMMUNICATION**

**QUARTERLY RESULTS**

Quarterly Results along with the notes are normally published in Financial Express and Naya India and also informed to all Stock Exchanges where the shares of the Company are listed.

**(A) DATE OF BOOK CLOSURE**

The Books shall be closed from (Saturday) 27th September, 2014 to (Tuesday) 30th September, 2014 (both days inclusive).

**(B) DIVIDEND PAYMENT DATE**

The company has not declared dividends for the financial year ending 31st March, 2014.

**(C) LISTING ON STOCK EXCHANGES**

The company's shares are listed on the **Delhi Stock Exchange Association Limited** and the **Ahmadabad Stock exchange**. The company has paid the Annual Listing Fees due to all stock Exchanges up to the year 2013-2014.

**(D) CONNECTIVITY WITH THE DEPOSITORIES**

NSDL

CDSL

ISIN NO. for NSDL/CDSL- INE983A01019

**(E) MARKET PRICE DATA**

There is nil trading of shares of the Company in Delhi Stock Exchange and Ahmadabad Stock exchange from 1st April 2013 to 31st March, 2014.

**(F) REGISTRAR AND TRANSFER AGENT**

Share transfer work in physical as well as demat mode is done by the company's Registrar and Transfer Agent :

**Alankit Assignments Limited**

Alankit House

2E/21, Jhandewalan Extension

New Delhi- 110055

Web: www.alankit.com

**CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2014**

Shareholder's Category	Percentage of Holding
Promoters', Relatives and Associates	38.339
Bodies Corporate (Domestic)	0.725
Banks & Financial Institutions	0.00
Mutual Funds	0.00
Foreign Institutional Investors	5.156
Non-Resident Indians & overseas Corporate Bodies	0.856
Resident Individuals	54.924
Any Other (Clearing House, Clearing Member, Trust, unclaimed)	0.00
<b>Total</b>	<b>100.00</b>

**12. WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

The Company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/ notified persons. The reports received from any employee will be reviewed by the Audit Committee. It is affirmed that no person has been denied access to the audit Committee in this respect. The Directors and the senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

**13. DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The Company has entered into Tripartite Agreement with National Securities Depository Limited (NSDL) as well as Central Depository Services (India) Limited (CDSL) to facilitate dematerialization of shares.

**14. OUTSTANDING ADRs/GDRs/ WARRENTS/ ANY CONVERTIBLE INSTRUMENTS WHICH HAVE LIKELY IMPACT ON EQUITY**

Not Applicable

**15. PLANT LOCATION**

Not Applicable

**16. INVESTOR QUERY/ ADDRESS FOR CORRESPONDENCE**

Shareholders correspondence should be addressed to our Registrar and Share Transfer agents at the Address mentioned above. Shareholders may also contact Company Secretary and Compliance Officer at the corporate office of the Company.

**BRIEF RESUME OF THE DIRECTORS PROPOSED TO BE RE-APPOINTED:**

• **POONAM GUPTA**

Date of Birth	26th January, 1962
Qualification	Over 25 years of rich experience in Education, IT & Software Industry.

**OTHER DIRECTORSHIPS**

S.No.	Name of the Company	Position
Nil		

**COMMITTEE CHAIRMANSHIP/ MEMBERSHIP IN OTHER COMPANIES**

S.No.	Name of the Company	Committee	Position
Nil			

# Auditor's Certificate on Corporate Governance

To  
The Board of Directors  
KCC SOFTWARE LTD.  
M-78, Connaught Place,  
New Delhi- 110 001

**Re: Auditor's Certificate on Corporate Governance**

We have examined the compliance of conditions of corporate governance by KCC Software Ltd. for the year ended on March 31, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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.

For **KAILASH SUSHIL & ASSOCIATES**  
Chartered Accountants

**(Manoj Kumar Sharma)**  
Partner  
Membership No.: 522617

Place : New Delhi

Dated : August 26, 2014

# Management Discussion and Analysis Report

## I. INDUSTRY STRUCTURE AND DEVELOPMENTS

The year gone by has been characterized by an improvement in global economic climate and a rise in technology spends which has brought in optimism to the Indian IT Industry. The Global IT spending is projected to grow faster in 2014- 15 by 3.9 percent.

IT Exports from India are estimated to have grown by around 13% in dollar terms to around USD 86 billion while the Indian Domestic sector is estimated to have grown by 9.7% to approx. USD 32 billion in FY 2013-2014. NASSCOM has projected increased growth rate of 13-15% in exports and around 9-12% in domestic sector in FY 2014-15.

Rapid Technology transformation is leading to altered and dynamic client engagement , which in turn is fueling business transfiguration, speeding up delivery services and driving innovation capabilities across practices and operations. The shift in business models from traditional labor based onsite- offshore models to cloud based and off premise solutions is here to stay. This has resulted in rapid evaluation, expansion of verticals and geographic markets and offers a wider spectrum of solutions.

The Industry also has the potential to transform India by harnessing information technology for inclusive growth.

## II. OPPORTUNITIES AND THREATS

### SWOT ANALYSIS

#### Strengths:

- Acknowledged leadership, application services and Analytics Solutions (governance, risk and compliance, customer insight) and process outsourcing.
- High quality manpower resources

#### Weaknesses:

- Exposure to various economies
- Local resources in new markets.

#### Opportunities:

- Operate data processing and service bureau centers in India and Abroad.
- Offer consultancy, advisory and all related services in all areas of communication telecommunication, manufacturing and process control and automation, artificial intelligence.

#### Threats:

- Economic slow down
- Potential delays in decisions due to economic uncertainties

## III. IT INDUSTRY OUTLOOK

The market strategy is to offer the full range of IT services, have presence in all industry segments through a diverse range of products and service offerings and continue expanding geography presence outside India.

Key considerations being: factors pertaining to SWOT shift in technologies, markets, products, customer preferences, competition, regulatory environment and long term sustainability.

Driven by improvement in the global economic climate and rise in the technology spend. F.Y 2013-2014 brought optimism for the Indian IT Industry. A gradual revival in consumer confidence leading to return of discretionary spending and increased demand .

We shall be a vibrant organization where openness , trust , teamwork, simplicity, responsibility and innovation are valued and promoted. We will practice good corporate governance and will propagate ethical behavior in all work practices and dealing with our partners/ suppliers/ vendors/franchisees and customers.

