

NEO INFRACON LIMITED

ANNUAL REPORT

FINANCIAL YEAR 2013-14

BOARD OF DIRECTORS

- | | | |
|-----------------------|---|--|
| 1. Mr. Naresh Mehta | — | Managing Director |
| 2. Mr. Dilip Mehta | — | Executive Director cum CFO |
| 3. Mr. Rajen Mehta | — | Independent |
| 4. Mr. Dhanajay Pande | — | Independent |
| 5. Mr. Tabrez Shaikh | — | Independent |
| 6. Mr. Ankush Mehta | — | Non Executive Director (appointed as on 31 st March 2014) |

AUDITORS

M/s. D. Kothary & Co
Chartered Accountants

REGISTERED OFFICE

52/52-A, Nanubhai Deasi Road,
9, Mulji Thakarsi Building, Sindhi Lane,
Mumbai -400004, Maharashtra

BANKERS

IDBI Bank Ltd.
State Bank of India

TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.
9-Shiv Shakti Industrial Estate,
J.B.Boricha Marg, Opp. Kasturba
Hospital, Lower Parel (East), Mumbai-400011
Phone:23018261

NEO INFRACON LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF NEO INFRACON LIMITED WILL BE HELD AT CORPORATE OFFICE OF THE COMPANY AT 1ST FLOOR, NILAY LIFESCAPES, PARMANAND WADI, OPP. LOHANA MAHAJAN WADI, CHARANI RAOD (E), MUMBAI-400002 ON TUESDAY, 16TH SEPTEMBER, 2014 AT 11.30 A.M TO TRANSACT THE FOLLOWING BUSINESS:

I - ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2014 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.

2. Appointment of Auditor:

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. D. Kothary & Co, Chartered Accountants (Firm Registration No. 105335W), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the thirty Sixth AGM of the Company to be held in the year 2019 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, traveling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

II - 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 pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Dhanajay Pande (holding DIN 01429776), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member, under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term upto year 31st March 2019."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Tabrez Shaikh (holding DIN 00255132), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member, under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term upto year 31st March 2019."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Rajen Mehta (holding DIN 01967225), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member, under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term upto year 31st March 2019."

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

"RESOLVED THAT pursuant to the provisions of Section 152(2) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to appoint Mr. Ankush Mehta as a Director of the Company w.e. f. 31st march 2014 liable to retire by rotation."

By Order of the Board of Directors,

Naresh Mehta
Managing Director

Place: Mumbai
Date : 19.08.2014

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Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
2. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from **Monday, September 15, 2014 to Tuesday, September 16, 2014 (both days inclusive)** for the purpose of the Annual General Meeting of the Company.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the ensuing Annual General Meeting is annexed hereto and forms part of this Notice.
5. The Members are requested to:
 - (a) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, M/s. Purva Sharegistry (India) Pvt. Ltd, Unit No. 9, Shiv Shakil Ind. Estate, J.R.Boricha Marg, Lower Parel E Mumbai-400 011 in respect of their holdings in physical form.
 - (b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
 - (c) Non-Resident Indian Members are requested to inform M/s. Purva Sharegistry (India) Pvt. Ltd immediately of the change in residential status on return to India for permanent settlement.
 - (d) Register their email address and changes therein from time to time with M/s. Purva Sharegistry (India) Pvt. Ltd. for shares held in physical form and with their respective Depository Participants for shares held in demat form.
6. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting of the Company.
7. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, M/s. Purva Sharegistry (India) Private Limited and have it duly filled and sent back to them.
8. Re-appointment of Directors:
Section 152 of the Companies Act, 2013, provides inter alia that unless the articles provide for the retirement of all directors at every annual general meeting, not less than two-thirds of the total number of directors of a public company, or a private company which is a subsidiary of a public company, shall (a) be persons whose period of office is liable to determination by retirement of directors by rotation; and (b) save as otherwise expressly provided in the Act, be appointed by the Company in the general meeting.
9. MCA, Government of India, through its Circulars Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011, respectively, has allowed companies to send documents viz. Notices of meetings, Annual Reports and other shareholder communication to their shareholders electronically as part of its Green Initiatives in corporate governance By Order of the Board of Directors, The Company supports the measures in the Green Initiative. Members are also requested to join the Company in this initiative by registering their Email ID with the Company or its RTA. A 'Green Initiative' Form can be downloaded from the Company's website viz. www.anuvinind.com to register the email id
10. Electronic copy of the Annual Report for 2013-14 is being sent to all Members whose email ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
11. Voting through electronic means
 1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

NEO INFRACON LIMITED

The instructions for e-voting are as under:

A. In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

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(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

B. In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 12/09/2014 Start Time: 9.00 am and ends on 14/09/2014 End Time: 6.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <22/08/2014>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- III. If you are already registered with CDSL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on September 12, 2014 (9:00 am) and ends on September 14, 2014 (6:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of May 20, 2014, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 22, 2014.
- VII. Mr. Vijay Kumar Mishra, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company
12. In case of those Members, who do not have access to e-voting facility, they can use the assent/dissent form sent herewith or can be downloaded from our website www.anuvinind.com and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and send the form to reach Mr. Vijay Kumar Mishra, Scrutinizer appointed by the Company at the registered office of the Company on or before September 14, 2014 (6.00 pm).
13. Members can choose only one of the two options, namely e-voting or voting through physical assent/ dissent form. In case the votes are casted through both the formats, then votes casted through e-voting shall stand cancelled and those votes casted through physical assent/dissent form would be considered, subject to the assent/dissent form being found to be valid.
14. The Results of e-voting, physical assent / dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mideastportfolio.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 1 pm on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board of Directors,

Naresh Mehta
Managing Director

Place: Mumbai
Date : 19.08.2014

NEO INFRACON LIMITED

Annexure to the Notice pursuant to Sec.102 of the Companies Act, 2013

Item No. 3

Mr. Dhananjay Digambar Pande is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement. He joined the Board of Directors of your Company in January 2010.

Mr. Dhananjay Digambar Pande, holds a degree of Graduation in Pharmacy. Mr. Dhananjay Pande is a Director on the Board of various other Companies viz., Inventa infrastructure Private Limited, Ekveera life sciences Private Limited, Global air purification systems Private Limited and has a proprietorship firm named Ekvira Green Estate. He has a experience of 10 years in Environmental research centre in the field of air pollution, water pollution, alternate source of energy and biotechnology & bio fuels.

Mr. Dhananjay Digambar Pande retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Dhananjay Digambar Pande being eligible and offering himself for appointment, is proposed to be reappointed as an Independent Director for five consecutive years for a term upto 31st March, 2019.

Reference is also invited in this connection to new Clause 49 effective from October 1, 2014 of the Listing Agreement. Clause 49 provides inter alia that an independent director shall hold office for a term up to five consecutive years on the Board of a company and shall be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution by the company.