Indian IT industry has done "exceedingly well" in 2013-14. The IT industry body expects to meet its earlier projected estimate of 11-14 percent growth in the country's software exports in the current financial year at the lower-end. The future looks positive as the IT industry is evolving dramatically in terms of scale and complexity. The sector is expected to leverage collaboration, innovation, technology shifts and build a transformational agenda for India. It will create a market not only in India but globally that will serve as technology differentiator for customers shifting from cost to innovation.

It is widely expected that post general elections in April- May, 2014, the growth will return as uncertainty gets reduced.

#### **IV. RISKS AND CONCERNS.**

A comprehensive and integrated risk management framework forms the basis of all the de- risking efforts of the Company. Formal Reporting and control mechanisms ensure timely information availability and facilitate pro-active risk management. These mechanisms are designed to cascade down to the level of the line managers so that the risks at the transactional level are identified and steps are taken towards mitigation in a decentralized fashion.

Risk Solved is a fully web enabled, secure system enabling insurers, brokers, third party administrators and insured clients to streamline risk management.

##### **Benefits at a glance**

- Sophisticated reporting
- Improved risk trend analysis
- Centralized supplier management
- Greater insight for strategically managing risk appetite

constraints is the extra burden posed by reduced headcount in risk management teams, making an already difficult job that is much harder. On the top of the external drivers bearing down on the risk function, organizations are dealing with enormous and growing amounts of risk data. Making use of that data reliably and accurately is vital.

Remaining competitive and at the same time continually improving risk management processes and being able to prove that it is doing so adds to the seemingly insurmountable task of today's risk management imperative.

#### **V. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.**

The Company has an adequate system of internal controls implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws. The system is reinforced with analysis of data to strengthen to meet the changing requirements. The system comprises well defined organization structure, pre- identified authority levels and documented policy guidelines and manuals for delegation of authority.

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data.

The Company has a strong reporting system, which evaluates and forewarns the management on issues related to compliance. The performance of the Company is regularly viewed by the Board of Directors to ensure that it is in keeping with the overall corporate policy and in line with pre-set objectives.



A Qualified and independent Audit Committee of the Board of Directors reviews the internal audit reports and the adequacy of internal controls. The Company updates its internal control systems from time to time, enabling it to monitor employee adherence to internal procedures and external regulatory guidelines.

The internal audit, an independent appraisal function to examine and evaluate the adequacy and effectiveness of the internal control system, appraises periodically about activities and audit findings to the Audit Committee.

The Audit Committee was constituted to the Board of Directors and it consists of independent directors. The committee also holds discussions with statutory auditors, internal auditors and the Management on matters pertaining to internal controls, auditing and financial reporting.

**VI. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYEED.**

The relations with the employees remained cordial during the year. Your Company continues to innovatively manage human resources ramp- up in a timely manner to meet the business growth in a continuously challenging environment. The people centric culture in KCC with appropriate measures and initiate to recruit, integrate and retain talent was the focus during the current year.

**CAUTIONARY NOTE**

The statements in the Directors' and Management Discussion and Analysis Report describing the Company's 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 since the Company's operations are influenced by many external and internal factors beyond the control of the Company.



# Independent Auditors' Report

To the Members of KCC SOFTWARE LIMITED.

## Report On the Financial Statement

We have audited the accompanying financial statements of M/s KCC Software Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion / qualified audit opinion / adverse audit opinion.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;



- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Companies Act, 1956, 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 purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
  - 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 account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

**For KailashSushil& Associates**  
**Chartered Accountants**  
**Firm Registration No.003952N**

**CA. Manoj Kumar Sharma**  
**Partner**  
**Membership No.: 522617**

**Place: New Delhi**  
**Date: 26.08.2014**

## ANNEXURE OF THE AUDITORS REPORT

### Re. : KCC SOFTWARE LIMITED

Referred to in paragraph 3 of our report of even date,

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management during the year but there is a regular program 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) During the year, the company has not disposed-off any of its fixed assets which is not material considering the nature of business, which does not affect the question of going concern of the Company.
2. The Company is not having any inventory. Accordingly, the provisions of clause 4(ii) of the CARO, 2003 are not applicable to the company.
3. The Company had not taken any loan from any one covered in the register maintained under section 301 of the Companies Act, 1956. As the company has not taken any such loan, hence question of rate of interest, terms and conditions, timely repayment and its overdue does not arise.
4. The Company has granted loan to one related party, the same is repayable on demand and therefore the question of overdue amount does not arise.
5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
6. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
7. In our opinion and according to the information and explanations given to us the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakhs rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
8. No deposits had been accepted by the Company from public. In our opinion and according to the information & explanations given to us, the Company has complied with the provisions of Sections 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposit accepted from the public. No order has been passed by the National Company Law Tribunal.
9. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
10. As explained by the company is not required to maintain cost records under section 209(1)(d) of the Companies Act 1956.
11. In our opinion and according to the information & explanations given to us, the Company is regular in depositing with appropriate authorities undisputed dues including provident fund, employees state insurance, income tax, service tax and other material statutory dues applicable to the Company.



12. According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth-tax, sales-tax, customs duty, excise duty and cess were outstanding, as at 31.03.2014 for a period of more than six months from the date they became payable except service tax of Rs. 2,31,242/-
13. According to the information and explanation given to us, there are no dues of sale tax, income-tax, customs duty, wealth-tax, service tax, excise duty and cess which have not been deposited on account because of any dispute.
14. In our opinion, the company is not having any accumulated losses, hence question of cash losses does not arise.
15. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders if any.
16. In our opinion, the company has not given any loan or advances on the basis of security by way of pledge of shares, debentures and other securities. Hence question of maintenance of records does not arise.
17. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the CARO, 2003 are not applicable to the company.
18. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the CARO, 2003 are not applicable to the company.
19. The company has not given any guarantee for loans taken by others from bank or financial institutions.
20. The Company has not obtained any loan, so the question of their application does not arise.
21. According to information and explanations given to us and overall examination of the balance sheet of the company, we report that the no funds raised on the short-term basis have been used for long term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
22. During the period covered by our audit report, the company has not issued any shares or debentures. Accordingly, the provisions of clause 4(xviii), 4(xix) & 4(xx) of the CARO, 2003 are not applicable to the company.
23. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For KailashSushil& Associates**  
**Chartered Accountants**  
**Firm Registration No.003952N**