Provided that a person who has already served as an independent director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Dhananjay Pande as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Dhananjay Pande as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Dhananjay Pande, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 4

Mr. Tabrez Shaikh is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement. He joined the Board of Directors of your Company in January 2010.

Mr. Tabrez Shaikh, holds a degree of B. E. Civil. Mr. Tabrez Shaikh is a Director on the Board of various other Companies viz., Rubberwala Housing & Infrastructure Limited, Radha Construction Private Limited, Rubberwala Business Centre Private Limited, Rubberwala Hospitality Private Limited, Rubberwala Infrastructure Private Limited, R. Kothari Erac Private Limited, Greenworld Construction Private Limited and Prabhat Sadan Properties Private Limited. He has a experience of 11 years in the real estate business as an entrepreneur.

Mr. Tabrez Shaikh retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Tabrez Shaikh being eligible and offering himself for appointment, is proposed to be reappointed as an Independent Director for five consecutive years for a term upto 31st March, 2019.

Reference is also invited in this connection to new Clause 49 effective from October 1, 2014 of the Listing Agreement. Clause 49 provides inter alia that an independent director shall hold office for a term up to five consecutive years on the Board of a company and shall be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution by the company.

Provided that a person who has already served as an independent director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only.

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The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Tabrez Shaikh as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Tabrez Shaikh as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Tabrez Shaikh, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 5

Mr. Rajen Mehta is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement. He joined the Board of Directors of your Company in January 2009

Mr. Rajen Mehta, holds a degree of Bachelor of commerce. Mr. Rajen Mehta is a Director on the Board of other Companies viz., Stamag Builders & Developers pvt ltd. and has a proprietorship firm named Nancy Exports.

Mr. Rajen Mehta retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Rajen Mehta being eligible and offering himself for appointment, is proposed to be reappointed as an Independent Director for five consecutive years for a term upto 31st March, 2019.

Reference is also invited in this connection to new Clause 49 effective from October 1, 2014 of the Listing Agreement, Clause 49 provides inter alia that an independent director shall hold office for a term up to five consecutive years on the Board of a company and shall be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution by the company.

Provided that a person who has already served as an independent director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rajen Mehta as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rajen Mehta as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Rajen Mehta, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No.6:

Appointment of Mr. Ankush Mehta as a Director on the Board of the Company

Company has accept his consent to act as an director of the company under section 152(2) of the Companies Act 2013 and given appointment letter to Mr. Ankush Mehta for his appointment as on 31st March 2014.

Except Mr. Naresh Mehta and Mr. Dilipkumar Mehta, none of the other Directors of the Company is in any way concerned or interested in the resolution.

Your Directors recommend the resolution for your approval.

By Order of the Board of Directors,
For Neo Infracon Ltd.

NARESH KESHRIKAL MEHTA
Managing Director

Place: Mumbai
Date : 19.08.2014

NEO INFRACON LIMITED**DIRECTORS' REPORT**

Your Directors present their 31st Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2014.

FINANCIAL HIGHLIGHTS

(Rs. In Thousands)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
Income for the year	49331.47	44142.23
Profit before Interest, Depreciation and Tax	1478.26	1350.73
Depreciation	0.00	0.00
Interest	43.35	0.00
Profit before Tax	1434.91	1350.73
Provisions for Taxation/ Deferred Tax	659.41	450.00
Profit after Tax	775.50	900.73
Earlier Years Balance Brought forward	6268.96	1902.23
Add : Forfeiture of Shares	---	3466.00
Earlier Years Balance Brought forward	7044.46	6268.96

OPERATIONS

During the year under review, your Company recorded a total income of Rs. 493.31 Lacs as against Rs.441.43 lacs in previous year and Net profit of Rs. 7.75 lacs as against Rs. 9.01 lacs in previous year. Further information kindly refers to Management Discussion and Analysis forming part of this Annual report.

DIVIDEND

The Board, for the year ended 31st March, 2014 in view of profit is to be re invested in business hence regret there in ability to declare any dividend for the year.

DIRECTORS

As per Section 149(4) of Companies Act, 2013 every listed company shall have atleast one third of the total number of directors as independent directors. They shall hold office for a term upto five consecutive years on the Board of the Company as per section 149(10).

As per Section 152 (6) (e) total number of directors shall not include independent directors. Mr. Dhanajay Pande, Mr. Tabrez Shaikh and Mr. Rajen Mehta have offered for election as Independent Director.

Mr Ankush Mehta has been appointed as Additional Director during the year.

Out of remaining 3 directors 2 are executive directors and 1 is Non Executive director.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement, the Management Discussion & Analysis Report and Corporate Governance Report together with Certificate from M/s. D. Kothary & Co., Chartered Accountants, Mumbai, on compliance with the conditions of Corporate Governance as laid down, forms part of this report.

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217(2A)

Pursuant to the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, a statement relating to the particulars of employees forming part of this report has not been given as the company has not employed any person drawing remuneration exceeding the limits specified.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Information regarding conservation of energy and technology absorption as per the provision of Section 217 (1) (e) of the

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Companies Act, 1956 read the Companies (Disclosure of particulars in the report of Board of Director) Rules, 1988, are not applicable since the project is in the implementation stage. During the year under review there was no Foreign Exchange Earning and Outgo.

DIRECTORS' RESPONSIBILITY STATEMENT

The Audited Accounts for the year under review are in conformity with the requirements of the Act and the Accounting Standards. The financial statements reflect fairly the form and substances of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations. Pursuant to the requirement of Section 134 of the Companies Act, 2013 and based on the representations received from the operating management, the Directors hereby confirm that:

1. in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs as at 31st March, 2014 and of the profit of the Company for the year under review;
3. The Directors have 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.
4. The Directors have prepared the accounts for the financial year ended 31st March, 2014 on 'going concern' basis.

FIXED DEPOSITS AND LOANS/ ADVANCES

During the year under review the Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on the date of balance sheet from public.

AUDITORS & AUDITORS REPORT

Members are requested to appoint Auditors for the current year and to authorize the Board of Directors to fix their remuneration. At previous meeting, M/s. D. Kothary & Co., Chartered Accountant, was appointed as Statutory Auditors of your Company from the conclusion of the previous Annual General Meeting. The said Statutory Auditors retire at the ensuing Annual General Meeting and being eligible under section 139 of the Companies Act, 2013, offer themselves for re-appointment. Report of the auditors read with the notes on accounts is self-explanatory and need no elaboration.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee of the Company as on 31st March, 2014 comprised the following 3 Directors of the Company:

1. Shri Rajen Mehta,
2. Shri. Dhananjay Digambar Pande, and
3. Shri. Tabrez Shafi Ahmed Shaikh

DISQUALIFICATION OF DIRECTORS

No Director of the Company is disqualified under any law to act as a Director.