**CA. Manoj Kumar Sharma**  
**Partner**  
**Membership No.: 522617**

**Place: New Delhi**  
**Date: 26.08.2014**

# Balance Sheet

AS ON 31ST MARCH, 2014

Particulars	Note No.	Amount (in Rs.) 31.03.2014	Amount (in Rs.) 31.03.2013
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a Share Capital	2	58180000.00	58180000.00
b Reserve and Surplus	3	93434277.15	84660075.16
<b>2 Share Application Money Pending Allotment</b>		0.00	0.00
<b>3 Non-Current Liabilities</b>			
a Long Term Borrowings	4	950000.00	129346.94
b Deffered tax Liabilities (net)	5	1280380.00	999258.00
c Other Long Term Liabilities	6	4210000.00	4755000.00
d Long term provisions		0.00	0.00
<b>4 Current Liabilities</b>			
a Short term borrowings	7	19763.67	0.00
b Trade Payables	8	13555606.24	14356778.24
c Other Current Liabilities		0.00	0.00
d Short term provisions	9	754914.00	1333298.75
<b>Total</b>		<b>172384941.06</b>	<b>164413757.09</b>
<b>II ASSETS</b>			
<b>1 Non Current Assets</b>			
a Fixed Assets	10		
(i) Tangible Assets		73353313.94	68780147.94
(ii) Intangible Assets		0.00	0.00
(iii) Capital work in progress		0.00	0.00
(iv) Intangible assets under development		0.00	0.00
b Deffered Tax Assets (net)		0.00	0.00
c Long term Loans and Advances	11	18045654.00	63717747.00
d Other Non-Current Assets	12	302600.00	282600.00
<b>2 Current Assets</b>			
a Inventories		0.00	0.00
b Trade Receivables	13	29847690.22	22530210.22
c Cash and Cash Equivalents	14	47275946.95	5570346.32
d Other Current Assets	15	3559735.95	3532705.61
<b>Total</b>		<b>0.00</b>	<b>0.00</b>
<b>Total</b>		<b>172384941.06</b>	<b>164413757.09</b>
Significant Accounting Policies	1		

This is the Balance Sheet refer to in our report of even date for **Kailash Sushil & Associates**  
Chartered Accountants  
FRN No. 003952N

The above notes form an integral part of  
Balance Sheet

**For & on behalf of the Board**

**(Manoj Kumar Sharma)**  
Partner  
Membership No. 522617  
Place : Delhi  
Date : 26.08.2014

**Poonam Gupta**  
Whole Time Director  
DIN No. : 02379548

**Deepak Gupta**  
Managing Director  
Din No. : 01033043

**Prakriti Wason**  
Company Secretary  
PAN : ADAPW9443J

**Anju Sharma (CFO)**  
PAN : FQTPS8388M

# Profit & Loss Account

FOR THE YEAR ENDING 31ST MARCH, 2014

Particulars	Note No.	Amount (in Rs.) 31.03.2014	Amount (in Rs.) 31.03.2013
I Revenue from Operations	16	11000000.00	11050000.00
II Other Income	17	15841027.66	19905062.22
III <b>Total Revenue (I+II)</b>		<u>26841027.66</u>	<u>30955062.22</u>
IV Expenses:			
Cost of Materials consumed		0.00	0.00
Changes in Inventories:			
Work-in-Progress		0.00	0.00
Finished Goods		0.00	0.00
Employees benefit Expenses	18	1915187.00	1527116.00
Finance Costs	19	69606.55	817401.93
Depreciation and amortization expenses	10	2002407.00	1506341.28
Other Expenses	20	11533575.12	9170887.56
Total Expenses		<u>15520775.67</u>	<u>13021746.77</u>
V <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		11320251.99	17933315.45
VI Exceptional Items		0.00	0.00
VII <b>Profit before extraordinary Items and Tax (V-VI)</b>		11320251.99	17933315.45
VIII Extraordinary Items		0.00	0.00
IX <b>Profit Before Tax (VII - VIII)</b>		11320251.99	17933315.45
X Tax Expenses			
(i) Current Tax	2264928.00	3629983.00	
(ii) Deferred Tax	281122.00	173293.00	
(iii) Earlier Year Tax	0.00	0.00	
(iv) Fringe Benefit Tax	0.00	2546050.00	3803276.00
XI <b>Profit for the period from continuing operations (IX-X)</b>		8774201.99	14130039.45
XII Profit from Discontinuing operations		0.00	0.00
XIII Tax expenses of discontinuing operation		0.00	0.00
XIV <b>Profit from Discontinuing Operations (after Tax (XII - XIII))</b>		0.00	0.00
XV <b>Profit(loss) for the period (XI + XIV)</b>		8774201.99	14130039.45
XVI Earning Per Equity Share			
(i) Basic		1.51	2.43
(ii) Diluted		1.51	2.43

This is the Balance Sheet refer to in our report of even date for **Kailash Sushil & Associates**  
Chartered Accountants  
FRN No. 003952N