ACKNOWLEDGEMENTS

Your Directors express their sincere appreciation of the co-operation received from shareholders, bankers and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff resulting in the performance of the Company during the year.

FOR AND BEHALF OF THE BOARD
FOR NEO INFRACON LIMITED

Place: Mumbai
Date: 30.05.2014

DILIP MEHTA
DIRECTOR/CFO

NARESH MEHTA
MANAGING DIRECTOR

NEO INFRACON LIMITED

CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd.)

Company's Philosophy on the Code of Governance

The objective of your Company is not only to meet the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stake holder value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

Board of Directors

The Board of Directors along with its Committees provides leadership and guidance to the Company's management and direct, supervises and controls the performance of the Company.

The Board mix provides a combination of specialization, professionalism and experience in any manufacturing industry, thereby enhancing the value of stakeholders.

Composition of the Board

The Company has a combination of Executive and Non-Executive Directors. The Company has one Executive Chairman. The number of Independent Directors is 3.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49(l) (C) (ii)) across all the companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions occupied by them in other companies.

The Company's Board at present has 6 Directors comprising one Managing Director cum chairman, one Executive Director, and four Non-Executive Directors.

None of the directors are disqualified under section 164 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

Board Meetings held during the year

Ten Board Meetings were held during the twelve months period ended 31st March 2014. Those were held on 30th May 2013, 14th August, 2013, 13th November, 2013, 31st January, 2014 and 31st March, 2014. The maximum gap between two Board Meetings was less than four months. The current composition of the Board of Directors as on date and attendance of the Directors at the Board Meetings as well as their directorship/membership in committees of public companies as on 31st March, 2014, is as follows:

(Other directorships do not include alternate directorships, directorships of private limited companies, unlimited companies Section 25 companies and of companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees of other public companies.)

Name of the Director	Category	Number of Board Meeting during the year 2013 - 2014		Whether attended the last AGM held on 31.08.13	No. of outside Directorship held	Number of Committee positions held in other public companies	
		Held	Attended			Chairman	Member
Mr. Naresh Mehta	Promoter, Non-independent (Managing Director)	5	5	Yes	4	—	—
Mr. Dhananjay Digambar Pande	Independent & Non-Executive	5	5	No	4	1	2
Mr. Tabrez Shafi Ahmed Shaikh	Independent & Non-Executive	5	5	No	7	—	2
Mr. Rajen Mehta	Non-Independent Non-Executive	5	—	Yes	1	2	1
Mr. Dilipkumar Mehta (CFO)	Non-Independent Executive	5	5	Yes	5	—	—
Mr. Ankush Nareshkumar Mehta	Non-Independent Non-Executive	5	—	—	2	—	—

Committees of the Board**A. Audit Committee**

The Audit Committee of the Company as on date comprises of three members, i.e. Shri Rajen Mehta, Shri. Dhananjay Digambar Pande, and Shri. Tabrez Shafi Ahmed Shaikh. The constitution of the Committee is in line with Clause 49 of the Listing Agreement with the Stock Exchanges.

The Chairman of the Committee is Shri Rajen Mehta, who is an Independent Director. The terms of reference of the Audit Committee includes the matters specified in Clause 49(II) of the Listing Agreement entered with the Stock Exchanges. The Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company.

Four meetings of the Audit Committee were held during the financial year ended 31st March, 2014. The meeting of the Audit Committee was held on 30th May, 2013, 14th August, 2013, 13th November, 2013, 31st January, 2014 and the same were attended by all members of the Committee.

B. Nomination & Remuneration Committee

The composition of the Remuneration Committee as on date of report was as under:

Sr. No	Name of the Director	Designation	No. Of Meetings attended during 2013 -2014	Remarks
1	Mr. Rajen Mehta	Chairman	1	
2	Mr. Tabrez Shafi Ahmed Shaikh	Member	1	
3	Mr. Dhananjay Digambar Pande	Member	1	

All the above Directors are Non-Executive and the Chairman is an Independent Director.

Terms of Reference:

The term of reference of the Committee include recommending to the Board of Directors specific remuneration packages for Executive Directors and management staff.

Remuneration Policy:**1. Non Executive Directors**

None of the Non-Executive Directors (NEDs) are paid any remuneration whether by way of Commission or Sitting Fees.

2. Executive Directors

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) to the Managing Director. Salary is paid within the range approved by the shareholders. The ceiling on perquisites and allowances as a percentage of salary is fixed by the Board, within the prescribed ceiling; the perquisite package is fixed by the Remuneration Committee.

Remuneration to Directors:

Remuneration of Rs. 3 Lacs paid to Mr. Naresh Mehta, Managing Director during the year under review.

Employees retirement benefits:

As required by the mandatory accounting standard – 15 regarding "Accounting for Retirement Benefits in the Financial Statements of Employer". The Company has not provided any liability at present.

Shareholding of Non-Executive Directors

The individual shareholding of Non-Executive Directors (including shareholding as joint holder) are NIL.

C. Stakeholders' Grievance Committee:

The Shareholders & Investors Grievance Committee as on date comprises of two members, i.e. Shri Rajen Mehta and Shri Dhanjay Pande. The Chairman of the Committee is Shri Dhanjay Pande.

The renamed Committee complies with the requirement of Companies Act, 2013 and also handles investor grievance as envisaged under Clause 49 of the Listing Agreement.

Share transfer/transmissions approved by the Committee are placed before the Board of Directors from time to time.

The Company has paid the listing fees to all the Stock Exchanges till 31st March 2014.

During the financial year under review, the Company has not received any complaint. No investor complaint was pending as at the end of the financial year.

Details of General Body Meeting:

a) Location, date and time of General Meetings held during the last 3 years:

NEO INFRACON LIMITED

Year	Location	Date	Day	Time	No. of Special Resolutions
2011	E-102, Royal Orchid, Prahlad Nagar, S.G.Highway, Ahmedabad- 380015	30.09.2011	Friday	11.30 A.M.	NA
2012	Hotel Comfort Inn Sunset, Airport Circle, Hansol, Ahmedabad-382475	18.09.2012	Tuesday	10.00 A.M.	NA
2013	1 st Floor, Nilay Lifescapes, Parmanand Wadi, Opp. Lohana Mahajan Wadi, Charni Road (E), Mumbai- 400002	31.08.2013	Saturday	11.00 A.M.	NA

Disclosures

- a) During the financial year 2013-2014 there were no transactions of material nature with the directors or the management or relatives that had potential conflict with the interest of the Company.
- b) **Materially significant related party transaction that may have potential conflict with the interest of the Company**
During 2013-14, there were no 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. Attention of Members is drawn to the disclosures of transactions with related parties set out in note number 40 of Notes to Accounts.
- c) **Whistle Blower Policy**
With a view to establish a mechanism for protecting employees reporting unethical behaviour, frauds or violation of Company's Code of Conduct, the Board of Directors has adopted a Whistle Blower Policy (a non-mandatory requirement as per clause 49 of the Listing Agreement). No person has been denied access to the Audit Committee.
- d) **Policy to prevent sexual harassment at the workplace**
The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behavior is prohibited both by law and by the NEO Group. To redress complaints of sexual harassment, a Complaint Committee for the Group has been formed, which is headed by Ms Jyoti Gaikwad.

e) **Details of Compliance with Mandatory Requirements**

Particulars	Clause of Listing Agreement	Compliance Status Yes / No
I. Board of Directors	49 I	Yes
(A) Composition of Board	49 (IA)	Yes
(B) Non-Executive Directors' compensation & disclosures	49 (IB)	Yes
(C) Other provisions as to Board and Committees	49 (IC)	Yes
(D) Code of Conduct	49 (ID)	Yes
II. Audit Committee	49 (II)	Yes
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes
(B) Meeting of Audit Committee	49 (IIB)	Yes
(C) Powers of Audit Committee	49 (IIC)	Yes
(D) Role of Audit Committee	49 (IID)	Yes
(E) Review of Information by Audit Committee	49 (IIE)	Yes
III. Subsidiary Companies	49 (III)	Yes
IV. Disclosures	49 (IV)	Yes
(A) Basis of related party transactions	49 (IV A)	Yes
(B) Disclosure of Accounting treatment	49 (IV B)	N.A.
(C) Board Disclosures	49 (IV C)	Yes
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	N.A.
(E) Remuneration of Directors	49 (IV E)	Yes
(F) Management	49 (IV F)	Yes
(G) Shareholders	49 (IV G)	Yes
V. CEO/CFO Certification	49 (V)	Yes
VI. Report on Corporate Governance	49 (VI)	Yes
VII. Compliance	49 (VII)	Yes

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e) Details of Non-compliance:

There has not been any non-compliance of mandatory requirements by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges, or SEBI, or any statutory authority, on any matter related to capital markets.

Means of Communication

The quarterly results, half yearly and annual financial results are published in leading English and Marathi Newspapers. The financial results, shareholding pattern & code of conduct are displayed on www.bseindia.com

Management Discussion and Analysis Report:

The discussion on financial performance with respect to the operational performance, review of operations, and prospects have been covered in the Director's Report.

The Company has adequate internal control system with regard to purchase of stores, raw materials including components, plant & machinery, equipments, sale of goods and other assets. The internal control systems supplemented by well documented policies and guidelines and the internal audit report are periodically reviewed by the top management.

The industrial relations during the year continued to be cordial. The Company is committed to provide necessary human resource development and training opportunities to equip them with the required modern skill and knowledge.

General Shareholder Information:

Annual General Meeting:

Date and Time : the 16th day of September, 2014 at 11.00 AM
 Venue : 1ST FLOOR, NILAY LIFESCAPES, PARMANAND WADI, OPP. LOHANA MAHAJAN WAD, CHARANI RAOD E, MUMBAI-400002

As required under Clause 49 (IV) (G)(i) of the Listing Agreements with the Stock Exchanges, particulars of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM to be held on 16th day of September, 2014.

Financial Calendar : 1st April to 31st March

Financial reporting for (subject to change)

Quarter ending 30th June, 2014 : By 31st July, 2014
 Quarter ending 30th September, 2014 : By 31st October, 2014
 Quarter ending 31st December, 2014 : By 31st January, 2015
 Year ending 31st March, 2015 : Latest by 31st May, 2015

Annual General Meeting for the year ending 31st March, 2015 : By 28th August, 2015

Dates of Book Closure : the 15th day of September, 2014 to 16th day of September, 2014 (both days inclusive.)

Dividend payment date : N.A

Stock Exchange where Company's Shares are listed : Bombay Stock Exchange Limited Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

Scrip Code : 514332

Stock Market Price data: High /Low during each month for the twelve month period ended 31st March, 2014:

Month	Neo Infracon Ltd.	
	High (₹)	Low (₹)
April 2013	13.89	12.41
May 2013	16.72	11.75
June 2013	13.57	8.85
July 2013	12.53	9.77
August 2013	14.95	10.02
September 2013	12.09	9.60
October 2013	20.01	11.05
November 2013	18.85	14.30
December 2013	17.95	14.55
January 2014	18.45	14.50
February 2014	18.25	14.45
March 2014	17.26	13.76

NEO INFRACON LIMITED

Registrars and Transfer Agents
 Purva Sharegistry (India) Pvt. Ltd,
 Unit No. 9, Shiv Shakii Ind. Estate,
 J.R.Boricha Marg, Lower Parel E
 Mumbai-400 011
 Tel : 91-22-2301 6761/8261
 Fax : 91-22-2301 251
 Email : busicomp@vsnl.com

Share Transfer Process

Shares in physical form are processed by the Registrar and Share transfer agent within 15 days from the date of receipt, if the documents are complete in all respects. Chairman and Compliance Officer have been severally empowered to approve transfers. The same shall be ratified by the Shareholders and Investors' Grievances Committee.

Distribution of Shareholding according to Numbers as at 31st March 2014

Slab of shareholdings	Shareholders	%	In Rs.	%
UPTO 5,000	1100	78.97	1860450	3.51
5,001 to 10,000	107	7.68	955520	1.80
10,001 to 20,000	70	5.03	1132260	2.13
20,001 to 30,000	19	1.36	483190	0.91
30,001 to 40,000	19	1.36	699830	1.32
40,001 to 50,000	15	1.08	703350	1.33
50,001 to 1,00,000	24	1.72	1801350	3.39
Above 1,00,000	39	2.80	45432050	85.61
Total	1393	100.00	53068000	100.00

Distribution of equity shareholding according to categories of shareholders as at 31st March 2014

Sr. No.	Category of Shareholder Share holders	Number of shares	Number	%
(A)	Shareholding of Promoter and Promoter Group	4	1748300	32.94
(B)	Public shareholding			
1	Institutions			
(a)	Mutual Funds/ UTI	0	0	0
(b)	Financial Institutions / Banks	0	0	0
(c)	Insurance Companies	0	0	0
(d)	Foreign Institutional Investors	0	0	0
2	Non-Institutions			
(a)	Bodies Corporate	26	879308	16.57
(b)	Individuals			
	Individuals			
	(i) holding nominal share capital up to Rs 1 lakh	1315	700482	13.20
	(ii) Holding nominal share capital in excess of Rs. 1 lakh.	27	1692010	31.88
	Others-HUF	21	286700	5.40
	Total Public Shareholding	1389	3558500	67.06
	TOTAL	1393	5306800	100.00

Dematerialization of shares and liquidity

As on 31st March, 2014, 4747300 equity shares (89.46% of the total number of shares) are in dematerialized form compared to 4703400 equity shares (88.63% of the total number of shares) as on 31st March, 2013.