The above notes form an integral part of Balance Sheet

**For & on behalf of the Board**

**(Manoj Kumar Sharma)**  
Partner  
Membership No. 522617  
Place : Delhi  
Date : 26.08.2014

**Poonam Gupta**  
Whole Time Director  
DIN No. : 02379548

**Deepak Gupta**  
Managing Director  
Din No. : 01033043

**Prakriti Wason**  
Company Secretary  
PAN : ADAPW9443J

**Anju Sharma (CFO)**  
PAN : FQTPS8388M

# Cash Flow Statement

FOR THE YEAR ENDING 31ST MARCH, 2014

	31st March, 2014	Amount (in Rs.) 31st March, 2013
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax & extraordinary items	11,320,251.99	17,933,315.45
Add: Adjustment for	-	-
Depreciation	2,002,407	1,506,341
	<u>2,002,407</u>	<u>1,506,341</u>
<b>Operating Profit before Working Capital Changes</b>	13,322,659	19,439,657
Increase/ decrease in Trade & Other Receivable	(7,344,510)	(2,206,157)
Increase/ Decrease in Loans & Advances	-	<b>(58,180,247)</b>
Increase/ decrease in Current Liabilities	<b>(1,359,793)</b>	<b>(62,423,857)</b>
	<u>(8,704,303)</u>	<u>(122,810,261)</u>
<b>Cash generated from operations</b>	4,618,356	(103,370,604)
Taxes Paid	2,546,050	3,629,983
	<u>2,546,050</u>	<u>3,629,983</u>
<b>Cash Flow before extraordinary items</b>	2,072,306	(107,000,587)
Extraordinary items	-	-
<b>Net Cash flow from Operating Activities</b>	<u>2,072,306</u>	<u>(107,000,587)</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed Assets	(6,575,573)	(8,270,512)
Sales of Fixed Assets	-	-
Loans & Advances Return	46,602,093	-
	<u>40,026,520</u>	<u>(8,270,512)</u>
<b>Net Cash used in Investing Activities</b>	<u>40,026,520</u>	<u>(8,270,512)</u>
<b>C. Cash Flow from Financing Activities</b>	<b>(393,225)</b>	<b>(4,968,168)</b>
<b>Net Increase in Cash &amp; Cash equivalents (A+B+C)</b>	41,705,601	(120,239,267)
Opening Balance of Cash & Cash equivalents	5,570,346	125,809,614
Closing Balance of Cash & Cash equivalents	<b>47,275,947</b>	<b>5,570,346</b>

This is the Balance Sheet refer to in our report of even date for **Kailash Sushil & Associates**  
Chartered Accountants  
FRN No. 003952N

The above notes form an integral part of  
Balance Sheet

**For & on behalf of the Board**

**(Manoj Kumar Sharma)**  
Partner  
Membership No. 522617  
Place : Delhi  
Date : 26.08.2014

**Poonam Gupta**  
Whole Time Director  
DIN No. : 02379548

**Anju Sharma (CFO)**  
PAN : FQTPS8388M

**Deepak Gupta**  
Managing Director  
Din No. : 01033043

**Prakriti Wason**  
Company Secretary  
PAN : ADAPW9443J

# Notes to Financial Statements

FOR THE YEAR ENDING 31ST MARCH, 2014

---

## 1. Significant accounting policies

### (i) Basis for preparation of Financial Statements

The financial statements which have been prepared under the historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 1956 (the 'Act') and comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with the Companies (Accounting Standards) Rules, 2006 as adopted consistently by the company, to the extent applicable.

The presentation of financial statements in conformity with GAAP requires management of the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions the company may undertake in future, actual results ultimately may differ from the estimates.

### (ii) Revenue recognition

The Company derives its revenue from the Professional Income, Rental Income and Interest Income. The revenue from its operations is recorded on accrual basis.

### (iii) Expenditure

Expenses are accounted for on accrual basis and provisions are made for all known losses and liabilities.

### (iv) Fixed assets/ Depreciation & Amortization

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Costs include all expenses incurred to bring the assets to its present location and condition for its intended use.

Depreciation on other tangible fixed assets is provided at the Straight method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale, deduction, discardment as the case may be. No Depreciation has been charged on Land and Building thereto as the same is treated as non-business asset and given on rent.

Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase except in case of deployment as project assets (if any).

### (v) Employee benefits

#### (a) Short term employee benefits

Short term employee benefits are recognized in the period during which the services have been rendered. No provision for gratuity is made as Gratuity Act is not applicable

### (vi) Provision for tax

Tax expense for the year comprises current and deferred is included in determining the net profit for the year.

Provision for current tax is based on the tax liabilities computed in accordance with the provisions of the Income Tax Act, 1961.



**Notes** (Contd.)

Deferred Tax expense or benefit is recognized on timing Difference between accounting and taxable income that originates in one year and are capable of reversal in one or more subsequent period. Deferred tax assets and liabilities are measured using the tax rates and laws that are enacted or substantively enacted by the balance sheet date.

The deferred tax Liability is recognized subject to principle of prudence and conservatism and carried forward only to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax asset will be realized.

**(vii) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**(viii) Earning per share**

Basic Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after tax (and including post tax effect of any extra-ordinary item) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period, are adjusted for events of bonus issue to existing shareholders.

For the purpose of calculating diluted earning per share, the net profits or loss attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares, if any.

**(ix) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effect of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities are segregated.

- (x) Previous year figures have been regrouped, rearranged or reclassified wherever necessary to make them comparable with current year's figures.

for **Kailash Sushil & Associates**  
Chartered Accountants  
FRN No. 003952N

**(Manoj Kumar Sharma)**  
Partner  
Membership No. 522617  
Place : Delhi  
Date : 26.08.2014

**Poonam Gupta**  
Whole Time Director  
DIN No. : 02379548  
**Anju Sharma (CFO)**  
PAN : FQTPS8388M

**For & on behalf of the Board**

**Deepak Gupta**  
Managing Director  
Din No. : 01033043

**Prakriti Wason**  
Company Secretary  
PAN : ADAPW9443J

# Notes to Financial Statements

FOR THE YEAR ENDING 31ST MARCH, 2014

## NOTE NO. 2 - SHARE CAPITAL

### 1. Share Capital

SHARE CAPITAL	As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount
<b>Authorised Capital</b>				
Equity Shares of Rs. 10/- each	6500000	65000000.00	6500000	65000000.00
<b>Issued Subscribed and paid up</b>				
Equity Shares of Rs. 10/- each fully paid up	5818000	58180000.00	5818000	58180000.00
<b>Total</b>	<b>5818000</b>	<b>58180000.00</b>	<b>5818000</b>	<b>58180000.00</b>

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 2. Reconciliation

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5818000	58180000.00	0	0.00
Shares issued during the year	0	0.00	0	0.00
Shares bought back during the year	0	0.00	0	0.00
Shares outstanding at the end of the year	5818000	58180000.00	0	0.00

### 3. Shareholdings

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	Number of Share held	% of Holding	Number of Share held	% of Holding
Deepak Gupta	1527775	26.26%	1527775	26.26%
Poonam mittal	563068	9.68%	563068	9.68%
Bank Julius Baer & Co. Ltd.	300000	5.16%	300000	5.16%

Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	Year (Aggregate No. of Shares)				
	2013-14	2012-13	2011-12	2010-11	2009-10
<b>Equity shares</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Shares bought back	-	-	-	-	-