Outstanding GDRs/ ADRs / Warrants or any convertible instruments

The Company has not issued any GDR's/ADR's or any convertible instruments.

Investor Correspondence

Shareholders can contact the following Official for Secretarial matters of the Company.

Name	Address	Telephone No./ Fax No.	Email id
Purva Sharegistry (India) Pvt. Ltd.	Unit no. 9 Shiv Shakti Ind. Estt. J. R. Boricha marg. Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011	Tel : 91-22-2301 6761 / 8261 Fax : 91-22-2301 2517	Email : busicomp@vsnl.com

DECLARATION

I, Naresh Mehta, the Managing Director of Neo Infracon Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed Compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(1)(D)(ii) of the Listing Agreement entered into with the stock exchanges, for the year ended March 31, 2014.

For NEO INFRACON LIMITED

Managing Director

Date: 30.05.2014

CEO / CFO CERTIFICATION

The Board of Directors,
NEO INFRACON LIMITED

We hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2014 and that to the best of our knowledge and belief;
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 2) 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.
- (b) No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- 1) Significant changes in internal control over financial reporting during the year.
 - 2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) Instances of significant fraud of which we have become aware and the involvement there in, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

FOR Neo Infracon Ltd

Naresh Mehta
Managing Director

Place : Mumbai
Date : 30th May, 2014.

NEO INFRACON LIMITED

MANAGEMENT DISCUSSIONS & ANALYSIS

Economy Overview:

The Indian economy had been suffering from lower growth and various structural weaknesses as it entered 2013-14 and these continued throughout the fiscal year. Real GDP growth for 2013-14 is estimated to be 4.9% with industrial growth slipping to a paltry 0.7%.

Such a significant and sustained slowdown in growth over the last ten quarters has contributed to low business confidence which, in turn, has put a dampener on private sector investment in infrastructure projects. Moreover, the economy has been under serious fiscal pressure. The Government of India (GoI) logged an average fiscal deficit of 5.6% of GDP in the last five years (2008-09 to 2012-13), which was significantly higher than the 3.6% during previous five years (2003-04 to 2007-08). Revised estimates suggest that the fiscal deficit for 2013-14 will be at around 4.6% of GDP. The stressed exchequer of the GoI has prevented government backed investment impetus to infrastructure.

Incremental Gross Fixed Capital Formation (GFCF) at market price, an indication of real capital investment in fixed assets that augments the future productive capacity of any economy, has also reduced to a mere 0.2% in 2013-14. In this backdrop, construction output has almost stagnated. Construction growth, which had already reduced to 1.1% in 2012-13, stayed at low levels of 1.7% in 2013-14.

However, one needs to be careful. Even if it is the case that the business cycle has bottomed out, it is equally true that the upswing will be gradual, especially in infrastructure.

India's Infrastructure sector:

While the long term requirement for rapid infrastructure development in India remains a vital necessity, the sector faces several challenges.

Apart from various structural problems that plague execution including a slow, almost paralyzed government decision-making process, and practical issues with land acquisition as well as the challenges of dealing with social and environmental constraints that arise while developing infrastructure projects, the sector is fundamentally affected by a severe liquidity crunch and a financial squeeze.

Infrastructure financing in India has to work its way out of two fundamental problems before credit lines can start to improve significantly. First, the system has to gradually rid itself of numerous excesses of the past including aggressive bidding, weak and inexperienced sponsors, poor project planning, high leverage, weak financial structures and revenue over-estimation. Second, it has to deal with the constraints imposed by a harsh external environment — such as a slowing economy, rising interest costs, difficult equity markets and policy uncertainty.

Industry structure and developments

The Construction industry is an integral part of the Indian economy. It is the second largest employers of labour force in the country after agriculture. It also has extensive linkage with the other sectors of the economy. It plays an important role in the development of a country's infrastructure, which is one of the key engines of the economic growth. Government policies and budgets have therefore been progressively geared to promote infrastructure development.

In reality, the pace of infrastructure development has slowed down considerably over the last couple of years barring exceptions. While the Government had laid-out plans, implementation mechanism is not well-oiled. Key initiatives such as port development, NHAI, etc have been riddled due to policy related issues in implementation. In addition to uncertain policy climate and delays in key projects, finance has also emerged as a key challenge for private investment in the sector. Infrastructure developers are now looking at exit from projects due to reasons such as non availability of land, lower than estimated performance and also due to their own financial standings.

Opportunities & Threats

Opportunities:

The regulatory level clarity on account of overhauled development regulations is expected to expedite the pace of activity in the sector which had been subdued over last few quarters. Although the sector may experience certain margin pressure on account of increased cost, it may get compensated to some extent through enhanced level of approvals and better inventory absorption. The softening of interest rate on home loan, speedier execution and new launches coupled with moderated real estate prices is expected to trigger the inherent demand in the market.

Threats:

Our redevelopment business requires, among others, getting consent from at least 70% of the tenants, consensus between various groups of tenants, providing accommodation to the tenants during the interim period of demolition and construction, obtaining consents and rehabilitation.

Delay in any of the aforesaid activities consequently can have adverse financial implications. Any delay in the construction or prolonged construction period will lead to increased cost and the same will affect our profitability.

Outlook on Risks and Concerns

Your Company is exposed to a number of risks such as economic, regulatory, taxation and environmental risks and also the investment outlook towards Indian real estate sector. Some of the risks that may arise in its normal course of its business and impact its ability for future developments include inter-alia, credit risk, liquidity risk, counterparty risk, regulatory risk,

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commodity inflation risk and market risk. Your Company's chosen business strategy of focusing on certain key products and geographical segments is also exposed to the overall economic and market conditions. Your Company has implemented robust risk management policies and guidelines that set out the tolerance for risk and your Company's general risk management philosophy. Accordingly, your Company has established a framework and process to monitor the exposures to implement appropriate measures in a timely and effective manner.

Internal control systems and their adequacy

Presently, the company does not have any adequate internal control system. However the management of the company is in process of established adequate internal control system in to the company.

Financial and operational performance

During the year under review, your Company recorded a total income of Rs. 493.31 Lacs as against Rs.441.43 lacs in previous year and Net profit of Rs. 7.75 lacs as against Rs. 9.01 lacs in previous year. It shows that the financial & operational performance of the company was satisfied, the detail of the financial & operational performance are given in the financial statement which forms a part of this annual accounts.

Material development in Human Resources

The Management shall create policy of Human Resources to achieve biggest advantage to the Company for turnaround. The Company plans with prudent knowledge management leading to enhanced skills and capability and market ability to promote real estate business in the current time. The Company shall evaluate performance management system, which reinforces its work ethics and results in profitability to enhance the shareholders value.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downturn in the infrastructure sector, significant changes in political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations and interest costs.

Our projects are subject to risks from natural disasters like earthquakes and floods.
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.