## Notes (Contd.)

### NOTE NO. 3 - RESERVES & SURPLUS

Reserves & Surplus	As at 31 March 2014 Amount	As at 31 March 2013 Amount
<b>2. Surplus (Profit &amp; Loss A/c)</b>		
Opening Balance	84660075.16	70530035.71
(+) Net Profit for the Current Year	8774201.99	14130039.45
(+) Transfer from Reserves	0.00	0.00
(-) Proposed Dividends	0.00	0.00
(-) Interim Dividends	0.00	0.00
(-) Dividend Tax	0.00	0.00
(-) Transfer to Genral Reserves	0.00	0.00
Closing Balance	<u>93434277.15</u>	<u>84660075.16</u>
<b>Total</b>	<u>93434277.15</u>	<u>84660075.16</u>

### NOTE NO. 4 - LONG TERM BORROWINGS

Long Term Borrowings	As at 31 March 2014 Amount	As at 31 March 2013 Amount
<b>Secured Loan</b>		
<b>1 Term Loans</b>		
HDFC		
- Auto Loan	0.00	129346.94
<b>Unsecured Laon</b>		
1. Deepak Gupta	950000.00	0.00
	<u>950000.00</u>	<u>129346.94</u>

### NOTE NO. 5 - DEFERRED TAX LIABILITY (NET)

Deferred tax liability (net)	As at 31 March 2014 Amount	As at 31 March 2013 Amount
(a) Deffered Tax Liability		
- Depreciation net of difference in composition of actual cost of assets	999258.00	825965.00
- Expenses disallowed under section 43	0.00	0.00
(b) Deferred Tax Assets	-281122.00	-173293.00
Deferred Tax Liability (net)	1280380.00	999258.00

Deferred tax assets and liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

**Notes** (Contd.)

**NOTE NO. 6 - OTHER LONG TERM LIABILITIES**

Other Long Term Liabilities	As at 31 March 2014 Amount	As at 31 March 2013 Amount
Rent Security Deposit	4210000.00	4755000.00
<b>Total</b>	<b>4210000.00</b>	<b>4755000.00</b>

**NOTE NO. 7 - SHORT TERM BORROWINGS**

Short Term Borrowings	As at 31 March 2014 Amount	As at 31 March 2013 Amount
<b>Secured</b>		
<b>1. Term Loans</b>		
HDFC		
- Auto Loan	19763.67	0.00
<b>Total</b>	<b>19763.67</b>	<b>0.00</b>

**NOTE NO. 8 - TRADE PAYABLES**

Trade Payables	As at 31 March 2014 Amount	As at 31 March 2013 Amount
Sundry Creditors - Goods	13430606.24	14231778.24
Sundry Creditors - Goods (Related Party)	125000.00	125000.00
	<b>13555606.24</b>	<b>14356778.24</b>

**NOTE NO. 9- SHORT TERM PROVISION**

Short Term Provision	As at 31 March 2013 Amount	As at 31 March 2012 Amount
<b>a Provision for employees benefits</b>		
Salary and Reimbursements	161006.00	112810.00
Contribution To PF & ESI	17532.00	46864.00
<b>b Others</b>		
Expenses Payable	0.00	63146.00
Auditors Fee Payable	196458.00	186458.00
Income Tax	0.00	421459.00
Statutory liabilities		
-TDS Payable	148676.00	135830.00
-Service tax Payable	231242.00	366731.75
	<b>754914.00</b>	<b>1333298.75</b>

**NOTE ON. 10 - FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Balance As at 01.04.2013	Additions/ (Disposals)	Acquired Through business combinations	Revaluation /impairment	Balance As at 01.04.2013	Depreciation Charge for the Year	Adjustment due to revaluation	On disposal	Balance As at 31.03.2013	Balance As at 31.03.2014
<b>a. Tangible Assets</b>										
Land	7869991.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7869991.00	7869991.00
Flat At S.EX	1512000.00	0.00	0.00	0.00	355295.60	24646.00	0.00	0.00	1156704.40	1132058.40
Building at SEC 44	43147395.50	800000.00	0.00	0.00	0.00	0.00	0.00	0.00	43147395.50	43947395.50
Computer Equipments	6268245.00	0.00	0.00	0.00	6224393.25	24278.00	0.00	0.00	43851.75	19573.75
Furniture Fixture & Equipments	16596492.00	5775573.00	0.00	0.00	7045721.40	1081771.00	0.00	0.00	9550770.60	14244572.60
Vehicles	1078361.72	0.00	0.00	0.00	3772177.03	871712.00	0.00	0.00	7011434.69	6139722.69
<b>Total</b>	<b>86177735.22</b>	<b>6575573.00</b>	<b>0.00</b>	<b>0.00</b>	<b>17397587.28</b>	<b>2002407.00</b>	<b>0.00</b>	<b>0.00</b>	<b>68780147.94</b>	<b>73353313.94</b>
<b>b. Intangible Assets</b>										
Intangible Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>c. Capital Work in Progress</b>										
Capital Work in Progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>d. Intangible Assets under development</b>										
Intangible Assets under development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Notes** (Contd.)

**NOTE NO. 11 - LONG TERM LOANS AND ADVANCES**

Long Term Loans and Advances	As at 31 March 2014 Amount	As at 31 March 2013 Amount
<b>a Security Deposits</b>		
Secured Considered Good	2407500.00	2407500.00
<b>b Others Loans &amp; Advances</b>		
Secured Considered Good	0.00	0.00
Unsecured Considered Good	5300000.00	14070169.00
Adv. Agnst Institutional Plot at Sec.-32 GGN	2859400.00	0.00
Other Loans & advances to related Party	7478754.00	47240078.00
Doubtful	0.00	0.00
Less : Provision for doubtful advances	0.00	0.00
	<u>15638154.00</u>	<u>61310247.00</u>
	<u>18045654.00</u>	<u>63717747.00</u>

**NOTE NO. 12 - OTHER NON-CURRENT ASSETS**

Other Non-Current Assets	As at 31 March 2014 Amount	As at 31 March 2013 Amount
Earnest money	302600.00	282600.00
	<u>302600.00</u>	<u>282600.00</u>

**NOTE NO. 13 - TRADE RECEIVABLES**

Trade Receivables	As at 31 March 2014 Amount	As at 31 March 2013 Amount
Trade Receivables outstanding for a period less than six months from the date they are due for payment		
Secured, Considered good	0.00	0.00
Unsecured, Considered good	3551616.00	474917.96
Unsecured, Considered doubtful	0.00	0.00
Less Provision for doubtful debts	0.00	0.00
	<u>3551616.00</u>	<u>474917.96</u>
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, Considered good	0.00	0.00
Unsecured, Considered good	26296074.22	22055292.26
Unsecured, Considered doubtful	0.00	0.00
Less Provision for doubtful debts	0.00	0.00
	<u>26296074.22</u>	<u>22055292.26</u>
	<u>29847690.22</u>	<u>22530210.22</u>

## Notes (Contd.)

### NOTE NO. 14 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents	As at 31 March 2014 Amount	As at 31 March 2013 Amount
<b>a Balance with banks</b>		
Kotak Mahindra Sweep account	0.00	29144.88
Kotak C/A 01912180000270	2014033.52	2250478.48
<b>b Bank Deposit with more than 12 months maturity</b>		
FDR with bank of Baroda	50000.00	50000.00
FDRs with HDFC Bank	47444.90	47444.90
FDRs with Kotak Mahindra Bank	40843287.00	0.00
FDRs with other Banks	224528.60	224528.60
	<u>43179294.02</u>	<u>2601596.86</u>
<b>c Interest Accrued on FDR</b>	77239.00	699.00
<b>d cheques, drafts on hand</b>	0.00	0.00
<b>e Cash on hand</b>	4019413.93	2968050.46
	<u>47275946.95</u>	<u>5570346.32</u>

### NOTE NO. 15 - OTHER CURRENT ASSETS

Other Current Assets	As at 31 March 2014 Amount	As at 31 March 2013 Amount
<b>a Income Tax Refundable</b>	2379432.02	2379430.61
<b>b Advance Tax &amp; TDS</b>	271267.93	0.00
<b>c Staff Advance</b>	900396.00	1018359.00
<b>d Prepaid Expenses</b>	0.00	22667.00
<b>e Prepaid car insurance</b>	8640.00	112249.00
	<u>3559735.95</u>	<u>3532705.61</u>

### NOTE NO. 16 - REVENUE FROM OPERATIONS

Revenue from Operations	As at 31 March 2014 Amount	As at 31 March 2013 Amount
Income from Services		
Training Charges Received	11000000.00	11050000.00
	<u>11000000.00</u>	<u>11050000.00</u>

**Notes** (Contd.)

**NOTE NO. 17 - OTHER INCOME**

Other Income	As at 31 March 2014 Amount	As at 31 March 2013 Amount
Rent Received	13950000.00	16367980.00
Refund of Court Fees	0.00	157176.00
Maintenance Charges Recd	293223.00	47275.00
Interest Income	1462942.36	3332631.22
Other Income	134862.30	0.00
	<b>15841027.66</b>	<b>19905062.22</b>

**NOTE NO. 18 - EMPLOYEE BENEFIT EXPENSES**

Employee Benefit Expenses	As at 31 March 2014 Amount	As at 31 March 2013 Amount
a Salaries and incentives	1843205.00	1495702.00
b Contribution to -		
i Provident Fund & Other Funds	30252.00	28181.00
c Staff Welfare	41730.00	3233.00
	<b>1915187.00</b>	<b>1527116.00</b>

**NOTE NO. 19 - FINANCE COST**

Finance Cost	As at 31 March 2014 Amount	As at 31 March 2013 Amount
Interest Expenses	53595.00	786023.73
Interest on Auto loan	10440.73	23747.36
bank charges	5570.82	7630.84
	<b>69606.55</b>	<b>817401.93</b>



## Notes (Contd.)

### NOTE NO. 20 - OTHER EXPENSES

Other Expenses	As at 31 March 2014 Amount	As at 31 March 2013 Amount
<b>2 Administrative &amp; Other Expenses</b>		
Audit Fee	60000.00	60000.00
Rent Paid	6720000.00	2800000.00
Director Remuneration	1200000.00	1200000.00
Printing & Stationery	32179.00	105075.00
Postage, Telephone, Telegram & Courier	456208.00	510203.00
Electricity, Water & Generator Exp. (Net Of Receipts)	440403.00	421458.82
Interest on service tax	0.00	410794.00
Bad Debt Written Off	0.00	150000.00
Accounting & other Softwares	6050.00	6600.00
Travelling & Conveyance	10056.00	31733.00
Insurance expenses	186485.00	50270.00
Car Running & Maintenance	561941.53	309560.39
Prior Period Expenses	54234.59	52441.64
AMC Charges	188471.00	194665.00
Brokerage Expenses	0.00	1017080.00
Repair & Maintenance	375785.00	1141610.00
Shares Trf & Connectivity Charges	121322.00	115126.00
Internet Expenses	0.00	46466.00
Legal & Professional Fee	459715.00	168040.00
AGM expenses	24300.00	22500.00
Security Charges	0.00	300834.00
Listing & depository Fees	584272.00	27290.71
Miscellaneous Expenses	52153.00	29140.00
	<b>11533575.12</b>	<b>9170887.56</b>

**Notes** (Contd.)

	Year ended 31st March 2014	Year ended 31st March 2013
<b>21 Earning per share (EPS)</b>		
<b>Calculation of Profit for Basic EPS</b>		
<b>Net profit attributable to equity shareholders</b>		
Net profit after tax and prior period items	8,774,202	14,130,039
<b>Net profit available for calculation of basic EPS (A)</b>	<b>8,774,202</b>	<b>14,130,039</b>
<b>Calculation of Profit for Diluted EPS</b>		
Net profit available for calculation of basic EPS	8,774,202	14,130,039
Effect of dilutive equity shares equivalent	-	-
<b>Net profit available for calculation of diluted EPS (B)</b>	<b>8,774,202</b>	<b>14,130,039</b>
<b>No. of Weighted average equity shares</b>		
<b>Basic (C)</b>	5818000	5818000
Effect of dilutive equity shares equivalent	-	-
-Partly paid shares	-	-
<b>Diluted (D)</b>	5818000	5818000
<b>Nominal value of equity share [Rs.]</b>	10	10
<b>EARNING PER SHARE [Rs.]</b>		
Basic	1.51	2.43
Diluted	1.51	2.43

22 Claims against the company not acknowledged as debts Rs. 900000/- (Previous year Rs. NIL)

**23 Related party transactions**

As per Accounting Standard 18, the disclosures of transactions with related parties as defined in Accounting Standard are given as below:

The detail of related party transactions entered into by the Company, for the year ended 31st March 2014 are as follows:

Particulars	(All amount in Rupees) Year ended 31st March 2014
<b>Remuneration</b>	
Deepak Gupta	600,000
Poonam Gupta	600,000
<b>Amounts Payable - Unsecured Loan</b>	
Deepak Gupta	950,000
<b>Amounts Payable (Sundry Creditors-Goods)</b>	
Deepak Gupta Education Trust	125,000
<b>Amounts Receivable (loans &amp; Advances)</b>	
Deepak Gupta Education Trust	7,478,754

All transactions with related parties have been entered into in the normal course of business.