For and behalf of the Board
For Neo Infracon Limited

Naresh Mehta
Managing Director

Place: Mumbai
Date: 30/05/2014

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Neo Infracon Limited

We have examined the compliance of conditions of Corporate Governance by Neo Infracon Limited, for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 and the representations made by the Directors and the Management, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For VKM & Associates,
Practising Company Secretaries.

(Vijay Kumar Mishra)
Partner
M. No. F 5023

Place : Mumbai
Date : 30/05/2014

NEO INFRACON LIMITED

Independent Auditors' Report

To the Members of
NEO INFRACON LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of Neo Infracon Limited, which comprises 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 principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 entity'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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act 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 (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, 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 Act, 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

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from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- (e) On the basis of the written representations received from the directors as on March 31, 2014, 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 Section 274(1)(g) of the Act.

For D Kolhary & Co,
Chartered Accountants
(Registration No. 105335W)

Vipul N. Chauhan
Partner
Membership No. 47846

Place : Mumbai
Date : 30/05/2014

Annexure to Auditors' Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
b) As explained to us, there is a regular program of verification of fixed assets in a cycle of five years, which in our opinion is reasonable having regard to the size of the company and the nature of assets. During the year, as informed to us, no material discrepancies have been noticed on such verification.
c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the company during the year.
2. The inventory consist of construction work in progress which has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
3. The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraph 4(iii) of the Order is not applicable
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of paragraph 4 (vi) of the Order is not applicable to the Company.
7. In our opinion and according to the information and explanation given to us, the Company does not have an internal audit system, but as per the management there is adequate internal control system commensurate with the size and the nature of the business.
8. To the best of our knowledge and belief, the Central Government has prescribed maintenance of cost records under

NEO INFRACON LIMITED

clause (d) of sub-section (1) of Section 209 of the Act, in respect of the services rendered by the Company. Accordingly, Company is in the process of maintaining cost records.

9. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of Income Tax, VAT, Service tax, WCT, cess and other undisputed statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed statutory dues payable in respect of Income Tax, VAT, service tax, WCT, cess and other statutory dues which were in arrears as at March 31, 2014 for a period of more than six months from the date they became payable *except Service Tax-Rs.10,37,815.*
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no statutory dues which have not been deposited as on 31st March 2014, on account of any disputes.
10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and also in the immediately preceding financial year.
11. Based on our audit procedures and as per the information and explanations given by management, the Company has not taken Term loan from Banks or Financial Institutions. Accordingly clause 4(xi) of the order is not applicable.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of paragraph 4 (xiii) of the Order is not applicable to the Company.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the Clause 4 (xv) of the said Order are not applicable to the Company.
16. In our opinion and according to the information and explanations given to us, the Company has not taken Term term loans from Banks. Accordingly clause 4 (xvi) of the Order are not applicable to the Company.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any Debenture during the year.
20. The Company has not raised any monies by way of public issues during the year.
21. According to the information and explanations given to us, no significant fraud on or by the Company, that causes a material misstatement to the financial statements, has been noticed or reported during the year.

For D Kothary & Co.
Chartered Accountants
(Registration No. 105335W)

Vipul N. Chauhan
Partner
Membership No. 47846

Place : Mumbai
Date : 30/05/2014

BALANCE SHEET AS AT MARCH 31, 2014

Particulars	Note	March 31, 2014 Amount In Rs	March 31, 2013 Amount In Rs
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
Share capital	3	53,068,000	53,068,000
Reserves and surplus	4	7,044,452	6,268,954
		60,112,452	59,336,954
2 Non current liabilities			
Long term borrowings	5	4,200,000	-
Other Long term liabilities	6	405,091	-
		4,605,091	-
3 Current liabilities			
Short term borrowings	7	58,000	55,808,305
Trade payables		2,859,718	2,858,432
Other current liabilities	8	9,049,839	16,012,531
Short term provisions	9	650,000	450,000
		12,617,557	75,129,268
TOTAL		77,335,099	134,466,222
II. ASSETS			
1 Non current assets			
Non current Investments	10	100	100
Long term loans & Advances	11	31,637	6,837,993
Other Non current Assets	12	-	200,598
		31,737	7,038,691
2 Current assets			
Inventories	13	41,929,172	72,326,703
Trade receivables	14	21,853,504	25,311,342
Cash and bank balances	15	1,345,347	339,486
Short term loans and advances	16	12,175,339	29,450,000
		77,303,362	127,427,531
TOTAL		77,335,099	134,466,222
Significant accounting policies & Note on financial statements	1 to 31		

As per our report of even date

For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

Vipul N. Chauhan
Partner
Membership No.: 47846

Place : Mumbai
Date : 30/05/14

For Neo Infracon Limited

Directors

Place : Mumbai
Date : 30/05/14

NEO INFRACON LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Note	2013-14 Amount In Rs	2012 - 2013 Amount In Rs
Revenue from operations	17	48,678,100	43,424,470
Other income	18	653,372	717,756
Total Revenue		49,331,472	44,142,226
Expenses:			
Cost of Flats sold	19	43,897,269	42,365,500
Employee Benefit expenses	20	300,000	-
Financial Expenses	21	43,349	-
Other expenses	22	3,655,946	426,000
Total Expenses		47,896,564	42,791,500
Profit before tax		1,434,908	1,350,726
Tax expense:			
Current tax		650,000	450,000
Short/(Excess) tax provision for earlier years		9,410	-
Deferred tax		-	-
Profit after tax		775,498	900,726
Earning per share on Equity Shares of Rs. 10 each (Refer note 26)			
- Basic		0.15	0.17
- Diluted		0.15	0.15
Significant accounting policies			
Notes to financial statements	1 to 31		

As per our report of even date

For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

Vipul N. Chauhan
Partner
Membership No.: 47846

Place : Mumbai
Date : 30/05/14

For Neo Infracon Limited

Directors

Place : Mumbai
Date : 30/05/14

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	March 31, 2014 Amount In Rs	March 31, 2013 Amount In Rs
A. Cash Flow From Operating Activities :		
Net profit before tax as per statement of profit and loss	1,434,908	1,350,726
Adjustments for :		
Depreciation-	-	-
Share issue Expenses written off	200,598	201,000
Interest Income	(653,372)	(706,356)
Interest Expenses	43,349	-
Operating Cash Flow Before Changes in Working Capital	1,025,483	845,370
Changes in current assets and liabilities		
(Increase)/ Decrease in trade receivables	3,457,838	(21,791,785)
(Increase)/ Decrease in loans and advances & Current & Non Current Assets	24,081,017	(7,664,993)
(Increase)/ Decrease in Inventories	30,397,531	18,900,579
Increase/ (Decrease) in trade payables	1,286	(29,591,457)
Increase/ (Decrease) in other current Liabilities & Provisions	(6,557,602)	13,842,682
Cash Generated From Operations	52,405,553	(25,459,604)
Payment of Taxes (Net of Refunds)	(459,410)	-
Net Cash Flow From Operating Activities (A)	51,946,143	(25,459,604)
B. Cash Flow From Investing Activities :		
Purchase of Fixed Assets	-	-
Interest Income	653,372	706,356
Net Cash Flow From Investment Activities (B)	653,372	706,356
C. Cash Flow From Financing Activities :		
(Repayment)/Borrowing of loans	(51,550,305)	22,905,876
Interest Paid on Borrowing	(43,349)	-
Net Cash From / (Used In) Financing Activities (C)	(51,593,654)	22,905,876
Net Increase In Cash Or Cash Equivalents (A+B+C)	1,005,861	(1,847,372)
Cash And Cash Equivalents At The Beginning Of The Year	339,486	2,186,858
Cash And Cash Equivalents As At The End Of The Year	1,345,347	339,486
Component of cash and cash equivalents (Refer note 13)		