## Notes (Contd.)

### 24 Employee benefits

(a) During the year, the company has recognized the following amounts in the Profit and loss Account

(All amount in Rupees)

Defined contribution plan Particulars	Year ended 31st March 2014	Year ended 31st March 2013
Employers Contribution to Provident Fund	21,240	20,356
Employer's Contribution to ESI	9,012	7,825
	<b>30,252</b>	<b>28,181</b>

"Contributions to provident fund and ESIC are deposited with the appropriate authorities and charged to the profit and loss account on "accrual basis."

#### Defined benefit plan

**Gratuity-** Since the number of employees is below ten, therefore, the gratuity act is not applicable.

Short term employees benefits are recognised in the period during in which the services have been rendered

#### Leave Encashment

Company encashes unutilized leaves of employees annually in March. No accumulation and deferment of unutilized leaves is done.

### 25 Payments to Auditors

(All amount in Rupees)

Particulars	Year ended 31st March 2014	Year ended 31st March 2013
Statutory Audit fees	60,000	60,000
	<b>60,000</b>	<b>60,000</b>

### 26 Obligations on long-term, cancelable operating leases

The lease rentals charged for the years ended March 31, 2014 and March 31, 2013 and maximum obligations on long-term, cancelable operating leases (cancelable on giving 3 months notice period) payable as the rentals stated in the respective agreements are as follows:

(All amount in Rupees)

Particulars	As at 31st March 2014	As at 31st March 2013
Lease rentals recognized during the year	6,720,000	2,800,000
	<b>6,720,000</b>	<b>2,800,000</b>

**Notes** (Contd.)

**27 C.I.F. value of Import**

Particulars	(All amount in Rupees)	
	Year ended 31st March 2014	Year ended 31st March 2013
Capital goods	-	-
Trading goods	-	-
	<u>-</u>	<u>-</u>

**28 Expenditure in foreign currency**  
(On payment basis)

Particulars	(All amount in Rupees)	
	Year ended 31st March 2014	Year ended 31st March 2013
	-	-
	-	-
	<u>-</u>	<u>-</u>

**29 Earning in foreign currency**  
(On accrual basis)

Particulars	(All amount in Rupees)	
	Year ended 31st March 2014	Year ended 31st March 2013
	-	-
	-	-
	<u>-</u>	<u>-</u>

**30 Impairment of assets**

As per Accounting Standard (AS 28) on "Impairment of Assets" issued by Institute of Chartered Accountants of India, Provision of impairment Loss on the assets of the company is not necessary as in the opinion of management there is no impairment of assets during the year.

**31** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. Nil (previous year Nil).

**32** The Company had no amounts payable to small-scale industrial undertaking as defined under section 3(j) of Industries (Development and Regulation) Act, 1951 as at 31st March 2014 and as at 31st March 2013.

**33** The Company had no amounts payable to Micro, Small and Medium Enterprise Suppliers as defined under Section 7 of the Micro, Small and Medium Enterprises Development Act, 2006. The identification of Micro, Small and Medium Enterprise Suppliers is based on management's knowledge of their status.

**34** Figures of the previous years have been regrouped/rearranged to conform the current year's presentation.

for **Kailash Sushil & Associates**

Chartered Accountants

FRN No. 003952N

For & on behalf of the Board

**(Manoj Kumar Sharma)**

Partner

Membership No. 522617

Place : Delhi

Date : 26.08.2014

**Poonam Gupta**

Whole Time Director

DIN No. : 02379548

**Anju Sharma (CFO)**

PAN : FQTPS8388M

**Deepak Gupta**

Managing Director

Din No. : 01033043

**Prakriti Wason**

Company Secretary

PAN : ADAPW9443J

# Notice

**KCC SOFTWARE LTD.**  
**CIN- L72200DL1994PLC058140**  
**DAY & DATE: TUESDAY & 30TH SEPTEMBER, 2014**  
**VENUE: M-78, CONNAUGHT PLACE, NEW DELHI- 110001**  
**TIME: 11.30 A.M**

**Notice** is hereby given that the Twentieth Annual General Meeting of the Members of **KCC SOFTWARE LTD.** will be held on Tuesday, 30th September, 2014 at 11.30 A.M at M-78, Connaught Place, New Delhi- 110001 to transact the following business.

## **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014 and Profit and Loss Account for the period ended on that date together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Ms. Poonam Gupta (DIN: 02379548) who retires by rotation and being eligible to offer himself for re-appointment
3. To re-appoint Statutory Auditors, as Auditors to hold the office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and authorize the Audit Committee of the Board/Board of Directors to fix their remuneration and in this regard to consider and if thought fit, to pass the necessary Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 141 and other applicable provisions if any, of Companies Act 2013, M/S Kailash Sushil & Associates, New Delhi, Chartered Accountants, the retiring Statutory Auditors of the Company be and are hereby re- appointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting on such remuneration as may be fixed by the Board of Directors of the Company.

## **SPECIAL BUSINESS**

4. Appointment of Mr. Ravi Gupta as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as ordinary resolution.:

**"RESOLVED THAT** Pursuant to the provisions of Sec 149, 150 and 152 and other applicable provisions, if any of the Companies Act, 2013 and Clause 49 of listing agreement, Mr. Ravi Gupta (DIN: 02590694) who was earlier appointed as Non Executive independent Director liable to retire by rotation be and is hereby appointed as an independent Director of the Company to hold office for five consecutive years starting from the date of 20th Annual General Meeting."

5. Appointment of Mr. Pramil Kumar Garg as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as ordinary resolution.:



"RESOLVED THAT Pursuant to the provisions of Sec 149, 150 and 152 and other applicable provisions, if any of the Companies Act, 2013 and Clause 49 of listing agreement, Mr. Pramil Kumar Garg (DIN: 02926116) who was earlier appointed as Non Executive independent Director liable to retire by rotation be and is hereby appointed as an independent Director of the Company to hold office for five consecutive years starting from the date of 20th Annual General Meeting."