As per our report of even date

For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

Vipul N. Chauhan
Partner
Membership No.: 47846

Place : Mumbai
Date : 30/05/14

For Neo Infracon Limited

Directors

Place : Mumbai
Date : 30/05/14

NEO INFRACON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2014

1 Corporate information

Neo Infracon Ltd is mainly dealing in Construction Services in respect of Commercial or Industrial Buildings & Civil Structures, Construction of Residential Complex and its place of business i.e. the registered office is situated at 52/52A,Nanubhai Desai road,9 Mulji thakarsi Bldg,Sindhi lane, Mumbai - 400004

2 Significant accounting policies

a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and comply with the Accounting Standards as per Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956 to the extent applicable.

b) Use of estimates

The preparation of financial statements is in conformity with Generally Accepted Accounting Principles (GAAP) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Revenue recognition

a) Sales are recorded net of trade discounts, sales tax/ value added tax, rebates and service tax. Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

b) Incomes from services are recognised as they are rendered based on agreements/arrangements with the concerned parties.

c) Interest income is recognised on time proportion basis.

d) Inventories

Inventories are valued as under

i) Completed Flats- At lower of Cost or Market Value

ii) Construction Work in progress-At Cost

Construction Work in Progress includes Cost of Land,Construction Cost, allocated Interest and expenses incidental to projects undertaken by the company

e) Investments

Investments are classified into non current investments and current investments. Investments which are intended to be held for more than one year are classified as non current investments and investments which are intended to be held for less than one year, are classified as current investments. Non current investments are stated at cost and a provision for diminution in value of non current investments is made only if the decline is other than temporary in the opinion of the management. Current investments are valued at cost or market/fair value whichever is lower. In case of investments in mutual funds, the net asset value of units is considered as market/fair value.

f) Provisions, Contingent Liabilities and Contingent Asset

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the assets and related income are recognized in the period in which the change occurs.

g) Retirement benefits

Long-Term Employee Benefits:

Defined Benefit Plan:

The company is accounting for Gratuity & Leave Encashment on payment basis.

h) Taxation

a. Current Tax:

Provision for tax is based on the taxable profit for the accounting year after taking into consideration the relevant provisions of the Income Tax Act, 1961.

b. Deferred Tax:

Deferred tax resulting from timing difference between accounting and taxable income is accounted for using the tax rates and laws that are enacted or substantively enacted on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent there is a virtual certainty that the asset will be realised in future.

i) Borrowing Cost:

Interest and Finance charges incurred in connection with borrowing of funds, which are incurred for development of long term project are transferred to construction work in progress as a part of cost of Project. Other borrowing costs are recognised as an expense in the period in which they are incurred.

j) Earnings per share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

k) Cash and cash equivalent

Cash and cash equivalent for the purpose of cash flow statement comprised cash at bank and cash in hand and other short term investment with maturity of three months or less.

l) Share Issue Expenses

Share Issue Expenses is carried as an asset and is amortised over a period of 5 years

NEO INFRACON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	March 31, 2014 Amount In Rs	March 31, 2013 Amount In Rs
NOTE 3		
SHARE CAPITAL		
AUTHORISED		
53,06,800 (Previous Year 53,06,800) Equity Shares of Rs.10 each	53,068,000	53,068,000
	53,068,000	53,068,000
ISSUED, SUBSCRIBED AND PAID UP		
53,06,800 (Previous Year 53,06,800) Equity Shares of Rs.10 each fully paid up	53,068,000	53,068,000
	53,068,000	53,068,000

Note

1 Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	March 31, 2014		March 31, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<u>Equity shares with voting rights</u>				
Dilip K Mehta	599,600	11.29%	484,600	9.13%
Naresh K Mehta	585,000	11.02%	440,000	8.29%
Sangeeta N Mehta	321,900	6.06%	321,900	6.07%
Neuro Properties Pvt. Ltd	359,968	6.78%	359,768	6.78%
Noen Estate and Properties Pvt. Ltd	317,079	5.97%	317,079	5.97%

Particulars	March 31, 2014 Amount In Rs	March 31, 2013 Amount In Rs
NOTE 4		
RESERVES AND SURPLUS		
Share forfeited Account	3,466,000	3,466,000
Opening Profit & Loss balance	2,802,954	1,902,228
Profit / (Loss) for the year	775,498	900,726
	3,578,452	2,802,954
	7,044,452	6,268,954
NOTE 5		
LONG TERM BORROWINGS		
Unsecured		
From Others	4,200,000	-
	4,200,000	-
NOTE 6		
OTHER LONG TERM LIABILITIES		
Electricity charges Fund	206,803	-
Maintainance charges Fund	198,288	-
	405,091	-

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Particulars	March 31, 2014 Amount In Rs	March 31, 2013 Amount In Rs
NOTE 7		
SHORT TERM BORROWINGS		
Working Capital Loan from Bank	-	55,688,305
<u>Unsecured loan</u>		
Loan from related parties	-	20,000
Loan from others	58,000	100,000
	58,000	55,808,305
NOTE 8		
OTHER CURRENT LIABILITIES		
Interest accrued and due on long term borrowings	229,907	-
Trade Deposits and Advances	5,071,384	8,922,503
Statutory liabilities	1,812,266	548,576
Other Payables	554,086	270,896
Brokerage payable	1,110,000	-
Book Overdraft	272,196	6,270,556
	9,049,839	16,012,531
NOTE 9		
SHORT TERM PROVISIONS		
Provision For Income Tax	650,000	450,000
	650,000	450,000
NOTE 10		
NON CURRENT INVESTMENTS		
4 No's(P.Y 4) of Shares of Cooperative Bank of Ahmedabad Ltd of Rs. 25 each	100	100
	100	100
NOTE 11		
LONG TERM LOANS & ADVANCES		
Advances to related parties	-	6,806,356
<u>other advances</u>		
TDS	31,637	31,637
	31,637.00	6,837,993
NOTE 12		
OTHER NON CURRENT ASSETS		
Shares issue Expenses to the extent not written off	-	200,598
	-	200,598
NOTE 13		
INVENTORIES		
(At lower of cost and net realisable value)		
Construction Work-in-progress	41,929,172	72,326,703
	41,929,172	72,326,703
NOTE 14		
TRADE RECEIVABLES		
More than six months	7,545,559	1,133,435
Others	14,307,945	24,177,907
	21,853,504	25,311,342