By Order of the Board of Directors  
for **KCC Software Limited**

Place : New Delhi  
Date : 26.08.2014

Sd/-  
**(Deepak Gupta)**  
Managing Director  
DIN- 01033043

**REGISTERED OFFICE:**  
M-78, CONNAUGHT PLACE,  
NEW DELHI- 110001

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, ON A POLL, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

An instrument appointing a proxy should be duly completed, stamped and signed, and must be sent as to reach the Company's Registered office not less than 48 hours before the time scheduled for the commencement of the meeting.

2. Please bring the Admission slip duly filled-in and hand over the same at the entrance of the Meeting Hall.
3. The Register of Members and share transfer Books of the company will remain closed from (Saturday) 27th, September, 2014 to (Tuesday) 30th, September, 2014. (Both days inclusive).
4. Members desirous of getting information from the company at its registered office well in advance so that the same may reach at least 7 days before the date of the meeting to enable the management to keep the required information readily available at the meeting.
5. As a measure of economy, members are requested to bring their copy of the Annual Report to the meeting.
6. Members are requested to immediately furnish their Email addresses and intimate the change of their address, if any, along with pin-code numbers with the registered office of the company quoting their Folio Numbers and members holding shares in electronic form may inform the same to their Depository Participants.
7. The shares of the company are at present listed on Delhi Stock Exchange and Ahmadabad Stock Exchange. Listing Fees to the stock Exchange had been paid up to 31st March, 2014.

**EXPLANATORY STATEMENT**

**Item No 5**

Mr. Ravi Gupta (DIN: 02590694) joined the Board of Directors of the Company w.e.f 29th January, 2001 as Non Executive and independent director liable to retire by rotation.

Apart from being a director on the Board of Director of this Company. He holds nil shares of the Company. He is not disqualified from being appointed as director in terms of Sec 164 of the companies act 2013 and has given his consent to act as Director.

Pursuant to the provisions of Section 160 of the Companies act 2013, the Company has received a notice in writing from a Member of the Company proposing the candidature of Mr. Ravi Gupta for the Office of Independent Director of the Company.

The Company has also received the declaration that he meets the criteria of independence as prescribed under Sec 149 of the Companies act 2013.

In the opinion of the Board, Mr. Ravi Gupta fulfills the conditions for appointment as and Independent Director as specified in the Act and is independent of management. It is proposed that Mr. Ravi Gupta should be appointed for 5 consecutive years starting from the date of 20th Annual General Meeting of the company.

The Board of Directors considers that his continued association would be of immense benefit to the Company and it is desirable to avail the services of Ravi Gupta as an Independent Director.

Accordingly, the Board recommends the Ordinary Resolution in relation to appointment of Mr. Ravi Gupta as an Independent Director for the approval by the shareholders of the Company.

Except Mr. Ravi Gupta, being an appointee, none of the Directors of and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary resolution set out at item No. 5. This explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **Item No 6**

Mr. Pramil Kumar Garg (DIN: 02926116) joined the Board of Directors of the Company w.e.f 17th march, 2003 as Non Executive and independent director liable to retire by rotation.

Apart from being a director on the Board of Director of this Company. He holds nil shares of the Company.

He is not disqualified from being appointed as director in terms of Sec 164 of the companies act 2013 and has given his consent to act as Director.

Pursuant to the provisions of Section 160 of the Companies act 2013, the Company has received a notice in writing from a Member of the Company proposing the candidature of Mr. Pramil Kumar Garg for the Office of Independent Director of the Company.

The Company has also received the declaration that he meets the criteria of independence as prescribed under Sec 149 of the Companies act 2013.

In the opinion of the Board, Mr. Pramil Kumar Garg fulfills the conditions for appointment as and Independent Director as specified in the Act and is independent of management. It is proposed that Mr. Pramil Kumar Garg should be appointed for 5 consecutive years starting from the date of 20th Annual General Meeting of the company.

The Board of Directors considers that his continued association would be of immense benefit to the Company and it is desirable to avail the services of Ravi Gupta as an Independent Director.

Accordingly, the Board recommends the Ordinary Resolution in relation to appointment of Mr. Pramil Kumar Garg as an Independent Director for the approval by the shareholders of the Company.

Except Mr. Pramil Kumar Garg, being an appointee, none of the Directors of and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Ordinary resolution set out at item No. 6. This explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

By Order of the Board of Directors  
for **KCC Software Limited**

Place : New Delhi  
Date : 26.08.2014

Sd/-  
**(Deepak Gupta)**  
Managing Director

**REGISTERED OFFICE:**  
M-78, CONNAUGHT PLACE,  
NEW DELHI- 110001



**KCC SOFTWARE LIMITED**

Registered Office: M-78, Connaught place, New Delhi- 110001  
CIN : L72200DL1994PLC058140

**ATTENDANCE SLIP**

(Please complete this attendance slip and hand it over at the entrance of the meeting hall)

Name & Address	Folio No.	DP ID #	Client ID #	No. of Shares Held

# Applicable for members holding shares in dematerialized form.

I / We hereby record my / our presence at the **20<sup>TH</sup> ANNUAL GENERAL MEETING** of **KCC SOFTWARE LIMITED** to be held at 11.30 A.M. on Tuesday, the 30th September 2014 at M-78, Connaught Place, New Delhi- 110001.

**SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING**

\_\_\_\_\_ **If Member, please sign here**

\_\_\_\_\_ **If Proxy, please sign here**

**KCC SOFTWARE LIMITED**

Registered Office: M-78, Connaught place, New Delhi- 110001  
CIN : L72200DL1994PLC058140

**PROXY FORM**

Folio No ..... DP ID.....Client ID .....  
Shares Held.....

I/We,.....of.....being a Member / Members of **KCC SOFTWARE LIMITED**, hereby appoint.....of.....or failing him her..... of..... or failing Him her..... of.....as my /our Proxy to attend and vote for me / us on my / our behalf at the **20TH ANNUAL GENERAL MEETING** of **KCC SOFTWARE LIMITED** to be held at 11.30 A.M. on Tuesday, the 30th September 2014, at M-78, Connaught Place, New Delhi- 110001 and at any adjournment thereof.

Signed this .....day of..... 2014.

Affix  
Revenue  
Stamp

Note: The Proxy form duly completed must be deposited at the Registered Office of the Company, not less than **FORTY EIGHT HOURS** before the time of holding the meeting. The Proxy need not be a Member of the Company