NEO INFRACON LIMITED

Particulars	March 31, 2014 Amount In Rs	March 31, 2013 Amount In Rs
NOTE 15		
CASH AND CASH EQUIVALENTS		
Cash on hand	498,398	339,486
Balances with banks		
In current accounts	846,949	-
	1,345,347	339,486
NOTE 16		
SHORT TERM LOANS AND ADVANCES		
Advance to Vendors	12,175,339	29,450,000
	12,175,339	29,450,000
Particulars	2013-14 Amount In Rs	2012-13 Amount In Rs
NOTE 17		
REVENUE FROM OPERATIONS		
Sale of Flats	48,678,100	43,424,470
	48,678,100	43,424,470
NOTE 18		
OTHER INCOME		
Interest	653,372	706,356
Other non-operating income		11,400
	653,372	717,756
NOTE 19		
COST OF SALES		
Cost of Flats sold	43,897,269	42,365,500
	43,897,269	42,365,500
NOTE 20		
EMPLOYEES BENEFIT EXPENSES		
Directors remuneration	300,000	-
	300,000	-
NOTE 21		
FINANCIAL EXPENSES		
Interest on TDS	3,428	-
Interest on MVAT	39,921	-
	43,349	-
NOTE 22		
OTHER EXPENSES		
Listing Fees	28,090	50,000
Membership & Subscription fees	33,708	-
Share issue Expenses Written off	200,598	201,000
Professional Fees	596,171	-
Advertisement Expense	850,509	-
Auditors Remuneration	168,540	-
Commission on Sales	1,110,000	175,000
Business Promotion Expenses	266,000	-
Donation	369,000	-
Penalty	33,300	-
Postage & Courier Expenses	30	-
	3,655,946	426,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

23 Contingent Liabilities

There are no contingent liabilities as on the date of the financial statements.

24 Segment Information for the year ended March 31, 2014

As the Company is engaged only in one business segment i.e. Construction & Sale of Flats and there are no geographical segments, the Balance Sheet as at March 31, 2014 and the Profit and Loss Account for the year ended March 31, 2014 pertain to one business segment and related activities as per Accounting Standard (AS) 17 on "Segment Reporting".

25 Related party transactions

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

25.1 Relationships during the year

(A) Key Managerial Personnel

Naresh K. Mehta
 Dilipkumar K. Mehta
 Rajen Mehta

(B) Enterprises over which Key Managerial Personnel Having Significance Influence

Neo builders Limited
 Neon Metal Impex Pvt Ltd
 Newtech infrastructure Pvt Ltd
 Neo builders & Developers (Proprietor)
 Nocil Steels (Partnership)
 Universal Builders & Developers
 Sunlight Realtors Pvt Ltd
 Stamag Builders And Developers Private Limited
 Nancy Exports
 Inventa Infrastructure Pvt Ltd
 Ekveera Life sciences Pvt Ltd
 Ekvira Green Estate
 Hudson Life Sciences LLC NY

25.2 Related party transactions

(A) Transactions with related parties during the year :

Particulars	2013-14	2012-13
Loans and advances		
Mr. Dilip Mehta	-	6,806,356
Interest on Loan Received		
Mr. Dilip Mehta	653,372	706,356

NEO INFRACON LIMITED**26 Earnings per share**

Particulars	2013-14	2012-13
Net profit after tax as per profit and loss statement	775,498	900,726
No of Shares at the beginning of the year	5,306,800	6,000,000
No of Shares at the end of the year	5,306,800	5,306,800
Weighted average number of equity shares outstanding during the year	5,306,800	5,639,061
Nominal value per equity share	10	10
Basic earnings per share	0.15	0.17
Diluted earnings per share	0.15	0.15

27 Auditors' Remuneration (Excluding Service tax)

Particulars	2013-14	2012-13
Audit fees	100,000	80,000
Taxation matters & Tax Audit	50,000	20,000
Other Fees	-	40,000
TOTAL	150,000	140,000

- 28 Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Accounting Standard-15 issued by ICAI and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Profit & Loss Account.
- 29 Trade payable, Trade receivables, loan and advances balances are subject to confirmation and reconciliation.
- 30 The Company has not received intimation from most of the suppliers regarding the status under the Micro, Small and Medium Enterprise Development Act, 2006, and hence disclosure requirements in this regard as per schedule VI of the Companies Act, 1956 is not being provided.
- 31 Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year

As per our report of even date

For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

Vipul N. Chauhan
Partner
Membership No.: 47846

Place : Mumbai
Date : 30/05/14

For Neo Infracon Limited

Directors

Place : Mumbai
Date : 30/05/14

NEO INFRACON LIMITED

52/52-A, Nanubhai Desai Road, 9, Mulji Thakarsi Bldg., Sindhi Lane, Mumbai, Maharashtra 400004

ATTENDANCE SLIP

ANNUAL GENERAL MEETING

Regd. Folio No. _____ No. of Shares held _____

* Demat A/c. No. _____ DPID NO. _____

I CERTIFY THAT I AM A Member/ Proxy of the Company.

I/We hereby record my/our presence at the **ANNUAL GENERAL MEETING** of the Company at **1ST FLOOR, NILAY LIFESCAPES, PARMANAND WADI, OPP. LOHANA MAHAJAN WADI, CHARANI RAOD (E), MUMBAI-400002** on Tuesday, the 16th September, 2014 at 11.30 a.m.

Member/ Proxy's Name
(In Block Letters)

(Signature of the Member/ Proxy)

Note: Please complete the Attendance Slip and hand it over at the entrance of the Meeting Place

* Those who hold shares in Demat form must quote their Demat A/c No. and Depository Participant (DP) No.

NEO INFRACON LIMITED

52/52-A, Nanubhai Desai Road, 9, Mulji Thakarsi Bldg., Sindhi Lane, Mumbai, Maharashtra 400004

PROXY FORM

I/We. _____ of _____ in the district of _____ being a member(s) of NEO INFRACON LIMITED, hereby appoint _____ of _____ in the district of _____ failing him/her _____ of _____ in the district of _____ as my/ our proxy to attend and vote for me/ us and on my behalf at the Annual General Meeting of the Company to be held on Tuesday 16th September, 2014 at 11.30 a.m. and at any adjournment thereof.

Regd. Folio No/DPID NO. _____

Number of Shares : _____

Signed this _____ Day of _____, 2014

Signature: _____